ARIZONA BOARD OF REGENTS
NORTHERN ARIZONA UNIVERSITY
HIGH COUNTRY CONFERENCE CENTER

September 26-28, 2018
Schedule of Events and Meetings

**Wednesday, September 26, 2018**

5:30 p.m. – 7:00 p.m. Executive Session – Rees Room
(5:30-7:00 p.m. – Executive Director Arnold Review of Assignments)

**Thursday, September 27, 2018**

8:00 a.m. – 12:45 p.m. Executive Session – Rees Room
(8:00-9:30 a.m. – President Crow Review of Assignments)
(9:45-10:30 a.m. – President Robbins Review of Assignments)
(10:45-11:15 a.m. – Executive Session)
(11:15-12:45 p.m. – Enterprise Executive Committee Review of Assignments)

11:30 a.m. – 1:30 p.m. Staff Lunch Available – Agassiz/Fremont Room

1:30 p.m. – 5:00 p.m. ABOR Meeting – Humphreys Room

6:00 p.m. – 7:30 p.m. Reception – Museum of Northern Arizona, Colton House
(Invitation Only)

**Friday, September 28, 2018**

7:45 a.m. – 8:45 a.m. Faculty Breakfast – Agassiz/Fremont Room

9:00 a.m. – 9:45 a.m. ABOR Meeting – Humphreys Room

10:00 a.m. – 10:30 a.m. [Transportation for Regents and Staff to College of Education for remainder of the Board meeting]

10:30 a.m. – 12:15 p.m. ABOR Meeting – College of Education, Room 190

12:15 p.m. – 12:45 p.m. [Transportation for Regents and Staff back to the High Country Conference Center]

12:45 p.m. – 2:15 p.m. Executive Session – Ponderosa Room
(12:45-2:15 p.m. – President Cheng Review of Assignments)
Meeting Objectives:

- Review performance of Northern Arizona University and its academic, business and strategic imperatives through an annual operational and financial review.
- Review and possibly take action on presidential contracts.
- Discuss agenda for 2019 legislative session.
- Discuss need to advance educational attainment in Arizona and receive report related to the college going and completion rate.

**Wednesday, September 26, 2018**

5:30 p.m. CALL TO ORDER

5:35 p.m. EXECUTIVE SESSION

**Thursday, September 27, 2018**

8:00 a.m. RECONVENE EXECUTIVE SESSION

1:30 p.m. RESUME PUBLIC MEETING, GREETINGS AND ANNOUNCEMENTS FROM THE BOARD CHAIR

1:45 p.m. NORTHERN ARIZONA UNIVERSITY PRESIDENT’S WELCOME

2:00 p.m. CALL TO THE AUDIENCE

Per board policy 1-114, time has been set aside for Call to the Audience, an opportunity for people to express their views or concerns on matters of board governance to the entire board in a public setting.
2:30 p.m.  ADOPTION OF CONSENT AGENDA ACTION ITEMS AND ACCEPTANCE OF CONSENT INFORMATION ITEMS

All items on the Consent Agenda are listed at the end of this agenda, underlined and marked with an asterisk (*). These items will be considered by a single motion with no discussion. All other items will be considered individually.

2:35 p.m.  REGENTS EXECUTIVE COMMITTEE

1. Presidents’ Contracts

The board office asks the board to approve payment for achievement of the at-risk compensation goals assigned to the presidents and proposed amendments to the presidents’ contracts.

30. Assignment of Goals for At-Risk Compensation

The board office asks the board to assign goals to the board executive director, the university presidents and the Enterprise Executive Committee for at-risk compensation and to authorize the board chair to sign restatements of contracts for the presidents and the letter of appointment for the executive director to reflect these assignments.

2. 2019 Enterprise Legislative Agenda

The Enterprise Executive Committee (EEC) asks the board to approve the EEC’s recommendations for the 2019 enterprise legislative agenda.

3:00 p.m.  FINANCE, CAPITAL AND RESOURCES COMMITTEE

3. University Property Oversight Subcommittee Report and Proposed Property Development Principles

The board will receive a report on the University Property Oversight Subcommittee activities, including the status of development of property governance policy, and the board is asked to consider approval of a policy position and principles for university property development.

4. Sale of 1700 E. Broadway Property for Road Widening (UA)

The University of Arizona asks the board to approve the proposed sale of a 35,484 square foot strip of land on UA’s property located at 1700 E. Broadway Boulevard, to the City of Tucson for expansion of the Broadway Boulevard right of way.
31. **Purchase of 1st Street & Warren Avenue Property on UA Main Campus (UA)**

   The University of Arizona asks the board to approve the purchase of real property and improvements located at 1051-1055 N. Warren Avenue, Tucson, AZ, for a purchase price of $1.7 Million.

3:15 p.m. **15-MINUTE BREAK**

3:30 p.m. **ACADEMIC AFFAIRS AND EDUCATIONAL ATTAINMENT COMMITTEE**

5. **Revocation of Award of Regents Professor Designation**

   Arizona State University asks the board to revoke the honorary faculty title of Regents Professor Dr. Ronald Carlson.

6. **2018 College Enrollment and College Completion Report**

   The board office asks the board to discuss and adopt the 2018 College Enrollment and College Completion Report

4:30 p.m. **STUDENT REGENT REPORT**

4:40 p.m. **REPORT FROM THE ARIZONA FACULTIES COUNCIL**

4:50 p.m. **INQUIRIES, REQUESTS, REPORTS, AND COMMENTS FROM REGENTS AND MEMBERS OF THE ENTERPRISE EXECUTIVE COMMITTEE**

5:00 p.m. **RECESS**

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**Friday, September 28, 2018**

9:00 a.m. **RESUME PUBLIC MEETING**

9:00 a.m. **NORTHERN ARIZONA UNIVERSITY OPERATIONAL AND FINANCIAL REVIEW**


   Northern Arizona University and the board office ask the board to receive their Fiscal Year 2018-2019 operational and financial review composed of the background report, written business plan update and public presentation and strategic discussion.

9:45 a.m. **30-MINUTE BREAK** [Transportation for Regents and staff to the College of Education for remainder of Item 7.]
10:30 a.m.  7.  Northern Arizona University’s 2018-2019 Operational and Financial Review (Cont’d.)

CONSENT AGENDA

These items were considered by a single motion with no discussion and approved earlier in the meeting.

*Minutes  
(a) January 23, 2018 Special Executive Session; (b) January 25, 2018 Special Executive Session; (c) January 26-27, 2018 Special Executive Session; (d) February 8-9, 2018 Executive Session (e) February 20, 2018 Special Executive Session; (f) February 22, 2018 Special Executive Session; (g) February 24, 2018 Special Executive Session; (h) March 1, 2018 Special Executive Session; (i) March 9, 2018 Special Executive Session; (j) April 4-6, 2018 Executive Session; (k) April 4-6, 2018 Special Executive Session; (l) April 16, 2018 Special Executive Session; (m) May 1, 2018 Special Executive Session; (n) May 25, 2018 Special Board Meeting; (o) May 25, 2018 Special Executive Session; (p) May 31, 2018 Special Board Meeting; (q) May 31, 2018 Special Executive Session; (r) June 29, 2018 Special Board Meeting; (s) July 26, 2018 Special Board Meeting; (t) August 8, 2018 Special Board Meeting

REGENTS EXECUTIVE COMMITTEE

8. *Proposed Policy on Presidential Residence (Second Reading)  
The board office asks the board to approve a proposed policy on presidential residences owned by a university or its foundation.

9. *Proposed Revisions to ABOR Policy 6-910 “Appointments Requiring Board Approval” and Proposed Repeal of ABOR Policy 6-915 “Executive Compensation” (Second Reading)  
The board office asks the board to approve the proposed revisions to ABOR Policy 6-910 “Appointments Requiring Board Approval” and the proposed repeal of ABOR Policy 6-915 “Executive Compensation.”

10. *Proposed Revisions to ABOR Policies 5-308 “Student Code of Conduct,” 5-401 “Student Disciplinary Procedures” and 5-404 “Student Disciplinary Files and Records” (Second Reading)  
The board office asks the board to approve the proposed revisions to ABOR Policies 5-308 “Student Code of Conduct,” 5-401 “Student Disciplinary Procedures” and 5-404 “Student Disciplinary Files and Records” to clarify language to distinguish between educational interventions, disciplinary sanctions, and other administrative actions, as
well as to define the term “Disciplinary Proceeding” for purposes of implementing A.R.S. § 15-1866(A)(5).

FINANCE, CAPITAL AND RESOURCES COMMITTEE

11. *Report on the Finance, Capital and Resources Committee

The board office asks the board to review the report of the September 13, 2018 Finance, Capital and Resources Committee.

12. *FY 2020-2022 Capital Improvement Plans (ASU, NAU, UA)

Arizona State University, Northern Arizona University and the University of Arizona ask the board to approve their FY 2020-2022 Capital Improvement Plans.

13. *Amended Capital Development Plan (ASU)

Arizona State University asks the board to approve its amended Capital Development Plan, which includes one new project.

14. *Novus Annual Report (ASU)

Arizona State University submits its Novus Innovation Corridor annual report, in accordance with the reporting process approved by the board in September 2017.

15. *Lease Agreement with the City of Mesa for New City Center Building (ASU)

Arizona State University asks the board to approve a 99-year lease with the City of Mesa for approximately 115,000 SF of academic, research, innovation and office/support space to be constructed at the northwest corner of Pepper Place and Centennial Way in Mesa.

16. *Lease Extension for EV Group, Inc. at the ASU Research Park (ASU)

Arizona State University asks the board to approve authorizing all actions necessary to execute a five-year lease extension, with a five-year option to renew, between ASU, as Landlord, and the EV Group, Inc., as Tenant, for 12,683 square feet in the Macro Technology Works Building in the ASU Research Park in Tempe.

17. *Capital Development Plan (NAU)
Northern Arizona University asks the board to approve its Capital Development Plan, which includes no new projects and no resubmitted projects. The CDP has no financial impact.

18. **Real Property Purchase (NAU)**

Northern Arizona University asks the board to approve the purchase of real property from Northern Arizona Real Estate Holdings, LLC located immediately adjacent to the west of the mountain campus.

19. **Purchase of 1516 E. Drachman Residential Property within Planning Boundary (UA)**

The University of Arizona asks the board to approve the purchase of a residential property located at 1516 E. Drachman, Tucson, Arizona, which is located strategically within the UA’s Planning boundary and immediately adjacent to the UA’s Facilities Management electrical shop.

20. **Proposed Revisions to ABOR Policy Chapter 4 – Relating to the Setting of Tuition and Fees (First Reading)**

The board office asks the board to review on first reading the proposed revisions to ABOR Policy Chapter 4 relating to the annual setting of tuition and fees for Arizona State University, Northern Arizona University and University of Arizona. The board office also asks the board to consider the proposed delayed repeal of ABOR “Guidelines for Class Fees;” “Guidelines for Definitions Used in Setting Tuition and Fees;” and “Guidelines for Requesting Differential Tuition and Program Fee Additions or Modifications,” with such repeal becoming effective upon final board approval of the policy revisions to Chapter 4.

21. **Proposed Revisions to ABOR Policy 7-203 “Purchase of Real Property” (First Reading)**

The board office asks the board to review on first reading the proposed revisions to ABOR Policy 7-203 “Purchase of Real Property.”

22. **Proposed Revisions to ABOR Policies 3-808 “Intergovernmental Procurement,” 3-809 “Legal Remedies” and 3-811 “Significant Procurement Roles” of Chapter III, Article H – University Procurement Code (First Reading)**

The board office asks the board to review on first reading the proposed revisions to ABOR Policies 3-808 “Intergovernmental Procurement,” 3-809 “Legal Remedies” and 3-811 “Significant Procurement Roles” of Chapter III, Article H – University Procurement Code.
23. **Proposed Revision to ABOR Policy 7-106 “Annual Capital Improvement Plans” (Second Reading)**

The board office asks the board to approve a proposed revision to ABOR Policy 7-106 “Annual Capital Improvement Plans” to reflect a new statutory requirement to include in the annual university capital improvement plans the status of capital projects that have been reviewed or approved by, or reported to the Joint Committee on Capital Review.

**ACADEMIC AFFAIRS AND EDUCATIONAL ATTAINMENT COMMITTEE**

24. **Report on the Academic Affairs and Educational Attainment Committee Meeting**

The board office asks the board to review the report of the September 13, 2018 Academic Affairs and Educational Attainment Committee meeting.

25. **Request for Disestablishment of Academic Units in the College of Health Solutions at Arizona State University (ASU)**

Arizona State University asks the board to approve the disestablishment of five departments or schools in the College of Health Solutions.

26. **Proposed Revisions to ABOR Policy 6-310 “Conditions of Postdoctoral Service” (Second Reading)**

The board office asks the board to approve the proposed revisions to ABOR Policy 6-310 “Conditions of Postdoctoral Service.”

27. **Proposed ABOR Policy 1-123 “Student Regent Protocols” (Second Reading)**

The board office asks the board to approve the proposed ABOR Policy 1-123 “Student Regent Protocols.”

**ADMINISTRATIVE BUSINESS**

28. **Proposed Revisions to ABOR Bylaws and Board Policies to Update Title to “Executive Director”**

The board office asks the board to approve the proposed revisions to the ABOR Bylaws and to authorize changes to board policies to reflect the change in title of the leader of the board administrative office to Executive Director.
29. *Proposed Policy Revisions to ABOR Policy 6-1101 “Appointments of Presidents” (First Reading)*

The board office asks the board to review on first reading the proposed revisions to ABOR Policy 6-1101 “Appointments of Presidents.”

12:15 p.m. RECESS [Transportation for Regents and staff back to the High Country Conference Center.]

The board is expected to adjourn its meeting at approximately 2:15 p.m. at the end of executive session.

PLEASE NOTE: This agenda may be amended at any time prior to 24 hours before the board meeting. Estimated starting times for the agenda items are indicated; however, discussions may commence, or action may be taken, before or after the suggested times. Any item on the agenda may be considered at any time out of order at the discretion of the board chair. The board may discuss, consider, or take action regarding any item on the agenda. During the public meeting, pursuant to A.R.S. §38-431.03 (A)(3), the board may convene in executive session for legal advice regarding any item on the agenda.

Regular Board Meeting Schedule

**Meeting Schedule for 2018-2019**

| November 14-16, 2018 | UA | February 6-8, 2019 | ASU |
| April 10-12, 2019 | UA |

**Meeting Schedule for 2019-2020**

| August 22, 2019 | ABOR |
| September 18-20, 2019 | NAU | November 20-22, 2019 | UA |
| February 12-14, 2020 | ASU | April 1-3, 2020 | UA |
| June 10-12, 2020 | NAU |

**Meeting Schedule for 2020-2021**

| August 20, 2020 | ABOR |
| September 9-11, 2020 | NAU | November 18-20, 2020 | UA |
| February 10-12, 2021 | ASU | April 14-16, 2021 | UA |
| June 9-11, 2021 | NAU |

**Meeting Schedule for 2021-2022**

| August 26, 2021 | ABOR | September 22-24, 2021 | NAU |
| November 17-19, 2021 | UA | February 9-11, 2022 | ASU |
| April 6-8, 2022 | UA | June 8-10, 2022 | NAU |
EXECUTIVE SESSION AGENDA
September 26-28, 2018

NOTE: This agenda may be amended at any time prior to 24 hours before the Board meeting. The executive session is scheduled for 5:30 p.m. on Wednesday, September 26, 2018; 8:00 a.m. on Thursday, September 27, 2018 and 12:45 p.m. on Friday, September 28, 2018. The executive session may be recessed and continued as necessary.

Statutory Authorization
A.R.S. § 38-431.03

Items to be Discussed

(A. 2) I. Review of minutes of previous executive session(s)

II. From the board, board office staff or counsel to the board

(A. 3 & 4) A. Report on pending or contemplated litigation

(A. 1, 3 & 4) B. Review of assignments – Presidents and Executive Director

(A. 3) C. Legal advice regarding student safety and sexual misconduct

PLEASE NOTE: This agenda may be amended at any time prior to 24 hours before the meeting. Estimated starting times for the agenda items are indicated; however, discussions may commence before or after the suggested time. Any item on the agenda may be considered at any time out of order at the discretion of the Chair. Pursuant to A.R.S. §38-431.03 (A)(3) the board may convene in Executive Session at any time during the meeting to receive legal advice regarding any item on the agenda.

Instruction re: Confidentiality
Pursuant to A.R.S. §38-431.03(B) & (C) all are reminded that minutes of and discussions that occur in executive sessions are confidential by law and that violations of that confidentiality may subject the individuals involved to such penalties as are prescribed by law, including fines, costs, attorneys' fees, and removal from office.
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Item Name: Presidents’ Contracts

☑ Action Item

Requested Action: The board office asks the board to approve payment for achievement of the at-risk compensation goals assigned to the presidents and proposed amendments to the presidents’ contracts.

Background and Discussion

- The Regents Executive Committee and the board review each president’s contract at least annually. This review considers at-risk compensation, contract terms, contract extensions and performance.

- The review of at-risk compensation includes evaluation of the achievement of goals previously assigned.

- Payment for achievement of at-risk goals will be made no later than December 31 of the year in which the achievement is measured.

- Compensation designated as “at-risk” will not be paid if the assigned goals are not achieved.

- The board will also authorize the Chair to sign a restated contract for each university president based on this executive summary. The attachments describe proposed board actions as follows:
  
  - Attachment A: President Cheng
  - Attachment B: President Crow
  - Attachment C: President Robbins
  - Attachment D: President Emerita Klein
  - Attachment E: The Enterprise Executive Committee

Contact Information:
Nancy Tribbensee, ABOR 602-229-2510 nancy.tribbensee@azregents.edu
Committee Review and Recommendation

- The Regents Executive Committee has reviewed the presidents’ contracts and the proposals outlined in this executive summary.

Statutory/Policy Requirements

- A.R.S. § 15-1626 “General Administrative Powers and Duties of the Board”
- Board Policy 6-1101 “Appointments of Presidents”
ATTACHMENT A

PRESIDENT CHENG

Recommended board action:

1. Award at-risk compensation to President Cheng for achievement of 2017-2018 annual goals ($35,000);
2. Extend President Cheng's contract through June 30, 2021

The following pages include the full descriptions of the goals being evaluated for achievement.

Goals and at-risk compensation for the Enterprise Executive Committee are described in Attachment E.
Annual At-Risk Compensation Goals
for 2017-2018 for President Cheng

1. Provide a comprehensive plan to the board regarding current and proposed strategies to promote student access and success, including evaluation of, coordination of, and reconsideration of or elimination of existing, less effective interventions. ($15,000)

2. Provide a comprehensive report with financial plan to the board on NAU’s education programs, evaluating NAU’s relationships with K-12 partners, assessing effectiveness and proposing plans for expansion, elimination, and modification of education and outreach programs to align with K-12 needs, NAU and board metrics and Achieve60AZ goals. ($10,000)

3. Provide a comprehensive evaluation of and plan for targeted graduate education, including priority areas for NAU research and related tenure-track faculty recruitment along with needed improvements to graduate student recruitment. ($10,000)
## President Cheng At-Risk Compensation

### Annual At-Risk Goals - Report due August 1, 2018

<table>
<thead>
<tr>
<th>2017-2018 Annual At-Risk Goals</th>
<th>At-Risk Compensation Achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Provide a comprehensive plan to the board regarding current and proposed strategies to promote student access and success, including evaluation of, coordination of, and reconsideration of or elimination of existing, less effective interventions.</td>
<td>$15,000 (Achieved)</td>
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<td>2. Provide a comprehensive report with financial plan to the board on NAU’s education programs, evaluating NAU’s relationships with K-12 partners, assessing effectiveness and proposing plans for expansion, elimination, and modification of education and outreach programs to align with K-12 needs, NAU and board metrics and Achieve60AZ goals.</td>
<td>$10,000 (Achieved)</td>
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<tr>
<td>3. Provide a comprehensive evaluation of and plan for targeted graduate education, including priority areas for NAU research and related tenure-track faculty recruitment along with needed improvements to graduate student recruitment.</td>
<td>$10,000 (Achieved)</td>
</tr>
</tbody>
</table>
Recommended board action:

1. Award at-risk compensation to President Crow for achievement of 2017-2018 annual goals ($35,000).
2. Award at-risk compensation to President Crow for achievement of 2015-2018 multiple-year goals ($100,000).
3. Increase President Crow’s cash balance plan to 21% effective July 1, 2018.

The following pages include the full descriptions of the goals being evaluated for achievement.

Goals and at-risk compensation for the Enterprise Executive Committee are described in Attachment E.
Annual At-Risk Compensation Goals for 2017-2018 for President Crow

1. President Crow will develop and present a strategy for the Ira A. Fulton Schools of Engineering to move to enrollment of 25,000 students and world-class research status. In developing this strategy, President Crow will explore opportunities to partner with Northern Arizona University and University of Arizona. ($15,000)

2. President Crow will provide a master plan for the financing, relocation, and development of athletic facilities within the Novus Innovation Corridor. ($10,000)

3. President Crow will present a report detailing the fully encapsulated enterprise structure of ASU, including the roles, functions, responsibilities of Enterprise Partners and other university affiliated entities, including summary charts of ownership entities and percentages, fundamental operating agreement terms and sources and uses financial statements for each entity ($10,000)
FY2015-FY2018 Multiple-Year At-Risk Compensation Goals  
For President Crow

To be measured as of June 30, 2018. The University President may receive compensation for each of the individual performance goals. Generally, payments are not pro-rated for partial achievement of a goal. If all of the multiple-year at-risk compensation goals (i.e., the enterprise metric and university initiatives goals) are achieved, the University President will be eligible for an additional at-risk payment of $50,000.

Enterprise Performance At-Risk Compensation Goals
1. Freshman Retention. University President will be entitled to a payment of $10,000 for achievement of the 2018 fiscal year strategic plan metric goal in the Freshman Retention Rate of 85.2% with an additional payment of $10,000 for exceeding the goal by attaining a Freshman Retention Rate of 86%. (Total possible = $20,000)

2. Research Expenditures. University President will be entitled to a payment of $20,000 for University attaining the projected 2018 fiscal year strategic plan metric goal for total research expenditures of $562.5 million with an additional payment of $20,000 for exceeding the goal by attaining total research expenditures of $607.4 million for the 2018 fiscal year. (Total possible = $40,000)

3. Bachelor’s Degrees. University President will be entitled to a payment of $10,000 for achievement of the projected 2018 fiscal year strategic plan metric goal in Bachelor’s Degrees Awarded of 16,246. (Total possible = $10,000)

4. Total Students. University President will be entitled to a payment of $10,000 for achievement of the projected 2018 fiscal year strategic plan metric goal of 100,184 total students enrolling in the University. (Total possible = $10,000)

5. Number of Degrees in High Demand Fields. University President will be entitled to a payment of $10,000 for achievement of the projected 2018 fiscal year strategic plan metric goal number of degrees in high demand fields of 9,450. (Total possible = $10,000)

University Initiatives At-Risk Compensation Goals
1. Attain top three ranking in the PAC 12 for academic performance of ASU student athletes. (Total possible = $10,000)

2. Increase fundraising to more than $165 million per year over the 3-year average of FY16, FY17 and FY18. (Total possible = $20,000)
EXECUTIVE SUMMARY

3. Launch and operate America’s largest engineering school successfully with 90% student retention. (Total possible = $20,000)

NOTES

- The enterprise metric at-risk compensation goals will be evaluated based on university data.
- In addition to any elements described in the goals, the president’s report should describe the following for each university initiative goal:
  - The strategic importance of the goal to the university or enterprise strategic plan;
  - Achievement of the goal as assigned, progress toward achievement, or challenges that prevented achievement and a strategy for overcoming those challenges;
  - Data or other evidence demonstrating achievement;
  - Any administrative, personnel, resource allocation or policy changes associated with achievement of the goal;
  - The plan or proposed strategy for maintaining the achieved goal or the momentum put in place in support of the strategic initiative(s) described in the goal; and
  - Any additional issues the president believes may be relevant to the evaluation of the goal or to the continued success of the initiative described in the goal.
- Reports may include sections that describe confidential personnel or proprietary information. Those sections should be marked appropriately and those elements may be limited to executive session review by the Board.
### 2017-2018 Annual At-Risk Goals

<table>
<thead>
<tr>
<th>Goal Description</th>
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<tr>
<td>1. Develop and present a strategy for the Ira A. Fulton Schools of Engineering to move to enrollment of 25,000 students and world-class research status. In developing this strategy, President Crow will explore opportunities to partner with Northern Arizona University and University of Arizona.</td>
<td>$15,000 (Achieved)</td>
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<td>2. Provide a master plan for the financing, relocation, and development of athletic facilities within the Novus Innovation Corridor.</td>
<td>$10,000 (Achieved)</td>
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<td>3. Present a report detailing the fully encapsulated enterprise structure of ASU, including the roles, functions, responsibilities of Enterprise Partners and other university affiliated entities, including summary charts of ownership entities and percentages, fundamental operating agreement terms and sources and uses financial statements for each entity.</td>
<td>$10,000 (Achieved)</td>
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### 2015-2018 Multiple-Year At-Risk Goals

#### A. At-Risk Compensation Goals for Achievement of Enterprise Metrics

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<td>$10,000 or $20,000 (Achieved: $10,000)</td>
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<td>2. Research Expenditures. University President will be entitled to a payment of $20,000 for University attaining the projected 2018 fiscal year strategic plan metric goal for total research expenditures of $562.5 million with an additional payment of $20,000 for exceeding the goal by attaining total research expenditures of $607.4 million for the 2018 fiscal year.</td>
<td>$20,000 or $40,000 (Achieved $20,000)</td>
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<td>3. Bachelor’s Degrees. University President will be entitled to a payment of $10,000 for achievement of the projected 2018 fiscal year strategic plan metric goal in Bachelor’s Degrees Awarded of 16,246.</td>
<td>$10,000 (Achieved)</td>
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<td>4. Total Students. University President will be entitled to a payment of $10,000 for achievement of the projected 2018 fiscal year strategic plan metric goal of 100,184 total students enrolling in the University.</td>
<td>$10,000 (Achieved)</td>
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<td>5. Number of Degrees in High Demand Fields. University President will be entitled to a payment of $10,000 for achievement of the projected 2018 fiscal year strategic plan metric goal number of degrees in high demand fields of 9,450.</td>
<td>$10,000 (Not achieved)</td>
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#### B. At-Risk Compensation Goals for University Initiatives

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<td>1. Attain top three ranking in the PAC 12 for academic performance of ASU student athletes.</td>
<td>$20,000 (Achieved)</td>
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<td>2. Increase fundraising to more than $165 million per year over the 3-year average of FY16, FY17 and FY18.</td>
<td>$20,000 (Achieved)</td>
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<tr>
<td>3. Launch and operate America’s largest engineering school successfully with 90% student retention.</td>
<td>$10,000 (Achieved)</td>
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</table>

*If all of the multiple-year at-risk compensation goals (i.e., the enterprise metric and university initiatives goals) are achieved, the University President will be eligible for an additional at-risk payment of $50,000.*
ATTACHMENT C

PRESIDENT ROBBINS

Recommended board action:

1. Award at-risk compensation to President Robbins for achievement of 2017-2018 goals ($35,000).
2. Extend President Robbins’ contract through June 30, 2021.

The following pages include the full descriptions of the goals being evaluated for achievement.

Goals and at-risk compensation for the Enterprise Executive Committee are described in Attachment E.
Annual At-Risk Compensation Goals for 2017-2018 for President Robbins

1. Assemble, evaluate and engage a high quality and effective leadership team for University of Arizona, on or before July 1, 2018. This includes identifying strengths of senior leadership and determining if new positions or changes in responsibilities for existing positions are warranted. The positions should be defined, filled, or searches underway by June 30, 2018. ($15,000)

2. Evaluate the university’s strategic plan and prepare a draft outline of updated or new plan with a clearly differentiated and distinguished mission for the UA in Arizona and the U.S. The report on this goal should address the process for obtaining meaningful input from all key constituencies of the UA. The final plan will be presented to the board in November 2018. ($10,000)

3. Organize and staff a University marketing unit and charge the Sr. VP of Marketing (new hire) with developing a marketing plan to be implemented in conjunction with the newly developed University Strategic Plan ($10,000)
**EXECUTIVE SUMMARY**

**2017-2018 Annual At-Risk Compensation Goals**

*For President Robbins*

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<tbody>
<tr>
<td>1. Assemble, evaluate and engage a high quality and effective leadership team for University of Arizona, on or before July 1, 2018. This includes identifying strengths of senior leadership and determining if new positions or changes in responsibilities for existing positions are warranted. The positions should be defined, filled, or searches underway by June 30, 2018.</td>
<td>$15,000 (Achieved)</td>
</tr>
<tr>
<td>2. Evaluate the university’s strategic plan and prepare a draft outline of updated or new plan with a clearly differentiated and distinguished mission for the UA in Arizona and the U.S. The report on this goal should address the process for obtaining meaningful input from all key constituencies of the UA. The final plan will be presented to the board in November 2018.</td>
<td>$10,000 (Achieved)</td>
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<tr>
<td>3. Organize and staff a University marketing unit and charge the Sr. VP of Marketing (new hire) with developing a marketing plan to be implemented in conjunction with the newly developed University Strategic Plan.</td>
<td>$10,000 (Achieved)</td>
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ATTACHMENT D

PRESIDENT EMERITA KLEIN

Recommended board action:

1. Award at-risk compensation to President Emerita Klein for achievement of 2017-2018 goals ($30,000).

The following pages include the full descriptions of the goals being evaluated for achievement.

Goals and at-risk compensation for the Enterprise Executive Committee are described in Attachment E.
Annual At-Risk Compensation Goals
for 2017-2018 for Eileen Klein

1. Individual At-Risk Goal 1 ($15,000): Ms. Klein will prepare a comprehensive transition report regarding ABOR operations. The report will include a summary of current activities, functions and assignments, as well as a summary of actions and accomplishments during the past five years. The report will identify any outstanding items from work plans or special projects. In addition, the report will include recommendations for further action by the Board regarding Board operations, including resource recommendations to address Board capacity and a proposed office budget for FY2019. Personnel and other items deemed confidential by the Board will be presented through counsel. The transition report is due to the Board chair on or before June 8, 2018.

2. Individual At-Risk Goal 2 ($15,000): Ms. Klein will prepare a report on the status of the university enterprise, including changes in outcomes over the past five years. The report will identify areas for further study and action by the Board. In addition, the report will include recommendations to strengthen the Board's enterprise governance model and enhance the effectiveness of the Enterprise Executive Committee (EEC). Personnel and other items deemed confidential by the Board will be presented through counsel. The enterprise report is due to the Board on or before September 1, 2018.
ATTACHMENT E
ENTERPRISE EXECUTIVE COMMITTEE

Recommended board action:

1. Award at-risk compensation ($15,000 each) to members of the 2017-2018 EEC (Presidents Cheng, Crow, Robbins and President Emerita Klein) for achievement of 2017-2018 goals.

The following page include the full descriptions of the goals being evaluated for achievement.
Annual At-Risk Compensation Goals
for 2017-2018 for the Enterprise Executive Committee

The Enterprise Executive Committee (EEC) will design a comprehensive, tri-university enterprise plan for the development of educational, research and business partnerships in downtown Phoenix, with the Phoenix Biomedical Campus (PBC) as the hub. Complementary community college programming should be considered as part of the plan. The plan will enhance and formalize the joint management structure of the PBC under the direction of the EEC, including coordinated program and capital planning, government affairs, campus management and dispute resolution ($15,000 to each member of the EEC).

The report should include an Executive Summary of a maximum of two pages in length. Additional supporting data and comments should not exceed an additional 15 pages.
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EXECUTIVE SUMMARY

Item Name: 2019 Enterprise Legislative Agenda

☑️ Action Item

Requested Action: The Enterprise Executive Committee (EEC) asks the board to approve the EEC’s recommendations for the 2019 enterprise legislative agenda.

Background

Each year the board office and universities develop policy proposals that are deliberated by the EEC and result in formal recommendations to the board for approval. Items approved by the board become the university system’s annual legislative agenda. Once approved by the board, the board and university government affairs teams begin formal advocacy efforts for the approved legislative agenda.

At the September 2018 board meeting, the board will discuss and be asked to approve the EEC’s recommendations for the 2019 enterprise legislative agenda.

The annual state budget request is considered separately by the board from the annual enterprise legislative agenda.

Contact Information:
Brittney Kaufmann, Assistant Vice President for Government Affairs, ABOR
brittney.kaufmann@azregents.edu
602-229-2509
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## State Budget Position

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EXECUTIVE SUMMARY

**Item Name:** University Property Oversight Subcommittee Report and Proposed Property Development Principles

- Action Item

**Requested Action:** The board will receive a report on the University Property Oversight Subcommittee activities, including the status of development of a property governance policy, and the board is asked to consider approval of a policy position and principles for university property development, as described in this Executive Summary.

**Background/History of Previous Board Action**

- The University Property Oversight Subcommittee has previously reported on its meetings from February and March, which included adoption of the subcommittee charge, work plan, development of preliminary principles regarding development of university property, and review of ASU real estate organization.

- The ABOR office has executed an agreement for real estate consulting services with RCLCo Real Estate Advisors (RCLCo) for development of recommendations on property governance policy.

**Discussion**

- The subcommittee had a meeting in July that included:
  - Review of University Property Development Principles for committee consideration;
  - RCLCo update on development of property governance recommendations;
  - State Land Department presentation on university trust lands;
  - Overview of ASU and ASU Foundation real estate relationship;
  - Tour of Skysong.

- The subcommittee will hold additional meetings to continue reviews of university real estate organization, tour university assets, consider a property governance structure, and address other university property related matters.

**Property Governance**

- RCLCo, in working with the ABOR office, is close to completing draft property governance recommendations.

**Contact Information:**
Lorenzo Martinez, ABOR 602-229-2525 lorenzo.martinez@azregents.edu
EXECUTIVE SUMMARY

- The draft recommendations will be shared with the subcommittee and universities for feedback when available.

- The ABOR office will also begin working with the universities to develop ABOR policies to implement a governance structure for university property development.

- Draft property governance policies will be submitted to the University Property Oversight Subcommittee in time for possible consideration by the Finance, Capital and Resources Committee and the board at the scheduled November meetings.

University Property Development Principles

- At its July meeting the subcommittee reviewed a proposed policy position and principles for university property development, and recommended forwarding to the committee for review and ultimate approval by the board.

- Attachment A includes the proposed policy position and principles.

- In general, the policy position and principles recognize ABOR responsibility for governing university property management and capital planning, and emphasize that development of university property should:
  - Prioritize and advance the mission of the university;
  - Optimize the value of the property and maximize the benefit to the university;
  - Not be used solely to abate taxes;
  - Document the tax treatment of the development, and benefits to the university and the State; and
  - Include outreach and coordination with community partners and governmental entities.

Committee Review and Recommendation

The Finance, Capital and Resources Committee reviewed this item at its September 13, 2018 meeting and recommended forwarding to the full board for approval.
BACKGROUND

Property owned by ABOR, on behalf of itself or the public universities under its jurisdiction are assets intended to support the universities in their broad educational and research missions. Arizona statute authorizes ABOR to acquire, dispose of, lease and/or hold real property, and related property rights and interests and to use these assets to generate economic activity to benefit the universities, their students, industry and the communities they serve.

As recently as 2008, the State of Arizona paid a majority of the cost of a resident student’s education. In FY 1998, this percentage was 88.4%; in 2008 the percentage was 72.2%; and in FY 2016, the State General Fund provided only 34% of the cost of a resident student’s education. More than ever, Arizona’s public universities must diversify their revenue streams to maintain high quality education, offer innovative and high-quality research opportunities, while minimizing the cost burden on their students.

University real estate assets offer the opportunity to provide unique spaces and facilities that bring together education, research and industry, enhance the commercialization of university research and intellectual property, provide economic and academic business partners for the universities, enhance local communities, and serve as an important driver of Arizona’s overall economy. In addition to the value that this development can bring to the community, using sound commercial development strategies for university properties can provide an innovative revenue stream to the universities to relieve the burden on students and enhance the universities’ ability to pursue their educational and research missions.

University Property Development Principles

Commercial development opportunities on university property can play a critical role in advancing the mission of Arizona’s public university enterprise including providing financial support, expanding academic and research opportunities, and enhancing university partnerships. Further, these projects result in local and state economic growth. To that end, the following principles provide guidance for development on university property.

1. ABOR is responsible for governing the acquisition, development, leasing and/or disposition of university property as well as the oversight of university capital planning.
2. Universities should prioritize the real estate needs of the academic mission over commercial development.

3. Opportunities for commercial development on university property should, to the extent possible, optimize the monetary value of the property and enhance the academic mission of the university.

4. A university should use financial transactions that support the needs of the university, whether sale, lease, leaseback or other means to facilitate development of university property.

5. In general, universities should consider long-term leases over the sale of real property unless the university can demonstrate to ABOR that a sale will provide a greater long-term benefit.

6. Neither ABOR nor the universities shall acquire or lease property as a means solely to abate taxes that would otherwise be collected on a non-university related commercial activity or development.

7. University research parks are a valuable part of Arizona’s economic development plan. Research parks should be allowed to expand under existing statutes to provide the universities and the state partners for the continued development of research, business incubation and student employment.

8. As may be requested by ABOR, each university shall document the economic benefits to the university and the state of each university property-development project including the tax treatment of the proposed development and shall document how such development furthers the academic mission of the university.

9. University property development must include appropriate community outreach and coordination with community partners and relevant governmental entities.
EXECUTIVE SUMMARY

Item Name: Sale of 1700 E. Broadway Property for Road Widening (UA)

☐ Action Item

Requested Action: The University of Arizona asks the board to approve the proposed sale of a 35,484 square foot strip of land on the UA’s property located at 1700 E. Broadway Boulevard, to the City of Tucson for expansion of the Broadway Boulevard right of way, as described in this Executive Summary.

Background/History of Previous Board Action

- In November 16, 2016, the board approved the UA’s acquisition of the real property located at 1700 E. Broadway, Tucson, Arizona, 85719, (the “Property”) to accommodate certain departments and units needing to relocate as a result of the construction of the Banner hospital.

Discussion

- The City of Tucson is acquiring property to complete a long-planned widening of Broadway Boulevard.

- In connection with the road-widening project, the City needs to acquire approximately 35,484 square feet of the Property that lies immediately adjacent to the Broadway public right of way (the “Right of Way Parcel”). This Property is not located within the UA’s Campus Planning Boundary. The Property and Right of Way Parcel are depicted on Exhibit A, attached, and a legal description of the Right of Way Parcel is attached as Exhibit B.

- The City has secured an appraisal by Baker, Peterson, Baker & Associates, Inc. with an effective date of May 7, 2018 and provided a copy to the UA. The City has offered $27,100, the full appraised value of the Right of Way Parcel, plus the value of site improvements that are located within the Right of Way Parcel (a pony wall and landscaping).

- The loss of the Right of Way Parcel will not have any impact on the UA’s ability to use the Property, and is necessary for the City to move forward with a significant

Contact Information:
Gregg Goldman, Senior Vice President for Business Affairs and CFO, ggoldman@email.arizona.edu, (520) 621-5977
transportation project that has been planned for decades.

- The proceeds of the sale will be deposited into the UA’s land acquisition account, and amounts attributable to site improvements being acquired by the City will be allocated to the renovation project account for 1700 E. Broadway.

Committee Review and Recommendation

The Finance, Capital and Resources Committee reviewed this item at its September 13, 2018 meeting and requested the University of Arizona review options for making sure the university can retain ownership if the city does not proceed with the road widening project.

Statutory/Policy Requirements

- ABOR Policy 7-204 permits property to be sold without Finance, Capital and Resources Committee review if it is expected to sell for less than $250,000, but only if it is to be sold by listing it with a broker or at public auction.
EXHIBIT “A”

Site Aerial
EXHIBIT “B”

(Legal Description)

CITY OF TUCSON
PROPOSED RIGHT-OF-WAY
BROADWAY BOULEVARD – 1ST AVE. TO COUNTRY CLUB ROAD
PARCEL 7-J

A portion of the West half of Lot 2, of the subdivision of Sunnyside Addition to the City of Tucson, as recorded in Book 1 at Page 8 of Maps and Plats at the Pima County Recorders Office. Said parcel is further recorded in Sequence Number 20170750340 at the Pima County Recorders Office and is lying within the northeast quarter of the northeast quarter of Section 18, Township 14 South, Range 14 East, Gila and Salt River Meridian, Pima County, Arizona.

Said parcel being more particularly described as follows;

Commencing at the intersection of the monument line of Warren Avenue formerly known as Vine Street with the monument line of Broadway Boulevard formerly known as Eleventh Street, both according to the map and plat of said Sunnyside Addition, said point being a found 2” brass disk stamped “RLS 23956 COT’’;

Thence North 89°05’02” East, 125.28 feet along the monument line of said Broadway Boulevard, from said point a found 2” brass disk stamped “RLS 23956 COT” at the intersection with the monument line of Martin Avenue – South formerly known as Sycamore Street according to the map and plat of said Sunnyside Addition bears North 89°05’02” East, 309.75 feet;

Thence South 0°54’58” East, 75.00 feet to the South right-of-way of Broadway Boulevard according to that certain instrument recorded in Docket 7785 at Page 845 at the Pima County Recorders Office at the northwest corner of parcel as it currently exists, said point being the Point of Beginning;

Thence North 89°05’02” East, 92.00 feet along said South right-of-way to the northeast corner of said parcel, said point being a found 1/2” rcbar tagged “RLS 13178’’;

Thence South 0°44’06” East, 16.20 feet along the East line of said parcel to a point of curvature on a non-tangent curve concave northerly with a local radial bearing of South 01°38’20” West;

Thence westerly along the arc of said curve to the right, having a radius of 2168.00 feet, through a central angle of 2°26’11”, for an arc length of 92.19 feet to a point of non-tangency;
Continuation of EXHIBIT “B”

Thence North 0°44’06” West, 10.13 feet along West line of parcel to the Point of Beginning.

The above described parcel contains an area of 1241 square feet or 0.0285 acres, more or less.

The Basis of Bearing for the above description is the monument line of Broadway Boulevard from the intersection of Warren Avenue to the intersection of Martin Avenue (South) said bearing being North 89°05’02” East according to the City of Tucson Department of Transportation/Engineering Division plans entitled ‘Broadway Boulevard – Euclid Avenue to Country Club Road”, Plan # R-2015-002, on file in the offices of the City of Tucson Engineer, Pima County, Arizona. This plan is also recorded at Sequence number 20161940609 at Records of Surveys at the Pima County Recorders Office. This bearing is derived from the Arizona State Plane Coordinate System Grid, Central Zone, North American Datum of 1983.
EXECUTIVE SUMMARY

Item Name: Revocation of Award of Regents Professor Designation

☑ Action Item

Requested Action: Arizona State University asks the board to revoke the honorary faculty title of Regents Professor Dr. Ronald Carlson.

Background/History of Previous Board Action
- At its November 2003 meeting, the board approved the appointment as Regents Professor of Ronald Carlson, a professor of English and Director of the Creative Writing Program at Arizona State University to be effective in AY2005.
- Professor Carlson retired from Arizona State University on June 30, 2006 as Regents Professor Emeritus.
- Dr. Carlson left ASU to accept a faculty position at the University of California – Irvine, a position that he held until resigning the last week of August 2018.

Discussion
- Prior to accepting employment with Arizona State University in August 1986, Dr. Carlson was employed as a teacher at The Hotchkiss School from 1971 – 1981. Hotchkiss is a private boarding school for grades 9-12.
- In August 2018, the Trustees for The Hotchkiss School released an independent investigative report into allegations of sexual misconduct by faculty or staff at the School against students. The investigation substantiated allegations against seven faculty members. The misconduct occurred during the time period from 1969 to 1992.
- Ronald Carlson was one of the former faculty members against whom allegations were substantiated. The misconduct by Dr. Carlson occurred in the mid- to late 1970’s with a female student.
- On August 31, 2018, Arizona State University notified Dr. Carlson that the Provost was revoking the honorary title of Emeritus.
- Arizona State University now recommends that the board revoke its honorary title of Regents Professor based upon the substantiated finding of Dr. Carlson’s earlier misconduct.

Statutory/Policy Requirements
- Board Policy 6-208 Honored Faculty Positions permits the rank of Regents Professor to be awarded only to full professors with exceptional achievements that have brought them national or international distinction. The Board may revoke the title for misconduct by the faculty member.

Contact Information:
Mark Searle, Executive Vice President and University Provost - 480-965-9585 - Mark.Searle@asu.edu
EXECUTIVE SUMMARY

Item Name: 2018 College Enrollment and Completion Report

☐ Action Item

Requested Action: The board office asks the board to discuss and adopt the 2018 College Enrollment and Completion Report.

Background & Discussion

This report is designed to provide a snapshot of the proportion of Arizona high school students who continue to two- and four-year colleges, as well as the percentage within a six-year cohort who complete a two- or four-year program. The years examined as part of this report’s analysis are between 2010-2011 and 2016-2017 for college enrollment and 2004-2005 through 2010-2011 for college completion.

The universe of students considered in this report is limited to those who attended public high schools and postsecondary institutions that accept federal financial aid. The report is compiled by matching unique student identifiers from the Arizona Department of Education with enrollment and college completion data from the National Student Clearinghouse.

The attached report contains significant detail and information regarding college enrollment and completion in Arizona.

Statutory/Policy Requirements

- A.R.S. §15-1626(A) General Administrative powers and duties of board

Contact Information:
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George Raudenbush (602) 229-2544 George.Raudenbush@azregents.edu
Ryan Tucker (602) 229-2520 Ryan.Tucker@azregents.edu
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ABOUT THIS REPORT

The Arizona Board of Regents College Enrollment and Completion Report is designed to provide a snapshot of the proportion of Arizona high school students who continue to postsecondary education, as well as the percentage who complete a two- or four-year program within six years. The years examined as part of this analysis are between 2010-11 and 2016-17 for college enrollment, and 2004-05 through 2010-11 for college completion.

The universe of students considered in this report is limited to those who attended public high schools and two- and four-year institutions that accept federal financial aid. The report is compiled by matching unique student identifiers from the Arizona Department of Education with enrollment and college completion data from the National Student Clearinghouse. Two distinct cohorts are detailed in the report data - one for college enrollment and one for college completion. This results in a different cohort size for the same year. In addition, for the purposes of this report, college enrollment is defined as enrollment in a two- or four-year institution in the fall immediately following a student’s high school graduation.

The board provides this data as crucial information to understanding college enrollment and completion trends and the educational attainment gaps, challenges and opportunities in Arizona.

ABOUT THE ARIZONA BOARD OF REGENTS

The Arizona Board of Regents is committed to ensuring access for qualified residents of Arizona to undergraduate and graduate institutions; promoting the discovery, application, and dissemination of new knowledge; extending the benefits of university activities to Arizona’s citizens outside the university; and maximizing the benefits derived from the state’s investment in education.

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Rick Myers
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Superintendent Diane Douglas, Ex-Officio
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7  2017 Two- and Four-Year College Completion Outcomes and Trends

7  Demographic Trends in College Completion

8  Educational Attainment Is Essential for a Thriving Arizona

8  Unique Challenges in Arizona

9  Graduates from Arizona Public Universities Earn More

10 Increasing College Completion Leads to Individual Prosperity, Stronger Arizona Economy

11 References

15 Exhibits Index
In terms of educational attainment, Arizona remains in many ways a state divided. Rates of college attendance and completion remain starkly uneven across geographic, racial and socioeconomic lines.

Arizona is home to some of the nation’s top-performing high schools in which the vast majority of students pursue a college or university degree after high school. Yet in some communities – especially rural, tribal and sections of the urban core – few, if any, students pursue a two- or four-year degree.

Lack of educational attainment is a primary limiting factor not only on individual prosperity, but also the economy of entire communities where college enrollment and completion rates remain low. Identifying ways to improve attainment within these communities and socioeconomic groups is a board priority.

Current enrollment data reflects that in 2017, nearly half – 47.4 percent – of Arizona’s high school graduating class did not enroll in a two- or four-year college after graduation, a rate that has remained static over the past two years. This substantially lags the national average. Based on current available data, the immediate college enrollment rate for high school completers in 2016 was 69.8 percent. Among 2011 high school graduates, just 27.3 percent had completed a two- or four-year degree six years after high school graduation (exhibit CC.1.1).

The urgency to increase educational attainment is compounded when considering the following concerning facts regarding education in Arizona:

- If educational attainment trends stay on their current trajectory, only 17.2 percent of today’s ninth graders will graduate from a four-year college by 2028.
- Fourteen percent of Arizona youths aged 16-24 are neither in school nor working.
- Twenty percent of Arizona high school students do not graduate high school in four years.
- Hispanic students in Arizona, who represent almost half of the K-12 population, lag across the education system and in postsecondary attainment.

The Arizona Board of Regents 2018 College Enrollment and Completion Report defines a problem statement for attainment in Arizona: Why are more students not enrolling in and completing college, and what can be done to improve educational attainment?

This report details key data on two- and four-year enrollment and completion outcomes and trends and includes ethnicity and gender breakdowns. Full high school listings providing individual high school college enrollment and completion information can be found at azregents.edu.
2017 TWO- AND FOUR-YEAR COLLEGE ENROLLMENT OUTCOMES AND TRENDS

The needle is not moving on the rate of Arizona high school graduates going on to college. In 2017, the enrollment rate was 52.6 percent, a rate that has remained static since 2013 and actually has decreased from 53.5 percent in 2012 (exhibit CE.1.1).

The rate of high school graduates enrolling in four-year colleges and universities has grown, from 26.1 percent in 2016 to 27.4 percent in 2017. However, Arizona’s enrollment rate at two-year colleges has declined from 26.4 percent in 2016 to 25.2 percent in 2017 (exhibit CE.1.1).

Notable is the number of students opting not to pursue a college education. Among 71,337 total high school graduates in 2017, nearly half – 33,812 – did not enroll in a two- or four-year institution (exhibit CE.1.2).

The enrollment data also sheds light on the inconsistent performance of Arizona high schools in sending students to college. The top 50 percent of Arizona high schools produce 88.7 percent of all Arizona high school graduates who go onto enroll in college. The bottom 50 percent of Arizona high schools produce 21.8 percent of Arizona’s high school graduates while accounting for only 11.3 percent of college enrollments (exhibit CE.11.3).

Enrollment trends reflect an almost even split between two- and four-year schools. Among students who pursued a college or university education, 52.1 percent enrolled in a four-year university and 47.9 percent attended a two-year college in 2017 (exhibit CE.1.3).

Among all students graduating from an Arizona high school, 70.4 percent of those who opt to pursue a four-year degree choose to attend one of Arizona’s three public universities. Among two-year colleges, Glendale, Pima and Chandler/Gilbert community colleges are the top three choices (exhibit CE.2.1, 2.2).

DEMOGRAPHIC TRENDS IN COLLEGE ENROLLMENT

ETHNICITY TRENDS
While college enrollment rates among Hispanic, Native American and Black high school graduates improved between 2013 and 2017, they trail behind the percentage of White and Asian high school graduates who choose to enroll (exhibit CE.6.1).

College enrollment rates among Hispanic graduates improved from 43.6 percent in 2013 to 46.2 percent in 2017, a 2.7 percentage point increase (exhibit CE.6.1).

Among Native American high school graduates, 39 percent enrolled in college in 2017, a 6.4 percentage point increase from 32.6 percent in 2013 (exhibit CE.6.1).

The percentage of Black high school graduates who enrolled in college has remained nearly flat over the last five years. In 2013, 50.7 percent of Black high school graduates enrolled in college and in 2017, the percentage was 51.2 percent (exhibit CE.6.1).
College enrollment in 2017 for White high school graduates was 59.9 percent and 76.1 percent for Asian high school graduates (exhibit CE.6.1).

**FEMALES OUTPACE MALES IN ENROLLMENT**
Female high school graduates continue to outpace males in enrollment in two- and four-year institutions, continuing a consistent trend over the past five years. Females make up 50.8 percent of all high school graduates, but 56.2 percent of two- and four-year college enrollments in 2017. The gender disparity is especially stark among four-year enrollments where females make up 59.3 percent of the class (exhibit CE.8.1).

For the 2017 class, the college enrollment rate among females was 58.2 percent, 11.4 points higher than the male rate of 46.8 percent (exhibit CE.8.1). College enrollment rates among males have remained stagnant for the past five years (exhibit CE.10.1).

**2017 TWO- AND FOUR-YEAR COLLEGE COMPLETION OUTCOMES AND TRENDS**

Just as the enrollment rate has remained flat for the past two years, college completion rates for the three most recent cohorts also are essentially flat.

Data for the graduating high school class of 2011 indicates 27.3 percent completed a two- or four-year degree, relatively no growth from the 27.1 percent rate for the class of 2010. However, the rate of college completion has improved from the rate of 22.5 percent for the class of 2005 (exhibit CC.1.1).

College completion trends also highlight inconsistent performance of Arizona high schools. For college completions, the top 30 percent of Arizona high schools produce 65.2 percent of Arizona high school graduates and 83.7 percent of the high school graduates who go on to complete college. The remaining 70 percent of Arizona high schools produce 34.8 percent of Arizona high school graduates, but only 16.3 percent of the graduates go on to complete college (exhibit CE.11.3).

**DEMOGRAPHIC TRENDS IN COLLEGE COMPLETION**

**ETHNICITY COMPLETION TRENDS**
College completion rates for Hispanic, Native American and White graduates indicate modest improvement, while rates for Black students remained flat. Asian students experienced the most improvement in college completion over the five years of cohorts analyzed (exhibit CC.6.1).

College completion rates among 2011 Hispanic graduates is up 4.6 points from the high school graduating class of 2007. However, the college completion percentage for Hispanics is 20 percent. The four-year completion rate for Hispanics is 12.1 percent (exhibit CC.6.1).

The percentage of Black high school graduates who complete college in six years is down 0.3 percentage points from 20.2 percent in 2007 to 19.9 percent in 2011 (exhibit CC.6.1).

College completion among Native American high school graduates improved 1.6 percentage points over the past five years from 10.6 percent in 2007 to 12.2 percent in 2011 (exhibit CC.6.1).
The percentage of White high school graduates who complete college within six years is up 2.4 percentage points from 31.7 percent in 2007 to 34.1 percent in 2011 (exhibit CC.6.1).

Asian high school graduates’ 2011 college completion rate is 49.3 percent - a 7.4 percentage point improvement from 2007 completion rate of 41.9 percent (exhibit CC.6.1).

**Gender Completion Trends**

The number of women completing college over the past five years of cohorts is increasing. Between the high school graduating class of 2007 and 2011, the number of women earning a two- or four-year degree increased 27.9 percent. During the same time, men saw a 26.5 percent increase in the number of two- or four-year degrees (exhibit CC.7.1).

While females represent 50.7 percent of high school graduates, they make up 59.7 percent of college completions at two- and four-year institutions (exhibit CC.8.1).

Moreover, 32 percent of female high school graduates complete a degree within six years of high school graduation, as compared to 22.4 percent of male high school graduates who complete a degree within six years of high school graduation (exhibit CC.10.1).

Female high school graduates earn a four-year degree within six years of high school graduation at a higher rate than males – 24.4 percent for females versus 16.7 percent for males (exhibit CC.10.1).

An additional disparity among gender is the five-year high school graduation rate for males at 81 percent versus 86 percent for females. Incorporating the high school graduation rate, only 13.5 percent of male ninth graders complete a four-year degree compared to 21 percent of ninth-grade females.

**Educational Attainment is Essential for a Thriving Arizona**

Arizona’s economy is transitioning to a skills-based economy in which the majority of jobs demand some kind of education beyond high school. In 2016, the Achieve60AZ initiative was established and endorsed by Gov. Doug Ducey to increase to 60 percent by 2030 the number of Arizonans with a degree, certification or license; currently, 44 percent of Arizonans complete some form of postsecondary education, slightly less than the national average.6

Higher education is an investment that transforms lives and improves the state’s economy. In supporting the Achieve60AZ effort, the board has established aggressive performance goals to increase student enrollment, improve retention and raise graduation rates.

**Unique Challenges in Arizona**

Arizona faces unique challenges that contribute to uneven attainment rates. Poverty is a leading indicator of reduced educational achievement and poverty rates in Arizona are among the nation’s highest, ranking 12th in the nation for individuals who fell below the federal poverty threshold in the past twelve months, according to the 2017 American Community Survey 1-year Estimates. In 2017, nearly a quarter of all Arizona children fell below the poverty line.
A stronger economy, robust workforce, greater personal success, more businesses attracted to Arizona, an increased tax base and decreased poverty are among the myriad of benefits realized through higher education.

Approximately 25,000 children attending Arizona public schools are homeless, and 57 percent of K-12 students qualify for free or reduced meals.

The statewide imperative to increase educational attainment is underscored by the thousands of baby boomers retiring and leaving the workforce in Arizona each year. In 2019, nearly 80,000 Arizonans will have reached retirement age and by 2021, this number increases to approximately 85,000 individuals.

The Hispanic population is the fastest-growing population in Arizona. It is vital to focus on the success of Hispanic students who represent nearly half of the K-12 system, yet lag their peers in educational attainment. Consider that fourth-grade reading proficiency in Arizona for Hispanics is 18 percent compared to 44 percent for White students, and the high school graduation rate is 77 percent for Hispanic students versus 85 percent for White students. As previously noted, Hispanic students also lag in enrollment and completion in two- and four-year degrees. These achievement gaps require the focus of statewide policymakers and education, business, community and philanthropic leaders.

GRADUATES FROM ARIZONA PUBLIC UNIVERSITIES EARN MORE

The return on investment of increased educational attainment remains strong – both to individuals and to the state. Individuals with a four-year degree earn median wages ($53,091) that are nearly double those of individuals with a high school diploma alone ($27,708), according to the board’s 2016 Wages of Graduates report.

University graduates are also more likely to be employed and have stronger earning power. Over the course of a career, university graduates earn an estimated $1 million more than their peers who completed high school alone.

Arizona’s public university graduates contribute significantly to the state’s economy. In 2016, 284,554 students who graduated from Arizona’s public universities between 1989-1990 and 2015-16 earned nearly $17.25 billion in wages in Arizona and paid an estimated $1.23 billion in state and local taxes.
INCREASING COLLEGE COMPLETION LEADS TO INDIVIDUAL PROSPERITY, STRONGER ARIZONA ECONOMY

In the modern economy, Arizona’s economic fate will largely be determined by the educational attainment of our citizenry. The report frames important questions – why are more students not enrolling in and completing college, and what can we do to improve educational attainment in Arizona? It is no exaggeration to say our state’s future prosperity – and that of its residents – will depend in large measure upon the state’s success at improving attainment rates, especially among geographic communities and socioeconomic groups in which far too many people continue to view a college or university degree as out of reach.

This will require a multi-pronged approach, including: increased communication in underserved communities to young students, parents and caregivers about the opportunity of a college education; elimination of financial and other barriers facing would-be students; and improved awareness of existing programs regarding college/university admissions, scholarships, financial aid and more.

A stronger economy, robust workforce, greater personal success, more businesses attracted to Arizona, an increased tax base and decreased poverty are among the myriad benefits realized through higher education.

Continuing efforts to raise the educational rate of Arizona’s students is crucial for the future of our state; without it Arizona’s economy will underperform.
REFERENCES


2018 COLLEGE ENROLLMENT AND COMPLETION REPORT EXHIBITS
HOW TO READ THIS DATA:

The 2018 college enrollment and completion data is organized into sections concentrating on high school graduate college enrollment and completion. Each section provides an overview on Arizona’s overall number and rate of enrollment and completion.

The exhibits also provide additional demographic data and high school performance data. The demographic data for gender and ethnicity is disaggregated, which allows the reader to analyze what progress is being made toward educational attainment among various demographic groups.

For high school performance, Arizona public high schools are divided into tiers based on their graduates’ college enrollment and completion rates. The grouping is done by separating the Arizona high schools into 10 tiers with each tier representing 10 percent of Arizona public high schools. For example, the top 10 percent of high schools with the highest college enrollment rates are placed in the first tier and so on until schools with the lowest college enrollment rates are placed into tier 10.

Therefore, a quick review of the chart with schools sorted into decile tiers allows the reader to see that graduates from high schools in the top-performing tiers have a much greater chance of enrolling in college than those who graduate from schools in the lower tiers. For example, graduates from the top tier of high schools have an 82.9 percent college enrollment rate while graduates from schools in tier five have a 46.5 percent college enrollment rate and graduates from schools in the lowest tier have a zero percent college enrollment rate.
Arizona Public High School Graduates Enrolling in College

Exhibit CE.1.1: College Enrollment Rate
The college enrollment rate is fairly constant at just over 50 percent.

Exhibit CE.1.2: Number of Graduates Enrolled
College enrollments are increasing with more high school graduates.

Exhibit CE.1.3: Proportion of Enrollments at Two- and Four-Year Colleges
Enrollment is nearly split between two- and four-year colleges.

Source(s): Arizona Department of Education and National Student Clearinghouse
College Enrollments: 1 of 12
Arizona Public High School Graduates Enrolling in College

Exhibit CE.2.1: 2017 Top Two-Year Colleges by Arizona Public High School Graduates Enrolled

_Six of the top 10 colleges where graduates enroll are two-year colleges._

<table>
<thead>
<tr>
<th>2 Year Colleges</th>
<th>Cost of Attendance</th>
<th>Enrollments</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Glendale Community College</td>
<td>$9,826</td>
<td>2,414</td>
<td>13.4%</td>
</tr>
<tr>
<td>Pima Community College</td>
<td>$6,646</td>
<td>1,764</td>
<td>9.8%</td>
</tr>
<tr>
<td>Chandler/Gilbert Community College</td>
<td>$9,826</td>
<td>1,579</td>
<td>8.8%</td>
</tr>
<tr>
<td>Mesa Community College</td>
<td>$9,826</td>
<td>1,555</td>
<td>8.7%</td>
</tr>
<tr>
<td>Arizona Western College</td>
<td>$15,859</td>
<td>1,207</td>
<td>6.7%</td>
</tr>
<tr>
<td>Estrella Mountain Community College</td>
<td>$9,826</td>
<td>1,136</td>
<td>6.3%</td>
</tr>
<tr>
<td>Phoenix College</td>
<td>$9,826</td>
<td>1,097</td>
<td>6.1%</td>
</tr>
<tr>
<td>Central Arizona College</td>
<td>$6,670</td>
<td>934</td>
<td>5.2%</td>
</tr>
<tr>
<td>Yavapai College</td>
<td>$6,080</td>
<td>747</td>
<td>4.2%</td>
</tr>
<tr>
<td>Paradise Valley Community</td>
<td>$9,826</td>
<td>676</td>
<td>3.8%</td>
</tr>
<tr>
<td>Eastern Arizona College</td>
<td>$7,700</td>
<td>591</td>
<td>3.3%</td>
</tr>
<tr>
<td>Scottsdale Community College</td>
<td>$15,785</td>
<td>536</td>
<td>3.0%</td>
</tr>
<tr>
<td>Northland Pioneer College</td>
<td>$8,660</td>
<td>523</td>
<td>2.9%</td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td>3,205</td>
<td>17.8%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>17,964</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>

Source(s): Arizona Department of Education, National Student Clearinghouse and the Department of Education’s Integrated Post-Secondary Education Data System (IPEDS)

Exhibit CE.2.2: 2017 Top Four-Year Colleges by Arizona Public High School Graduates Enrolled

_Arizona public universities account for more than 70 percent of four-year college enrollments._

<table>
<thead>
<tr>
<th>4 Year Colleges</th>
<th>Cost of Attendance</th>
<th>Enrollments</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arizona State University</td>
<td>$23,129</td>
<td>6,497</td>
<td>33.2%</td>
</tr>
<tr>
<td>University Of Arizona</td>
<td>$23,869</td>
<td>3,945</td>
<td>20.2%</td>
</tr>
<tr>
<td>Northern Arizona University</td>
<td>$21,246</td>
<td>3,328</td>
<td>17.0%</td>
</tr>
<tr>
<td>Grand Canyon University - Traditional</td>
<td>$32,100</td>
<td>1,514</td>
<td>7.7%</td>
</tr>
<tr>
<td>Brigham Young University</td>
<td>$18,370</td>
<td>215</td>
<td>1.1%</td>
</tr>
<tr>
<td>Embry-Riddle Aeronautical University - Arizona</td>
<td>$51,036</td>
<td>118</td>
<td>0.6%</td>
</tr>
<tr>
<td>Ottawa University-Ottawa</td>
<td>$42,410</td>
<td>110</td>
<td>0.6%</td>
</tr>
<tr>
<td>Brigham Young University - Idaho Spring/Fall</td>
<td>$12,322</td>
<td>98</td>
<td>0.5%</td>
</tr>
<tr>
<td>Dine College</td>
<td>$12,015</td>
<td>78</td>
<td>0.4%</td>
</tr>
<tr>
<td>Brigham Young University - Idaho Fall/Winter</td>
<td>$12,322</td>
<td>71</td>
<td>0.4%</td>
</tr>
<tr>
<td>Utah State University</td>
<td>$33,264</td>
<td>68</td>
<td>0.3%</td>
</tr>
<tr>
<td>Utah Valley University</td>
<td>$26,400</td>
<td>66</td>
<td>0.3%</td>
</tr>
<tr>
<td>Benedictine University</td>
<td>$48,016</td>
<td>56</td>
<td>0.3%</td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td>3,397</td>
<td>17.4%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>19,561</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>

Source(s): Arizona Department of Education, National Student Clearinghouse and the Department of Education’s Integrated Post-Secondary Education Data System (IPEDS)

College Enrollments: 2 of 12
Arizona Public High School Graduates Enrolling in College by Ethnic Groups

Exhibit CE.3.1: Number of College Enrollments by Ethnic Groups

*Enrollments are growing faster than the number of graduates in all ethnic groups.*

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>% Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>HS Graduates</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asian</td>
<td>2,195</td>
<td>2,384</td>
<td>2,041</td>
<td>2,177</td>
<td>2,242</td>
<td>2.1%</td>
</tr>
<tr>
<td>Black</td>
<td>3,199</td>
<td>3,489</td>
<td>3,586</td>
<td>3,814</td>
<td>3,599</td>
<td>12.5%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>20,918</td>
<td>24,195</td>
<td>27,231</td>
<td>29,125</td>
<td>30,098</td>
<td>43.9%</td>
</tr>
<tr>
<td>Native American</td>
<td>2,499</td>
<td>3,122</td>
<td>3,015</td>
<td>3,099</td>
<td>3,230</td>
<td>29.3%</td>
</tr>
<tr>
<td>White</td>
<td>27,926</td>
<td>30,259</td>
<td>28,941</td>
<td>29,805</td>
<td>28,805</td>
<td>3.1%</td>
</tr>
<tr>
<td>Other</td>
<td>2,481</td>
<td>118</td>
<td>1,504</td>
<td>1,754</td>
<td>3,363</td>
<td>35.6%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>59,218</td>
<td>63,927</td>
<td>66,318</td>
<td>69,774</td>
<td>71,337</td>
<td>20.5%</td>
</tr>
<tr>
<td><strong>Total Enrollments</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asian</td>
<td>1,527</td>
<td>1,708</td>
<td>1,559</td>
<td>1,630</td>
<td>1,706</td>
<td>11.7%</td>
</tr>
<tr>
<td>Black</td>
<td>1,623</td>
<td>1,919</td>
<td>1,808</td>
<td>1,916</td>
<td>1,843</td>
<td>13.6%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>9,111</td>
<td>10,568</td>
<td>12,542</td>
<td>13,483</td>
<td>13,908</td>
<td>52.7%</td>
</tr>
<tr>
<td>Native American</td>
<td>814</td>
<td>949</td>
<td>1,154</td>
<td>1,264</td>
<td>1,260</td>
<td>54.8%</td>
</tr>
<tr>
<td>White</td>
<td>15,606</td>
<td>17,097</td>
<td>17,301</td>
<td>17,430</td>
<td>17,265</td>
<td>10.6%</td>
</tr>
<tr>
<td>Other</td>
<td>1,093</td>
<td>56</td>
<td>862</td>
<td>917</td>
<td>1,543</td>
<td>41.2%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>29,774</td>
<td>32,297</td>
<td>35,226</td>
<td>36,640</td>
<td>37,525</td>
<td>26.0%</td>
</tr>
<tr>
<td><strong>2YR Enrollments</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asian</td>
<td>395</td>
<td>413</td>
<td>396</td>
<td>408</td>
<td>371</td>
<td>-6.1%</td>
</tr>
<tr>
<td>Black</td>
<td>842</td>
<td>935</td>
<td>975</td>
<td>1,017</td>
<td>932</td>
<td>10.7%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>5,777</td>
<td>6,579</td>
<td>8,166</td>
<td>8,419</td>
<td>8,410</td>
<td>45.6%</td>
</tr>
<tr>
<td>Native American</td>
<td>446</td>
<td>505</td>
<td>696</td>
<td>722</td>
<td>718</td>
<td>61.0%</td>
</tr>
<tr>
<td>White</td>
<td>6,538</td>
<td>6,933</td>
<td>7,569</td>
<td>7,435</td>
<td>6,785</td>
<td>3.8%</td>
</tr>
<tr>
<td>Other</td>
<td>526</td>
<td>24</td>
<td>400</td>
<td>434</td>
<td>748</td>
<td>42.2%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>14,524</td>
<td>15,389</td>
<td>18,202</td>
<td>18,435</td>
<td>17,964</td>
<td>23.7%</td>
</tr>
<tr>
<td><strong>4YR Enrollments</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asian</td>
<td>1,132</td>
<td>1,295</td>
<td>1,163</td>
<td>1,222</td>
<td>1,335</td>
<td>17.9%</td>
</tr>
<tr>
<td>Black</td>
<td>781</td>
<td>984</td>
<td>833</td>
<td>899</td>
<td>911</td>
<td>16.6%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>3,334</td>
<td>3,989</td>
<td>4,376</td>
<td>5,064</td>
<td>5,496</td>
<td>64.9%</td>
</tr>
<tr>
<td>Native American</td>
<td>368</td>
<td>444</td>
<td>458</td>
<td>542</td>
<td>542</td>
<td>47.3%</td>
</tr>
<tr>
<td>White</td>
<td>9,068</td>
<td>10,164</td>
<td>9,732</td>
<td>9,995</td>
<td>10,480</td>
<td>15.6%</td>
</tr>
<tr>
<td>Other</td>
<td>567</td>
<td>32</td>
<td>462</td>
<td>483</td>
<td>795</td>
<td>40.2%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>15,250</td>
<td>16,908</td>
<td>17,024</td>
<td>18,205</td>
<td>19,561</td>
<td>28.3%</td>
</tr>
</tbody>
</table>

Source(s): Arizona Department of Education and National Student Clearinghouse

College Enrollments: 3 of 12
Arizona Public High School Graduates Enrolling in College by Ethnic Groups

Exhibit CE.4.1: Percentage of College Enrollments by Ethnic Groups

*Hispanics represent an increasing percentage of total college enrollments.*

<table>
<thead>
<tr>
<th>HS Graduates</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asian</td>
<td>3.7%</td>
<td>3.7%</td>
<td>3.1%</td>
<td>3.1%</td>
<td>3.1%</td>
<td>-0.6%</td>
</tr>
<tr>
<td>Black</td>
<td>5.4%</td>
<td>6.0%</td>
<td>5.4%</td>
<td>5.5%</td>
<td>5.0%</td>
<td>-0.4%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>35.3%</td>
<td>37.8%</td>
<td>41.1%</td>
<td>41.7%</td>
<td>42.2%</td>
<td>6.9%</td>
</tr>
<tr>
<td>Native American</td>
<td>4.2%</td>
<td>4.9%</td>
<td>4.5%</td>
<td>4.4%</td>
<td>4.5%</td>
<td>0.3%</td>
</tr>
<tr>
<td>White</td>
<td>47.2%</td>
<td>47.3%</td>
<td>43.6%</td>
<td>42.7%</td>
<td>40.4%</td>
<td>-6.8%</td>
</tr>
<tr>
<td>Other</td>
<td>4.2%</td>
<td>0.2%</td>
<td>2.3%</td>
<td>2.5%</td>
<td>4.7%</td>
<td>0.5%</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total Enrollments</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asian</td>
<td>5.1%</td>
<td>5.3%</td>
<td>4.4%</td>
<td>4.4%</td>
<td>4.5%</td>
<td>-0.6%</td>
</tr>
<tr>
<td>Black</td>
<td>5.5%</td>
<td>5.9%</td>
<td>5.1%</td>
<td>5.2%</td>
<td>4.9%</td>
<td>-0.5%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>30.6%</td>
<td>32.7%</td>
<td>35.6%</td>
<td>36.8%</td>
<td>37.1%</td>
<td>6.5%</td>
</tr>
<tr>
<td>Native American</td>
<td>2.7%</td>
<td>2.9%</td>
<td>3.3%</td>
<td>3.4%</td>
<td>3.4%</td>
<td>0.6%</td>
</tr>
<tr>
<td>White</td>
<td>52.4%</td>
<td>52.9%</td>
<td>49.1%</td>
<td>47.6%</td>
<td>46.0%</td>
<td>-6.4%</td>
</tr>
<tr>
<td>Other</td>
<td>3.7%</td>
<td>0.2%</td>
<td>2.4%</td>
<td>2.5%</td>
<td>4.1%</td>
<td>0.4%</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Asian</td>
<td>2.7%</td>
<td>2.7%</td>
<td>2.2%</td>
<td>2.2%</td>
<td>2.1%</td>
<td>-0.7%</td>
</tr>
<tr>
<td>Black</td>
<td>5.8%</td>
<td>6.1%</td>
<td>5.4%</td>
<td>5.5%</td>
<td>5.2%</td>
<td>-0.6%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>39.8%</td>
<td>42.8%</td>
<td>44.9%</td>
<td>45.7%</td>
<td>46.8%</td>
<td>7.0%</td>
</tr>
<tr>
<td>Native American</td>
<td>3.1%</td>
<td>3.3%</td>
<td>3.8%</td>
<td>3.9%</td>
<td>4.0%</td>
<td>0.9%</td>
</tr>
<tr>
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<td>45.1%</td>
<td>41.6%</td>
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<td>37.8%</td>
<td>-7.2%</td>
</tr>
<tr>
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<td>2.2%</td>
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<td>4.2%</td>
<td>0.5%</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
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<tbody>
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<td>7.4%</td>
<td>7.7%</td>
<td>6.8%</td>
<td>6.7%</td>
<td>6.8%</td>
<td>-0.6%</td>
</tr>
<tr>
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<td>5.1%</td>
<td>5.8%</td>
<td>4.9%</td>
<td>4.9%</td>
<td>4.7%</td>
<td>-0.5%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>21.9%</td>
<td>23.6%</td>
<td>25.7%</td>
<td>27.8%</td>
<td>28.1%</td>
<td>6.2%</td>
</tr>
<tr>
<td>Native American</td>
<td>2.4%</td>
<td>2.6%</td>
<td>2.7%</td>
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<td>2.8%</td>
<td>0.4%</td>
</tr>
<tr>
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<td>59.5%</td>
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<td>57.2%</td>
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<td>-5.9%</td>
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<td>2.7%</td>
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<td>4.1%</td>
<td>0.3%</td>
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<tr>
<td>Total</td>
<td>100.0%</td>
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</tr>
</tbody>
</table>

Source(s): Arizona Department of Education and National Student Clearinghouse

College Enrollments: 4 of 12
## Arizona Public High School Graduates Enrolling in College within Ethnic Groups

### Exhibit CE.5.1: Number of College Enrollments within Ethnic Groups

*Enrollments by Hispanics and Native Americans increased by more than 50 percent.*

<table>
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<tr>
<th></th>
<th>2013</th>
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<th>2016</th>
<th>2017</th>
<th>% Growth</th>
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<td><strong>Asian</strong></td>
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<tr>
<td>HS Graduates</td>
<td>2,195</td>
<td>2,384</td>
<td>2,041</td>
<td>2,177</td>
<td>2,242</td>
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<tr>
<td>Enrollments</td>
<td>1,527</td>
<td>1,708</td>
<td>1,559</td>
<td>1,630</td>
<td>1,706</td>
<td>11.7%</td>
</tr>
<tr>
<td>2YR Enrollments</td>
<td>395</td>
<td>413</td>
<td>396</td>
<td>408</td>
<td>371</td>
<td>-6.1%</td>
</tr>
<tr>
<td>4YR Enrollments</td>
<td>1,132</td>
<td>1,295</td>
<td>1,163</td>
<td>1,222</td>
<td>1,335</td>
<td>17.9%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>% Growth</th>
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<tbody>
<tr>
<td><strong>Black</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>HS Graduates</td>
<td>3,199</td>
<td>3,849</td>
<td>3,586</td>
<td>3,814</td>
<td>3,599</td>
<td>12.5%</td>
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<td>1,623</td>
<td>1,919</td>
<td>1,808</td>
<td>1,916</td>
<td>1,843</td>
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<tr>
<td>2YR Enrollments</td>
<td>842</td>
<td>935</td>
<td>975</td>
<td>1,017</td>
<td>932</td>
<td>10.7%</td>
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<tr>
<td>4YR Enrollments</td>
<td>781</td>
<td>984</td>
<td>833</td>
<td>899</td>
<td>911</td>
<td>16.6%</td>
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</table>

<table>
<thead>
<tr>
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<th>2015</th>
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<th>2017</th>
<th>% Growth</th>
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<tbody>
<tr>
<td><strong>Hispanic</strong></td>
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<tr>
<td>HS Graduates</td>
<td>20,918</td>
<td>24,195</td>
<td>27,231</td>
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<tr>
<td>Enrollments</td>
<td>9,111</td>
<td>10,568</td>
<td>12,542</td>
<td>13,483</td>
<td>13,908</td>
<td>52.7%</td>
</tr>
<tr>
<td>2YR Enrollments</td>
<td>5,777</td>
<td>6,579</td>
<td>8,166</td>
<td>8,419</td>
<td>8,410</td>
<td>45.6%</td>
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<tr>
<td>4YR Enrollments</td>
<td>3,334</td>
<td>3,989</td>
<td>4,376</td>
<td>5,064</td>
<td>5,498</td>
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<table>
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<tr>
<th></th>
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<th>% Growth</th>
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<tbody>
<tr>
<td><strong>Native American</strong></td>
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<tr>
<td>HS Graduates</td>
<td>2,499</td>
<td>3,122</td>
<td>3,015</td>
<td>3,099</td>
<td>3,230</td>
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<tr>
<td>Enrollments</td>
<td>814</td>
<td>949</td>
<td>1,154</td>
<td>1,264</td>
<td>1,260</td>
<td>54.8%</td>
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<tr>
<td>2YR Enrollments</td>
<td>446</td>
<td>505</td>
<td>696</td>
<td>722</td>
<td>718</td>
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<tr>
<td>4YR Enrollments</td>
<td>368</td>
<td>444</td>
<td>458</td>
<td>542</td>
<td>542</td>
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</table>

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
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<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>% Growth</th>
</tr>
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<tbody>
<tr>
<td><strong>White</strong></td>
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<td></td>
<td></td>
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</tr>
<tr>
<td>HS Graduates</td>
<td>27,926</td>
<td>30,259</td>
<td>28,941</td>
<td>29,805</td>
<td>28,805</td>
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<tr>
<td>Enrollments</td>
<td>15,606</td>
<td>17,097</td>
<td>17,301</td>
<td>17,430</td>
<td>17,265</td>
<td>10.6%</td>
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<tr>
<td>2YR Enrollments</td>
<td>6,538</td>
<td>6,933</td>
<td>7,569</td>
<td>7,435</td>
<td>6,785</td>
<td>3.8%</td>
</tr>
<tr>
<td>4YR Enrollments</td>
<td>9,068</td>
<td>10,164</td>
<td>9,732</td>
<td>9,995</td>
<td>10,480</td>
<td>15.6%</td>
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</table>

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>% Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Other</strong></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>HS Graduates</td>
<td>2,481</td>
<td>118</td>
<td>1,504</td>
<td>1,754</td>
<td>3,363</td>
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<tr>
<td>Enrollments</td>
<td>1,093</td>
<td>56</td>
<td>862</td>
<td>917</td>
<td>1,543</td>
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<tr>
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<td>526</td>
<td>24</td>
<td>400</td>
<td>434</td>
<td>748</td>
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<tr>
<td>4YR Enrollments</td>
<td>567</td>
<td>32</td>
<td>462</td>
<td>483</td>
<td>795</td>
<td>40.2%</td>
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</table>

Source(s): Arizona Department of Education and National Student Clearinghouse

College Enrollments: 5 of 12
Arizona Public High School Graduates Enrolling in College within Ethnic Groups

**Exhibit CE.6.1: Percentage of College Enrollments within Ethnic Groups**

*The percentages of Hispanics and Native Americans enrolling in college still evidence ethnic disparities.*

<table>
<thead>
<tr>
<th></th>
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<th></th>
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</thead>
<tbody>
<tr>
<td><strong>Asian</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Enrollments</td>
<td>69.6%</td>
<td>71.6%</td>
<td>76.4%</td>
<td>74.9%</td>
<td>76.1%</td>
<td>6.5%</td>
</tr>
<tr>
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<td>18.0%</td>
<td>17.3%</td>
<td>19.4%</td>
<td>18.7%</td>
<td>16.5%</td>
<td>-1.4%</td>
</tr>
<tr>
<td>4YR Enrollments</td>
<td>51.6%</td>
<td>54.3%</td>
<td>57.0%</td>
<td>56.1%</td>
<td>59.5%</td>
<td>8.0%</td>
</tr>
<tr>
<td><strong>Black</strong></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Enrollments</td>
<td>50.7%</td>
<td>49.9%</td>
<td>50.4%</td>
<td>50.2%</td>
<td>51.2%</td>
<td>0.5%</td>
</tr>
<tr>
<td>2YR Enrollments</td>
<td>26.3%</td>
<td>24.3%</td>
<td>27.2%</td>
<td>26.7%</td>
<td>25.9%</td>
<td>-0.4%</td>
</tr>
<tr>
<td>4YR Enrollments</td>
<td>24.4%</td>
<td>25.6%</td>
<td>23.2%</td>
<td>23.6%</td>
<td>25.3%</td>
<td>0.9%</td>
</tr>
<tr>
<td><strong>Hispanic</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Enrollments</td>
<td>43.6%</td>
<td>43.7%</td>
<td>46.1%</td>
<td>46.3%</td>
<td>46.2%</td>
<td>2.7%</td>
</tr>
<tr>
<td>2YR Enrollments</td>
<td>27.6%</td>
<td>27.2%</td>
<td>30.0%</td>
<td>28.9%</td>
<td>27.9%</td>
<td>0.3%</td>
</tr>
<tr>
<td>4YR Enrollments</td>
<td>15.9%</td>
<td>16.5%</td>
<td>16.1%</td>
<td>17.4%</td>
<td>18.3%</td>
<td>2.3%</td>
</tr>
<tr>
<td><strong>Native American</strong></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Enrollments</td>
<td>32.6%</td>
<td>30.4%</td>
<td>38.3%</td>
<td>40.8%</td>
<td>39.0%</td>
<td>6.4%</td>
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<tr>
<td>2YR Enrollments</td>
<td>17.8%</td>
<td>16.2%</td>
<td>23.1%</td>
<td>23.3%</td>
<td>22.2%</td>
<td>4.4%</td>
</tr>
<tr>
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<td>14.7%</td>
<td>14.2%</td>
<td>15.2%</td>
<td>17.5%</td>
<td>16.8%</td>
<td>2.1%</td>
</tr>
<tr>
<td><strong>White</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Enrollments</td>
<td>55.9%</td>
<td>56.5%</td>
<td>59.8%</td>
<td>58.5%</td>
<td>59.9%</td>
<td>4.1%</td>
</tr>
<tr>
<td>2YR Enrollments</td>
<td>23.4%</td>
<td>22.9%</td>
<td>26.2%</td>
<td>24.9%</td>
<td>23.6%</td>
<td>0.1%</td>
</tr>
<tr>
<td>4YR Enrollments</td>
<td>32.5%</td>
<td>33.6%</td>
<td>33.6%</td>
<td>33.5%</td>
<td>36.4%</td>
<td>3.9%</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Enrollments</td>
<td>44.1%</td>
<td>47.5%</td>
<td>57.3%</td>
<td>52.3%</td>
<td>45.9%</td>
<td>1.8%</td>
</tr>
<tr>
<td>2YR Enrollments</td>
<td>21.2%</td>
<td>20.3%</td>
<td>26.6%</td>
<td>24.7%</td>
<td>22.2%</td>
<td>1.0%</td>
</tr>
<tr>
<td>4YR Enrollments</td>
<td>22.9%</td>
<td>27.1%</td>
<td>30.7%</td>
<td>27.5%</td>
<td>23.6%</td>
<td>0.8%</td>
</tr>
</tbody>
</table>

Source(s): Arizona Department of Education and National Student Clearinghouse

College Enrollments: 6 of 12
Exhibit CE.7.1: Number of College Enrollments by Gender

More females enroll in college than males.

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>% Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>HS Graduates</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>30,284</td>
<td>32,560</td>
<td>33,810</td>
<td>35,300</td>
<td>36,223</td>
<td>19.6%</td>
</tr>
<tr>
<td>Male</td>
<td>28,934</td>
<td>31,367</td>
<td>32,508</td>
<td>34,473</td>
<td>35,110</td>
<td>21.3%</td>
</tr>
<tr>
<td>Unknown</td>
<td>1</td>
<td>4</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>59,218</td>
<td>63,927</td>
<td>66,318</td>
<td>69,774</td>
<td>71,337</td>
<td>20.5%</td>
</tr>
</tbody>
</table>

| **Total Enrollments** |        |        |        |        |        |          |
| Female             | 16,667 | 18,103 | 19,622 | 20,350 | 21,082 | 26.5%    |
| Male               | 13,107 | 14,194 | 15,604 | 16,290 | 16,443 | 25.5%    |
| Unknown            | 0      | 0      |        |        |        |          |
| **Total**          | 29,774 | 32,297 | 35,226 | 36,640 | 37,525 | 26.0%    |

| **2YR Enrollments** |        |        |        |        |        |          |
| Female             | 7,679  | 8,185  | 9,657  | 9,666  | 9,483  | 23.5%    |
| Male               | 6,845  | 7,204  | 8,545  | 8,769  | 8,481  | 23.9%    |
| Unknown            | 0      | 0      |        |        |        |          |
| **Total**          | 14,524 | 15,389 | 18,202 | 18,435 | 17,964 | 23.7%    |

| **4YR Enrollments** |        |        |        |        |        |          |
| Female             | 8,988  | 9,918  | 9,965  | 10,684 | 11,599 | 29.0%    |
| Male               | 6,262  | 6,990  | 7,059  | 7,521  | 7,962  | 27.1%    |
| Unknown            | 0      | 0      |        |        |        |          |
| **Total**          | 15,250 | 16,908 | 17,024 | 18,205 | 19,561 | 28.3%    |

Source(s): Arizona Department of Education and National Student Clearinghouse
Exhibit CE.8.1: Percentage of College Enrollments by Gender

Females account for nearly 60 percent of four-year college enrollments.

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>HS Graduates</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>51.1%</td>
<td>50.9%</td>
<td>51.0%</td>
<td>50.6%</td>
<td>50.8%</td>
<td>-0.4%</td>
</tr>
<tr>
<td>Male</td>
<td>48.9%</td>
<td>49.1%</td>
<td>49.0%</td>
<td>49.4%</td>
<td>49.2%</td>
<td>0.4%</td>
</tr>
<tr>
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<td>0.0%</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td></td>
</tr>
<tr>
<td><strong>Total Enrollments</strong></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>56.0%</td>
<td>56.1%</td>
<td>55.7%</td>
<td>55.5%</td>
<td>56.2%</td>
<td>0.2%</td>
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<tr>
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<tr>
<td><strong>Total</strong></td>
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<td>100.0%</td>
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<tr>
<td><strong>2YR Enrollments</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
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<tr>
<td><strong>Total</strong></td>
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<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
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</tr>
<tr>
<td><strong>4YR Enrollments</strong></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>58.9%</td>
<td>58.7%</td>
<td>58.5%</td>
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<td>59.3%</td>
<td>0.4%</td>
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<tr>
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<td>40.7%</td>
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<tr>
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</tr>
<tr>
<td><strong>Total</strong></td>
<td>100.0%</td>
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<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td></td>
</tr>
</tbody>
</table>

Source(s): Arizona Department of Education and National Student Clearinghouse

College Enrollments: 8 of 12
Arizona Public High School Graduates Enrolling in College within Gender

Exhibit CE.9.1: Number of College Enrollments within Gender

There is a considerable and increasing gender gap.

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>% Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td>HS Graduates</td>
<td>30,284</td>
<td>32,560</td>
<td>33,810</td>
<td>35,300</td>
<td>36,223</td>
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<tr>
<td></td>
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<td>16,667</td>
<td>18,103</td>
<td>19,622</td>
<td>20,350</td>
<td>21,082</td>
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<td>7,679</td>
<td>8,185</td>
<td>9,657</td>
<td>9,666</td>
<td>9,483</td>
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<tr>
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<td>4YR Enrollments</td>
<td>8,988</td>
<td>9,918</td>
<td>9,965</td>
<td>10,684</td>
<td>11,599</td>
</tr>
<tr>
<td>Male</td>
<td>HS Graduates</td>
<td>28,934</td>
<td>31,367</td>
<td>32,508</td>
<td>34,473</td>
<td>35,110</td>
</tr>
<tr>
<td></td>
<td>Enrollments</td>
<td>13,107</td>
<td>14,194</td>
<td>15,604</td>
<td>16,290</td>
<td>16,443</td>
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<tr>
<td></td>
<td>2YR Enrollments</td>
<td>6,845</td>
<td>7,204</td>
<td>8,545</td>
<td>8,769</td>
<td>8,481</td>
</tr>
<tr>
<td></td>
<td>4YR Enrollments</td>
<td>6,262</td>
<td>6,990</td>
<td>7,059</td>
<td>7,521</td>
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<tr>
<td></td>
<td>2YR Enrollments</td>
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<td></td>
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<tr>
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<td>4YR Enrollments</td>
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<td></td>
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<td></td>
</tr>
</tbody>
</table>

Source(s): Arizona Department of Education and National Student Clearinghouse

College Enrollments: 9 of 12
Arizona Public High School Graduates Enrolling in College within Gender

Exhibit CE.10.1: Percentage of College Enrollments within Gender

*Last year, 58.2 percent of females enrolled in college. Only 46.8 percent of males enrolled, extending a downward trend.*

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
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<tr>
<td><strong>Female</strong></td>
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<td></td>
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<tr>
<td>Enrollments</td>
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<tr>
<td>2YR Enrollments</td>
<td>25.4%</td>
<td>25.1%</td>
<td>28.6%</td>
<td>27.4%</td>
<td>26.2%</td>
<td>0.8%</td>
</tr>
<tr>
<td>4YR Enrollments</td>
<td>29.7%</td>
<td>30.5%</td>
<td>29.5%</td>
<td>30.3%</td>
<td>32.0%</td>
<td>2.3%</td>
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</table>

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
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<th>2015</th>
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<th>2017</th>
<th>Change</th>
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</thead>
<tbody>
<tr>
<td><strong>Male</strong></td>
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</tr>
<tr>
<td>Enrollments</td>
<td>45.3%</td>
<td>45.3%</td>
<td>48.0%</td>
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<td>46.8%</td>
<td>1.5%</td>
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<tr>
<td>2YR Enrollments</td>
<td>23.7%</td>
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<td>24.2%</td>
<td>0.5%</td>
</tr>
<tr>
<td>4YR Enrollments</td>
<td>21.6%</td>
<td>22.3%</td>
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<td>21.8%</td>
<td>22.7%</td>
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</table>

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
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<th>2015</th>
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<th>2017</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
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<tr>
<td>2YR Enrollments</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>—</td>
</tr>
<tr>
<td>4YR Enrollments</td>
<td>0.0%</td>
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<td>0.0%</td>
<td>0.0%</td>
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<td>—</td>
</tr>
</tbody>
</table>

Source(s): Arizona Department of Education and National Student Clearinghouse
College Enrollments: 10 of 12
Arizona Public High School Graduates Enrolling in College by High School Tier

Description: Arizona public high schools are ranked based on their college enrollment rates and binned into equally sized tiers containing 10 percent of high schools. Tier one represents the 10 percent of high schools with the highest college enrollment rates.

Exhibit CE.11.1: Number of College Enrollments by Enrollment-Rate Based High School Tiers
The bottom 40 percent of high schools account for 2 percent of enrollments.

Exhibit CE.11.2: Percentage of College Enrollments by Enrollment-Rate Based High School Tiers
Only 40 percent of high schools enroll 50 percent of their graduates in college.

Exhibit CE.11.3: Cumulative Percentage of Graduates vs. Percentage of College Enrollments
The top 50 percent of Arizona public high schools produce 89 percent of college enrollments.

Source(s): Arizona Department of Education and National Student Clearinghouse
College Enrollments: 11 of 12
Arizona Public High School Graduates Enrolling in College by High School Tiers

Description: Arizona public high schools are ranked based on their college enrollment rates and binned into equally sized tiers containing 10 percent of high schools. Tier one represents the 10 percent of high schools with the highest college enrollment rates.

Exhibit CE.12.1: Number of Graduates by Ethnic Group and High School Tier

<table>
<thead>
<tr>
<th>Ethnic Group</th>
<th>Tier 1</th>
<th>Tier 2</th>
<th>Tier 3</th>
<th>Tier 4</th>
<th>Tier 5</th>
<th>Tier 6</th>
<th>Tier 7</th>
<th>Tier 8</th>
<th>Tier 9</th>
<th>Tier 10</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asian</td>
<td>456</td>
<td>572</td>
<td>441</td>
<td>343</td>
<td>255</td>
<td>110</td>
<td>39</td>
<td>12</td>
<td>12</td>
<td>2</td>
<td>2,242</td>
</tr>
<tr>
<td>Black</td>
<td>172</td>
<td>489</td>
<td>565</td>
<td>724</td>
<td>809</td>
<td>348</td>
<td>125</td>
<td>161</td>
<td>192</td>
<td>3,599</td>
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<tr>
<td>Hispanic</td>
<td>867</td>
<td>3,139</td>
<td>5,404</td>
<td>5,126</td>
<td>6,815</td>
<td>4,486</td>
<td>1,190</td>
<td>1,235</td>
<td>1,756</td>
<td>80</td>
<td>30,098</td>
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<tr>
<td>Native American</td>
<td>51</td>
<td>184</td>
<td>493</td>
<td>496</td>
<td>624</td>
<td>590</td>
<td>372</td>
<td>216</td>
<td>162</td>
<td>42</td>
<td>3,230</td>
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<tr>
<td>White</td>
<td>3,844</td>
<td>6,830</td>
<td>6,085</td>
<td>5,229</td>
<td>3,621</td>
<td>1,375</td>
<td>546</td>
<td>629</td>
<td>605</td>
<td>41</td>
<td>28,805</td>
</tr>
<tr>
<td>Other</td>
<td>236</td>
<td>441</td>
<td>526</td>
<td>528</td>
<td>393</td>
<td>272</td>
<td>663</td>
<td>124</td>
<td>125</td>
<td>55</td>
<td>3,363</td>
</tr>
<tr>
<td>Total</td>
<td>5,626</td>
<td>11,655</td>
<td>13,514</td>
<td>12,446</td>
<td>12,517</td>
<td>7,181</td>
<td>2,935</td>
<td>2,852</td>
<td>234</td>
<td>71,337</td>
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</tr>
</tbody>
</table>

Exhibit CE.12.2: Percentage of Graduates in High School Tier by Ethnic Group

<table>
<thead>
<tr>
<th>Ethnic Group</th>
<th>Tier 1</th>
<th>Tier 2</th>
<th>Tier 3</th>
<th>Tier 4</th>
<th>Tier 5</th>
<th>Tier 6</th>
<th>Tier 7</th>
<th>Tier 8</th>
<th>Tier 9</th>
<th>Tier 10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asian</td>
<td>8.1%</td>
<td>4.9%</td>
<td>3.3%</td>
<td>2.8%</td>
<td>2.0%</td>
<td>1.5%</td>
<td>1.3%</td>
<td>0.5%</td>
<td>0.4%</td>
<td>0.9%</td>
</tr>
<tr>
<td>Black</td>
<td>3.1%</td>
<td>4.2%</td>
<td>4.2%</td>
<td>5.8%</td>
<td>6.5%</td>
<td>4.8%</td>
<td>4.3%</td>
<td>6.8%</td>
<td>6.7%</td>
<td>6.0%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>15.4%</td>
<td>26.9%</td>
<td>40.0%</td>
<td>41.2%</td>
<td>54.4%</td>
<td>62.5%</td>
<td>40.5%</td>
<td>52.3%</td>
<td>61.6%</td>
<td>34.2%</td>
</tr>
<tr>
<td>Native American</td>
<td>0.9%</td>
<td>1.6%</td>
<td>3.6%</td>
<td>4.0%</td>
<td>5.0%</td>
<td>8.2%</td>
<td>12.7%</td>
<td>9.1%</td>
<td>5.7%</td>
<td>17.9%</td>
</tr>
<tr>
<td>White</td>
<td>68.3%</td>
<td>58.8%</td>
<td>45.0%</td>
<td>42.0%</td>
<td>28.9%</td>
<td>19.1%</td>
<td>18.6%</td>
<td>26.5%</td>
<td>21.2%</td>
<td>17.5%</td>
</tr>
<tr>
<td>Other</td>
<td>4.2%</td>
<td>3.8%</td>
<td>3.9%</td>
<td>4.2%</td>
<td>3.1%</td>
<td>3.8%</td>
<td>22.6%</td>
<td>5.2%</td>
<td>4.4%</td>
<td>23.5%</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Exhibit CE.12.3: Percentage of Graduates in Ethnic Group by High School Tier

<table>
<thead>
<tr>
<th>Ethnic Group</th>
<th>Tier 1</th>
<th>Tier 2</th>
<th>Tier 3</th>
<th>Tier 4</th>
<th>Tier 5</th>
<th>Tier 6</th>
<th>Tier 7</th>
<th>Tier 8</th>
<th>Tier 9</th>
<th>Tier 10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asian</td>
<td>20.3%</td>
<td>25.5%</td>
<td>19.7%</td>
<td>15.3%</td>
<td>11.4%</td>
<td>4.9%</td>
<td>1.7%</td>
<td>0.5%</td>
<td>0.5%</td>
<td>0.1%</td>
</tr>
<tr>
<td>Black</td>
<td>4.8%</td>
<td>13.6%</td>
<td>15.7%</td>
<td>20.1%</td>
<td>22.5%</td>
<td>9.7%</td>
<td>3.5%</td>
<td>4.5%</td>
<td>5.3%</td>
<td>0.4%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>2.9%</td>
<td>10.4%</td>
<td>18.0%</td>
<td>17.0%</td>
<td>22.6%</td>
<td>14.9%</td>
<td>4.0%</td>
<td>4.1%</td>
<td>5.8%</td>
<td>0.3%</td>
</tr>
<tr>
<td>Native American</td>
<td>1.6%</td>
<td>5.7%</td>
<td>15.3%</td>
<td>15.4%</td>
<td>19.3%</td>
<td>18.3%</td>
<td>11.5%</td>
<td>6.7%</td>
<td>5.0%</td>
<td>1.3%</td>
</tr>
<tr>
<td>White</td>
<td>13.3%</td>
<td>23.7%</td>
<td>21.3%</td>
<td>18.2%</td>
<td>12.6%</td>
<td>4.8%</td>
<td>1.9%</td>
<td>2.2%</td>
<td>2.1%</td>
<td>0.1%</td>
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<tr>
<td>Other</td>
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<td>15.7%</td>
<td>11.7%</td>
<td>8.1%</td>
<td>19.7%</td>
<td>3.7%</td>
<td>3.7%</td>
<td>1.6%</td>
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</tbody>
</table>

Source(s): Arizona Department of Education and National Student Clearinghouse

College Enrollments: 12 of 12
Arizona Public High School Graduates Completing College within Six Years

Exhibit CC.1.1: College Completion Rate

The college completion rate has improved to 27 percent of graduates completing college.

Exhibit CC.1.2: Number of Graduates Completing College

College completions are increasing with more high school graduates.

Exhibit CC.1.3: Proportion of Arizona High School Graduate College Completions for two- and four-year colleges

Four-year colleges account for 75 percent of all completions.

Source(s): Arizona Department of Education and National Student Clearinghouse

College Completions: 1 of 12
Arizona Public High School Graduates Completing College within Six Years

Exhibit CC.2.1: Top 20 School Districts with 200 or More High School Graduates

Of the top school districts in the state, only one has a college completion rate higher than 50 percent.

<table>
<thead>
<tr>
<th>School District</th>
<th>College Completion Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Catalina Foothills Unified District</td>
<td>64.5%</td>
</tr>
<tr>
<td>Scottsdale Unified District</td>
<td>64.0%</td>
</tr>
<tr>
<td>Cave Creek Unified District</td>
<td>63.0%</td>
</tr>
<tr>
<td>Tempe Union High School District</td>
<td>60.0%</td>
</tr>
<tr>
<td>Paradise Valley Unified District</td>
<td>59.0%</td>
</tr>
<tr>
<td>Amphitheater Unified District</td>
<td>58.0%</td>
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<tr>
<td>Marana Unified District</td>
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<tr>
<td>Santa Cruz Valley Unified District</td>
<td>55.0%</td>
</tr>
<tr>
<td>Agua Fria Union High School District</td>
<td>55.0%</td>
</tr>
</tbody>
</table>

Source(s): Arizona Department of Education and National Student Clearinghouse
College Completions: 2 of 12

Exhibit CC.2.2: Top 20 High Schools with 50 or More Graduates

There are only nine public high schools with college completion rates greater than 50 percent.

<table>
<thead>
<tr>
<th>High School</th>
<th>College Completion Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>University High School</td>
<td>79.7%</td>
</tr>
<tr>
<td>Tempe Preparatory Academy</td>
<td>66.0%</td>
</tr>
<tr>
<td>Catalina Foothills High School</td>
<td>64.5%</td>
</tr>
<tr>
<td>Northland Preparatory Academy</td>
<td>64.0%</td>
</tr>
<tr>
<td>Chaparral High School</td>
<td>61.5%</td>
</tr>
<tr>
<td>Desert Vista High School</td>
<td>55.8%</td>
</tr>
<tr>
<td>Desert Mountain High School</td>
<td>55.4%</td>
</tr>
<tr>
<td>Fountain Hills High School</td>
<td>55.4%</td>
</tr>
<tr>
<td>Horizon High School</td>
<td>55.4%</td>
</tr>
<tr>
<td>Corona del Sol High School</td>
<td>55.4%</td>
</tr>
<tr>
<td>Pinnacle High School</td>
<td>55.4%</td>
</tr>
<tr>
<td>Horizon Community Learning School</td>
<td>55.4%</td>
</tr>
<tr>
<td>Cactus Shadows High School</td>
<td>55.4%</td>
</tr>
<tr>
<td>Arcadia High School</td>
<td>55.4%</td>
</tr>
<tr>
<td>Mountain Ridge High School</td>
<td>55.4%</td>
</tr>
<tr>
<td>Sabino High School</td>
<td>55.4%</td>
</tr>
<tr>
<td>Ironwood High School</td>
<td>55.4%</td>
</tr>
<tr>
<td>Mountain Pointe High School</td>
<td>55.4%</td>
</tr>
<tr>
<td>Saguaro High School</td>
<td>55.4%</td>
</tr>
<tr>
<td>AAEC Paradise Valley</td>
<td>55.4%</td>
</tr>
</tbody>
</table>

Source(s): Arizona Department of Education and National Student Clearinghouse
College Completions: 2 of 12
### Exhibit CC.3.1: Number of College Completions by Ethnic Groups

*College completions are growing faster than the number of high school graduates.*

<table>
<thead>
<tr>
<th>Ethnic Group</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>% Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>HS Graduates</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asian</td>
<td>1,697</td>
<td>1,841</td>
<td>2,021</td>
<td>2,053</td>
<td>2,002</td>
<td>18.0%</td>
</tr>
<tr>
<td>Black</td>
<td>2,920</td>
<td>3,312</td>
<td>3,480</td>
<td>3,892</td>
<td>3,797</td>
<td>30.0%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>17,427</td>
<td>19,635</td>
<td>21,307</td>
<td>23,325</td>
<td>24,095</td>
<td>38.3%</td>
</tr>
<tr>
<td>Native American</td>
<td>3,147</td>
<td>3,379</td>
<td>3,520</td>
<td>3,631</td>
<td>3,486</td>
<td>10.8%</td>
</tr>
<tr>
<td>White</td>
<td>30,895</td>
<td>31,551</td>
<td>31,921</td>
<td>32,338</td>
<td>31,438</td>
<td>1.8%</td>
</tr>
<tr>
<td>Other</td>
<td>8</td>
<td>588</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>56,086</td>
<td>59,718</td>
<td>62,249</td>
<td>65,247</td>
<td>65,406</td>
<td>16.6%</td>
</tr>
<tr>
<td><strong>Completions</strong></td>
<td></td>
<td></td>
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<td></td>
<td></td>
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</tr>
<tr>
<td>Asian</td>
<td>711</td>
<td>806</td>
<td>972</td>
<td>955</td>
<td>987</td>
<td>38.8%</td>
</tr>
<tr>
<td>Black</td>
<td>589</td>
<td>648</td>
<td>691</td>
<td>773</td>
<td>754</td>
<td>28.0%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>2,669</td>
<td>3,279</td>
<td>4,022</td>
<td>4,407</td>
<td>4,810</td>
<td>80.2%</td>
</tr>
<tr>
<td>Native American</td>
<td>334</td>
<td>348</td>
<td>446</td>
<td>481</td>
<td>426</td>
<td>27.5%</td>
</tr>
<tr>
<td>White</td>
<td>9,785</td>
<td>10,344</td>
<td>11,208</td>
<td>11,098</td>
<td>10,725</td>
<td>9.6%</td>
</tr>
<tr>
<td>Other</td>
<td>0</td>
<td>156</td>
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<td></td>
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</tr>
<tr>
<td><strong>Total</strong></td>
<td>14,088</td>
<td>15,425</td>
<td>17,339</td>
<td>17,714</td>
<td>17,858</td>
<td>26.8%</td>
</tr>
<tr>
<td><strong>2YR Completions</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Asian</td>
<td>79</td>
<td>93</td>
<td>99</td>
<td>108</td>
<td>107</td>
<td>35.4%</td>
</tr>
<tr>
<td>Black</td>
<td>159</td>
<td>180</td>
<td>202</td>
<td>183</td>
<td>208</td>
<td>30.8%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>1,095</td>
<td>1,308</td>
<td>1,657</td>
<td>1,687</td>
<td>1,896</td>
<td>73.3%</td>
</tr>
<tr>
<td>Native American</td>
<td>138</td>
<td>136</td>
<td>185</td>
<td>199</td>
<td>180</td>
<td>30.4%</td>
</tr>
<tr>
<td>White</td>
<td>1,899</td>
<td>2,094</td>
<td>2,225</td>
<td>2,144</td>
<td>1,969</td>
<td>3.7%</td>
</tr>
<tr>
<td>Other</td>
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</tr>
<tr>
<td><strong>Total</strong></td>
<td>3,370</td>
<td>3,811</td>
<td>4,368</td>
<td>4,321</td>
<td>4,391</td>
<td>30.3%</td>
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<tr>
<td><strong>4YR Completions</strong></td>
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</tr>
<tr>
<td>Asian</td>
<td>632</td>
<td>713</td>
<td>873</td>
<td>847</td>
<td>880</td>
<td>39.2%</td>
</tr>
<tr>
<td>Black</td>
<td>430</td>
<td>468</td>
<td>489</td>
<td>590</td>
<td>546</td>
<td>27.0%</td>
</tr>
<tr>
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<td>1,574</td>
<td>1,971</td>
<td>2,365</td>
<td>2,720</td>
<td>2,912</td>
<td>85.0%</td>
</tr>
<tr>
<td>Native American</td>
<td>196</td>
<td>212</td>
<td>261</td>
<td>282</td>
<td>246</td>
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</tr>
<tr>
<td>White</td>
<td>7,886</td>
<td>8,250</td>
<td>8,983</td>
<td>8,954</td>
<td>8,756</td>
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</tr>
<tr>
<td>Other</td>
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<td></td>
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</tr>
<tr>
<td><strong>Total</strong></td>
<td>10,718</td>
<td>11,614</td>
<td>12,971</td>
<td>13,393</td>
<td>13,467</td>
<td>25.6%</td>
</tr>
</tbody>
</table>

Source(s): Arizona Department of Education and National Student Clearinghouse

College Completions: 3 of 12
Exhibit CC.4.1: Percentage of College Completions by Ethnic Groups

*Hispanics represent an increasing percentage of total college completions.*

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>HS Graduates</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asian</td>
<td>3.0%</td>
<td>3.1%</td>
<td>3.2%</td>
<td>3.1%</td>
<td>3.1%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Black</td>
<td>5.2%</td>
<td>5.5%</td>
<td>5.6%</td>
<td>6.0%</td>
<td>5.8%</td>
<td>0.6%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>31.1%</td>
<td>32.9%</td>
<td>34.2%</td>
<td>35.7%</td>
<td>36.8%</td>
<td>5.8%</td>
</tr>
<tr>
<td>Native American</td>
<td>5.6%</td>
<td>5.7%</td>
<td>5.7%</td>
<td>5.6%</td>
<td>5.3%</td>
<td>-0.3%</td>
</tr>
<tr>
<td>White</td>
<td>55.1%</td>
<td>52.8%</td>
<td>51.3%</td>
<td>49.6%</td>
<td>48.1%</td>
<td>-7.0%</td>
</tr>
<tr>
<td>Other</td>
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<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.9%</td>
<td>0.9%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
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<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Completions</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asian</td>
<td>5.0%</td>
<td>5.2%</td>
<td>5.6%</td>
<td>5.4%</td>
<td>5.5%</td>
<td>0.5%</td>
</tr>
<tr>
<td>Black</td>
<td>4.2%</td>
<td>4.2%</td>
<td>4.0%</td>
<td>4.4%</td>
<td>4.2%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>18.9%</td>
<td>21.3%</td>
<td>23.2%</td>
<td>24.9%</td>
<td>26.9%</td>
<td>8.0%</td>
</tr>
<tr>
<td>Native American</td>
<td>2.4%</td>
<td>2.3%</td>
<td>2.6%</td>
<td>2.7%</td>
<td>2.4%</td>
<td>0.0%</td>
</tr>
<tr>
<td>White</td>
<td>69.5%</td>
<td>67.1%</td>
<td>64.6%</td>
<td>62.7%</td>
<td>60.1%</td>
<td>-9.4%</td>
</tr>
<tr>
<td>Other</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.9%</td>
<td>0.9%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2YR Completions</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asian</td>
<td>2.3%</td>
<td>2.4%</td>
<td>2.3%</td>
<td>2.5%</td>
<td>2.4%</td>
<td>0.1%</td>
</tr>
<tr>
<td>Black</td>
<td>4.7%</td>
<td>4.7%</td>
<td>4.6%</td>
<td>4.2%</td>
<td>4.7%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>32.5%</td>
<td>34.3%</td>
<td>37.9%</td>
<td>39.0%</td>
<td>43.2%</td>
<td>10.7%</td>
</tr>
<tr>
<td>Native American</td>
<td>4.1%</td>
<td>3.6%</td>
<td>4.2%</td>
<td>4.6%</td>
<td>4.1%</td>
<td>0.0%</td>
</tr>
<tr>
<td>White</td>
<td>56.4%</td>
<td>54.9%</td>
<td>50.9%</td>
<td>49.6%</td>
<td>44.8%</td>
<td>-11.5%</td>
</tr>
<tr>
<td>Other</td>
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<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.7%</td>
<td>0.7%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>4YR Completions</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asian</td>
<td>5.9%</td>
<td>6.1%</td>
<td>6.7%</td>
<td>6.3%</td>
<td>6.5%</td>
<td>0.6%</td>
</tr>
<tr>
<td>Black</td>
<td>4.0%</td>
<td>4.0%</td>
<td>3.8%</td>
<td>4.4%</td>
<td>4.1%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>14.7%</td>
<td>17.0%</td>
<td>18.2%</td>
<td>20.3%</td>
<td>21.6%</td>
<td>6.9%</td>
</tr>
<tr>
<td>Native American</td>
<td>1.8%</td>
<td>1.8%</td>
<td>2.0%</td>
<td>2.1%</td>
<td>1.8%</td>
<td>0.0%</td>
</tr>
<tr>
<td>White</td>
<td>73.6%</td>
<td>71.0%</td>
<td>69.3%</td>
<td>66.9%</td>
<td>65.0%</td>
<td>-8.6%</td>
</tr>
<tr>
<td>Other</td>
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<td>0.0%</td>
<td>0.0%</td>
<td>0.9%</td>
<td>0.9%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
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</tr>
</tbody>
</table>

Source(s): Arizona Department of Education and National Student Clearinghouse
College Completions: 4 of 12
### Exhibit CC.5.1: Number of College Completions in Ethnic Groups

*Completions by Hispanics increased by more than 80 percent.*

<table>
<thead>
<tr>
<th>Ethnicity</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>% Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Asian</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HS Graduates</td>
<td>1,697</td>
<td>1,841</td>
<td>2,021</td>
<td>2,053</td>
<td>2,002</td>
<td></td>
</tr>
<tr>
<td>Completions</td>
<td>711</td>
<td>806</td>
<td>972</td>
<td>955</td>
<td>987</td>
<td></td>
</tr>
<tr>
<td>2YR Completions</td>
<td>79</td>
<td>93</td>
<td>99</td>
<td>108</td>
<td>107</td>
<td></td>
</tr>
<tr>
<td>4YR Completions</td>
<td>632</td>
<td>713</td>
<td>873</td>
<td>847</td>
<td>880</td>
<td></td>
</tr>
<tr>
<td>% Growth</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>18.0%</td>
</tr>
<tr>
<td><strong>Black</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HS Graduates</td>
<td>2,920</td>
<td>3,312</td>
<td>3,480</td>
<td>3,892</td>
<td>3,797</td>
<td></td>
</tr>
<tr>
<td>Completions</td>
<td>589</td>
<td>648</td>
<td>691</td>
<td>773</td>
<td>754</td>
<td></td>
</tr>
<tr>
<td>2YR Completions</td>
<td>159</td>
<td>180</td>
<td>202</td>
<td>183</td>
<td>208</td>
<td></td>
</tr>
<tr>
<td>4YR Completions</td>
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<td>468</td>
<td>489</td>
<td>590</td>
<td>546</td>
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</tr>
<tr>
<td>% Growth</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td>30.0%</td>
</tr>
<tr>
<td><strong>Hispanic</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HS Graduates</td>
<td>17,427</td>
<td>19,635</td>
<td>21,307</td>
<td>23,325</td>
<td>24,095</td>
<td></td>
</tr>
<tr>
<td>Completions</td>
<td>2,669</td>
<td>3,279</td>
<td>4,022</td>
<td>4,407</td>
<td>4,810</td>
<td></td>
</tr>
<tr>
<td>2YR Completions</td>
<td>1,095</td>
<td>1,308</td>
<td>1,657</td>
<td>1,687</td>
<td>1,898</td>
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<tr>
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<td>1,574</td>
<td>1,971</td>
<td>2,365</td>
<td>2,720</td>
<td>2,912</td>
<td></td>
</tr>
<tr>
<td>% Growth</td>
<td></td>
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<td></td>
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<td>38.3%</td>
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<tr>
<td><strong>Native American</strong></td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>HS Graduates</td>
<td>3,147</td>
<td>3,379</td>
<td>3,520</td>
<td>3,631</td>
<td>3,486</td>
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<tr>
<td>Completions</td>
<td>334</td>
<td>348</td>
<td>446</td>
<td>481</td>
<td>426</td>
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<td>196</td>
<td>212</td>
<td>261</td>
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<tr>
<td>% Growth</td>
<td></td>
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</tr>
<tr>
<td><strong>White</strong></td>
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<td></td>
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<tr>
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<td>31,921</td>
<td>32,338</td>
<td>31,438</td>
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<tr>
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<td>10,344</td>
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<td>11,098</td>
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<td>2,094</td>
<td>2,225</td>
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<td>1,969</td>
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<td>7,886</td>
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<td>8,954</td>
<td>8,756</td>
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<tr>
<td>% Growth</td>
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<td>1.8%</td>
</tr>
<tr>
<td><strong>Other</strong></td>
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<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>HS Graduates</td>
<td>8</td>
<td>588</td>
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<td></td>
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<td>Completions</td>
<td>0</td>
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<tr>
<td>2YR Completions</td>
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<tr>
<td>4YR Completions</td>
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<td>127</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>% Growth</td>
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</tr>
</tbody>
</table>

Source(s): Arizona Department of Education and National Student Clearinghouse

College Completions: 5 of 12
Arizona Public High School Graduates Completing College within Six Years in Ethnic Groups

Exhibit CC.6.1: Percentage of College Completions in Ethnic Groups

*College completions in ethnic groups evidence ethnic disparities.*

<table>
<thead>
<tr>
<th>Ethnic Group</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Asian</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Completions</td>
<td>41.9%</td>
<td>43.8%</td>
<td>48.1%</td>
<td>46.5%</td>
<td>49.3%</td>
<td>7.4%</td>
</tr>
<tr>
<td>2YR Completions</td>
<td>4.7%</td>
<td>5.1%</td>
<td>4.9%</td>
<td>5.3%</td>
<td>5.3%</td>
<td>0.7%</td>
</tr>
<tr>
<td>4YR Completions</td>
<td>37.2%</td>
<td>38.7%</td>
<td>43.2%</td>
<td>41.3%</td>
<td>44.0%</td>
<td>6.7%</td>
</tr>
<tr>
<td><strong>Black</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Completions</td>
<td>20.2%</td>
<td>19.6%</td>
<td>19.9%</td>
<td>19.9%</td>
<td>19.9%</td>
<td>-0.3%</td>
</tr>
<tr>
<td>2YR Completions</td>
<td>5.4%</td>
<td>5.4%</td>
<td>5.8%</td>
<td>4.7%</td>
<td>5.5%</td>
<td>0.0%</td>
</tr>
<tr>
<td>4YR Completions</td>
<td>14.7%</td>
<td>14.1%</td>
<td>14.1%</td>
<td>15.2%</td>
<td>14.4%</td>
<td>-0.3%</td>
</tr>
<tr>
<td><strong>Hispanic</strong></td>
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<td></td>
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</tr>
<tr>
<td>Completions</td>
<td>15.3%</td>
<td>16.7%</td>
<td>18.9%</td>
<td>18.9%</td>
<td>20.0%</td>
<td>4.6%</td>
</tr>
<tr>
<td>2YR Completions</td>
<td>6.3%</td>
<td>6.7%</td>
<td>7.8%</td>
<td>7.2%</td>
<td>7.9%</td>
<td>1.6%</td>
</tr>
<tr>
<td>4YR Completions</td>
<td>9.0%</td>
<td>10.0%</td>
<td>11.1%</td>
<td>11.7%</td>
<td>12.1%</td>
<td>3.1%</td>
</tr>
<tr>
<td><strong>Native American</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Completions</td>
<td>10.6%</td>
<td>10.3%</td>
<td>12.7%</td>
<td>13.2%</td>
<td>12.2%</td>
<td>1.6%</td>
</tr>
<tr>
<td>2YR Completions</td>
<td>4.4%</td>
<td>4.0%</td>
<td>5.3%</td>
<td>5.5%</td>
<td>5.2%</td>
<td>0.8%</td>
</tr>
<tr>
<td>4YR Completions</td>
<td>6.2%</td>
<td>6.3%</td>
<td>7.4%</td>
<td>7.8%</td>
<td>7.1%</td>
<td>0.8%</td>
</tr>
<tr>
<td><strong>White</strong></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Completions</td>
<td>31.7%</td>
<td>32.8%</td>
<td>35.1%</td>
<td>34.3%</td>
<td>34.1%</td>
<td>2.4%</td>
</tr>
<tr>
<td>2YR Completions</td>
<td>6.1%</td>
<td>6.6%</td>
<td>7.0%</td>
<td>6.6%</td>
<td>6.3%</td>
<td>0.1%</td>
</tr>
<tr>
<td>4YR Completions</td>
<td>25.5%</td>
<td>26.1%</td>
<td>28.1%</td>
<td>27.7%</td>
<td>27.9%</td>
<td>2.3%</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Completions</td>
<td>0.0%</td>
<td>26.5%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2YR Completions</td>
<td>0.0%</td>
<td>4.9%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4YR Completions</td>
<td>0.0%</td>
<td>21.6%</td>
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</tr>
</tbody>
</table>

Source(s): Arizona Department of Education and National Student Clearinghouse
College Completions: 6 of 12
### Exhibit CC.7.1: Number of College Completions by Gender

*Four-eight percent more females complete college than males, and this gender gap is growing.*

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>% Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>HS Graduates</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>29,032</td>
<td>30,720</td>
<td>31,912</td>
<td>33,323</td>
<td>33,154</td>
<td>14.2%</td>
</tr>
<tr>
<td>Male</td>
<td>27,054</td>
<td>28,998</td>
<td>30,337</td>
<td>31,924</td>
<td>32,252</td>
<td>19.2%</td>
</tr>
<tr>
<td>Unknown</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>56,086</td>
<td>59,718</td>
<td>62,249</td>
<td>65,247</td>
<td>65,406</td>
<td>16.6%</td>
</tr>
<tr>
<td><strong>Total Completions</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>8,368</td>
<td>9,173</td>
<td>10,179</td>
<td>10,587</td>
<td>10,700</td>
<td>27.9%</td>
</tr>
<tr>
<td>Male</td>
<td>5,720</td>
<td>6,253</td>
<td>7,160</td>
<td>7,127</td>
<td>7,235</td>
<td>26.5%</td>
</tr>
<tr>
<td>Unknown</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>14,088</td>
<td>15,426</td>
<td>17,339</td>
<td>17,714</td>
<td>17,935</td>
<td>27.3%</td>
</tr>
<tr>
<td><strong>2YR Completions</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>1,888</td>
<td>2,170</td>
<td>2,453</td>
<td>2,482</td>
<td>2,541</td>
<td>34.6%</td>
</tr>
<tr>
<td>Male</td>
<td>1,482</td>
<td>1,641</td>
<td>1,915</td>
<td>1,839</td>
<td>1,850</td>
<td>24.8%</td>
</tr>
<tr>
<td>Unknown</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>3,370</td>
<td>3,811</td>
<td>4,368</td>
<td>4,321</td>
<td>4,391</td>
<td>30.3%</td>
</tr>
<tr>
<td><strong>4YR Completions</strong></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>6,480</td>
<td>7,003</td>
<td>7,726</td>
<td>8,105</td>
<td>8,082</td>
<td>24.7%</td>
</tr>
<tr>
<td>Male</td>
<td>4,238</td>
<td>4,612</td>
<td>5,245</td>
<td>5,288</td>
<td>5,385</td>
<td>27.1%</td>
</tr>
<tr>
<td>Unknown</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
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<td>11,615</td>
<td>12,971</td>
<td>13,393</td>
<td>13,467</td>
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</tr>
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</table>

Source(s): Arizona Department of Education and National Student Clearinghouse

College Completions: 7 of 12
Exhibit CC.8.1: Percentage of College Completions by Gender

*Females account for 60 percent of college completions.*

<table>
<thead>
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<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>HS Graduates</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>51.8%</td>
<td>51.4%</td>
<td>51.3%</td>
<td>51.1%</td>
<td>50.7%</td>
<td>-1.1%</td>
</tr>
<tr>
<td>Male</td>
<td>48.2%</td>
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<td>48.7%</td>
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<td>49.3%</td>
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<tr>
<td>Total</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
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</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Completions</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>59.4%</td>
<td>59.5%</td>
<td>58.7%</td>
<td>59.8%</td>
<td>59.7%</td>
<td>0.3%</td>
</tr>
<tr>
<td>Male</td>
<td>40.6%</td>
<td>40.5%</td>
<td>41.3%</td>
<td>40.2%</td>
<td>40.3%</td>
<td>-0.3%</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2YR Completions</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>56.0%</td>
<td>56.9%</td>
<td>56.2%</td>
<td>57.4%</td>
<td>57.9%</td>
<td>1.8%</td>
</tr>
<tr>
<td>Male</td>
<td>44.0%</td>
<td>43.1%</td>
<td>43.8%</td>
<td>42.6%</td>
<td>42.1%</td>
<td>-1.8%</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>4YR Completions</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>60.5%</td>
<td>60.3%</td>
<td>59.6%</td>
<td>60.5%</td>
<td>60.0%</td>
<td>-0.4%</td>
</tr>
<tr>
<td>Male</td>
<td>39.5%</td>
<td>39.7%</td>
<td>40.4%</td>
<td>39.5%</td>
<td>40.0%</td>
<td>0.4%</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td></td>
</tr>
</tbody>
</table>

Source(s): Arizona Department of Education and National Student Clearinghouse
College Completions: 8 of 12
Arizona Public High School Graduates Completing College within Six Years in Gender

Exhibit CC.9.1: Number of College Completions in Gender

Despite the faster growth rate in male high school graduates, females still lead in college completion growth.

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>% Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female HS Graduates</td>
<td>29,032</td>
<td>30,720</td>
<td>31,912</td>
<td>33,323</td>
<td>33,154</td>
<td>14.2%</td>
</tr>
<tr>
<td>Completions</td>
<td>8,368</td>
<td>9,173</td>
<td>10,179</td>
<td>10,587</td>
<td>10,623</td>
<td>26.9%</td>
</tr>
<tr>
<td>2YR Completions</td>
<td>1,888</td>
<td>2,170</td>
<td>2,453</td>
<td>2,482</td>
<td>2,541</td>
<td>34.6%</td>
</tr>
<tr>
<td>4YR Completions</td>
<td>6,480</td>
<td>7,003</td>
<td>7,726</td>
<td>8,105</td>
<td>8,082</td>
<td>24.7%</td>
</tr>
<tr>
<td>Male HS Graduates</td>
<td>27,054</td>
<td>28,998</td>
<td>30,337</td>
<td>31,924</td>
<td>32,252</td>
<td>19.2%</td>
</tr>
<tr>
<td>Completions</td>
<td>5,720</td>
<td>6,253</td>
<td>7,160</td>
<td>7,127</td>
<td>7,235</td>
<td>26.5%</td>
</tr>
<tr>
<td>2YR Completions</td>
<td>1,482</td>
<td>1,641</td>
<td>1,915</td>
<td>1,839</td>
<td>1,850</td>
<td>24.8%</td>
</tr>
<tr>
<td>4YR Completions</td>
<td>4,238</td>
<td>4,612</td>
<td>5,245</td>
<td>5,288</td>
<td>5,385</td>
<td>27.1%</td>
</tr>
</tbody>
</table>

Unknown

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<table>
<thead>
<tr>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>HS Graduates</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Completions</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2YR Completions</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4YR Completions</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source(s): Arizona Department of Education and National Student Clearinghouse
College Completions: 9 of 12
Arizona Public High School Graduates Completing College within Six Years in Gender

Exhibit CC.10.1: Percentage of College Completions in Gender

*More than 32 percent of females complete college compared to less than 23 percent of males - a gender gap that is expanding.*

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Female</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Completions</td>
<td>28.8%</td>
<td>29.9%</td>
<td>31.9%</td>
<td>31.8%</td>
<td>32.0%</td>
<td>3.2%</td>
</tr>
<tr>
<td>2YR Completions</td>
<td>6.5%</td>
<td>7.1%</td>
<td>7.7%</td>
<td>7.4%</td>
<td>7.7%</td>
<td>1.2%</td>
</tr>
<tr>
<td>4YR Completions</td>
<td>22.3%</td>
<td>22.8%</td>
<td>24.2%</td>
<td>24.3%</td>
<td>24.4%</td>
<td>2.1%</td>
</tr>
<tr>
<td><strong>Male</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Completions</td>
<td>21.1%</td>
<td>21.6%</td>
<td>23.6%</td>
<td>22.3%</td>
<td>22.4%</td>
<td>1.3%</td>
</tr>
<tr>
<td>2YR Completions</td>
<td>5.5%</td>
<td>5.7%</td>
<td>6.3%</td>
<td>5.8%</td>
<td>5.7%</td>
<td>0.3%</td>
</tr>
<tr>
<td>4YR Completions</td>
<td>15.7%</td>
<td>15.9%</td>
<td>17.3%</td>
<td>16.6%</td>
<td>16.7%</td>
<td>1.0%</td>
</tr>
<tr>
<td><strong>Unknown</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source(s): Arizona Department of Education and National Student Clearinghouse

College Completions: 10 of 12
Arizona Public High School Graduates Completing College within Six Years by High School Tiers

Description: Arizona public high schools are ranked based on college completion rates and binned into equally sized tiers containing 10 percent of high schools. Tier one represents the 10 percent of high schools with the highest college completion rates.

Exhibit CC.11.1: Number of College Completions by Completion Rate Based High School Tiers

The bottom 50 percent of high schools account for less than 2 percent of college completions.

Exhibit CC.11.2: Percentage of College Completions by Completion-Rate Based High School Tiers

Twenty percent of high schools produce no college graduates.

Exhibit CC.11.3: Cumulative Percentage of Graduates vs. Percentage of College Completions

The top 30 percent of Arizona public high schools produce 84 percent of college graduates.

Source(s): Arizona Department of Education and National Student Clearinghouse

College Completions: 11 of 12
Arizona Public High School Graduates Completing College within Six Years by High School Tiers

Description: Arizona public high schools are ranked based on college completion rates and binned into equally sized tiers containing 10 percent of high schools. Tier one represents the 10 percent of high schools with the highest college completion rates.

Exhibit CC.12.1: Number of Public High School Graduates by Ethnic Group and High School Tier

<table>
<thead>
<tr>
<th>Ethnic Group</th>
<th>Tier 1</th>
<th>Tier 2</th>
<th>Tier 3</th>
<th>Tier 4</th>
<th>Tier 5</th>
<th>Tier 6</th>
<th>Tier 7</th>
<th>Tier 8</th>
<th>Tier 9</th>
<th>Tier 10</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asian</td>
<td>692</td>
<td>608</td>
<td>325</td>
<td>219</td>
<td>78</td>
<td>24</td>
<td>39</td>
<td>8</td>
<td>6</td>
<td>3</td>
<td>2,002</td>
</tr>
<tr>
<td>Black</td>
<td>475</td>
<td>880</td>
<td>876</td>
<td>704</td>
<td>360</td>
<td>202</td>
<td>213</td>
<td>49</td>
<td>15</td>
<td>23</td>
<td>3,797</td>
</tr>
<tr>
<td>Hispanic</td>
<td>2,111</td>
<td>4,481</td>
<td>6,092</td>
<td>5,386</td>
<td>2,487</td>
<td>1,424</td>
<td>1,573</td>
<td>243</td>
<td>153</td>
<td>145</td>
<td>24,095</td>
</tr>
<tr>
<td>Native American</td>
<td>236</td>
<td>251</td>
<td>369</td>
<td>917</td>
<td>951</td>
<td>247</td>
<td>198</td>
<td>91</td>
<td>97</td>
<td>129</td>
<td>3,486</td>
</tr>
<tr>
<td>White</td>
<td>10,129</td>
<td>9,157</td>
<td>5,550</td>
<td>2,733</td>
<td>1,644</td>
<td>630</td>
<td>933</td>
<td>293</td>
<td>212</td>
<td>157</td>
<td>31,438</td>
</tr>
<tr>
<td>Other</td>
<td>104</td>
<td>159</td>
<td>130</td>
<td>68</td>
<td>39</td>
<td>28</td>
<td>42</td>
<td>8</td>
<td>5</td>
<td>5</td>
<td>588</td>
</tr>
<tr>
<td>Total</td>
<td>13,747</td>
<td>15,536</td>
<td>13,342</td>
<td>10,027</td>
<td>5,559</td>
<td>2,998</td>
<td>692</td>
<td>488</td>
<td>462</td>
<td>588</td>
<td>65,406</td>
</tr>
</tbody>
</table>

Exhibit CC.12.2: Percentage of High School Graduates in High School Tier by Ethnic Group

<table>
<thead>
<tr>
<th>Ethnic Group</th>
<th>Tier 1</th>
<th>Tier 2</th>
<th>Tier 3</th>
<th>Tier 4</th>
<th>Tier 5</th>
<th>Tier 6</th>
<th>Tier 7</th>
<th>Tier 8</th>
<th>Tier 9</th>
<th>Tier 10</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asian</td>
<td>5.0%</td>
<td>3.9%</td>
<td>2.4%</td>
<td>2.2%</td>
<td>1.4%</td>
<td>0.9%</td>
<td>1.3%</td>
<td>1.2%</td>
<td>1.2%</td>
<td>0.6%</td>
<td>100.0%</td>
</tr>
<tr>
<td>Black</td>
<td>3.5%</td>
<td>5.7%</td>
<td>6.6%</td>
<td>7.0%</td>
<td>6.5%</td>
<td>7.9%</td>
<td>7.1%</td>
<td>7.1%</td>
<td>3.1%</td>
<td>5.0%</td>
<td>100.0%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>15.4%</td>
<td>28.8%</td>
<td>45.7%</td>
<td>53.7%</td>
<td>43.7%</td>
<td>55.7%</td>
<td>52.5%</td>
<td>35.1%</td>
<td>31.4%</td>
<td>31.4%</td>
<td>100.0%</td>
</tr>
<tr>
<td>Native American</td>
<td>1.7%</td>
<td>1.6%</td>
<td>2.8%</td>
<td>9.1%</td>
<td>17.1%</td>
<td>9.7%</td>
<td>6.6%</td>
<td>13.2%</td>
<td>19.9%</td>
<td>27.9%</td>
<td>100.0%</td>
</tr>
<tr>
<td>White</td>
<td>73.7%</td>
<td>58.3%</td>
<td>41.6%</td>
<td>27.3%</td>
<td>29.6%</td>
<td>24.7%</td>
<td>31.1%</td>
<td>42.3%</td>
<td>43.4%</td>
<td>34.0%</td>
<td>100.0%</td>
</tr>
<tr>
<td>Other</td>
<td>0.8%</td>
<td>1.0%</td>
<td>1.0%</td>
<td>0.7%</td>
<td>0.7%</td>
<td>1.1%</td>
<td>1.4%</td>
<td>1.2%</td>
<td>1.0%</td>
<td>1.1%</td>
<td>100.0%</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Exhibit CC.12.3: Percentage of High School Graduates in Ethnic Group by High School Tier

<table>
<thead>
<tr>
<th>Ethnic Group</th>
<th>Tier 1</th>
<th>Tier 2</th>
<th>Tier 3</th>
<th>Tier 4</th>
<th>Tier 5</th>
<th>Tier 6</th>
<th>Tier 7</th>
<th>Tier 8</th>
<th>Tier 9</th>
<th>Tier 10</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asian</td>
<td>34.6%</td>
<td>30.4%</td>
<td>16.2%</td>
<td>10.9%</td>
<td>3.9%</td>
<td>1.2%</td>
<td>1.9%</td>
<td>0.4%</td>
<td>0.3%</td>
<td>0.1%</td>
<td>100.0%</td>
</tr>
<tr>
<td>Black</td>
<td>12.5%</td>
<td>23.2%</td>
<td>23.1%</td>
<td>18.5%</td>
<td>9.5%</td>
<td>5.3%</td>
<td>5.6%</td>
<td>1.3%</td>
<td>0.4%</td>
<td>0.6%</td>
<td>100.0%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>8.8%</td>
<td>18.6%</td>
<td>25.3%</td>
<td>22.4%</td>
<td>10.3%</td>
<td>5.9%</td>
<td>6.5%</td>
<td>1.0%</td>
<td>0.6%</td>
<td>0.6%</td>
<td>100.0%</td>
</tr>
<tr>
<td>Native American</td>
<td>6.8%</td>
<td>7.2%</td>
<td>10.6%</td>
<td>26.3%</td>
<td>27.3%</td>
<td>7.1%</td>
<td>5.7%</td>
<td>2.6%</td>
<td>2.8%</td>
<td>3.7%</td>
<td>100.0%</td>
</tr>
<tr>
<td>White</td>
<td>32.2%</td>
<td>29.1%</td>
<td>17.7%</td>
<td>8.7%</td>
<td>5.2%</td>
<td>2.0%</td>
<td>3.0%</td>
<td>0.9%</td>
<td>0.7%</td>
<td>0.5%</td>
<td>100.0%</td>
</tr>
<tr>
<td>Other</td>
<td>17.7%</td>
<td>27.0%</td>
<td>22.1%</td>
<td>11.6%</td>
<td>6.6%</td>
<td>4.8%</td>
<td>7.1%</td>
<td>1.4%</td>
<td>0.9%</td>
<td>0.9%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Source(s): Arizona Department of Education and National Student Clearinghouse
College Completions: 12 of 12
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EXECUTIVE SUMMARY

Item Name: Northern Arizona University’s FY 2018-2019 Operational and Financial Review (NAU)

☑ Action Item

Requested Action: Northern Arizona University and the board office ask the board to receive their Fiscal Year 2018-2019 operational and financial review composed of the background report, written business plan update and public presentation and strategic discussion.

Background/History of Previous Board Action

As part of its constitutional responsibility to ensure that Arizona’s public universities accomplish their public purpose and mission, the Arizona Board of Regents conducts an annual comprehensive review of the operations and finances of each university. This review emphasizes NAU’s:

- differentiated mission, purpose and identity;
- strategic initiatives;
- current performance levels of the organization;
- emerging threats and opportunities;
- current and future university priorities;
- strengths and weaknesses relative to higher education peers and competitors;
- financial model and resource allocation necessary to support the mission and initiatives;
- key partnerships, relationships and alliances; and,
- anticipated responses to contingencies or environmental changes.

The OFR allows the regents to understand the details and progress of each university’s academic, business, and strategic initiatives against the goals assigned in the ABOR strategic plan, as well as the personnel and financial resources that will be committed.

The review also highlights for the board the strategic and material decisions or policy changes required by the board as part of the plan. The process is also intended to enhance transparency in university planning and performance.

Contact Information:
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Bjorn Flugstad 928 523 4240 Bjorn.Flugstad@nau.edu
Christy Farley 602-827-2555 Christy.Farley@nau.edu
Chad Sampson 602-229-2512 Chad.Sampson@azregents.edu
John Arnold 602-229-2505 john.arnold@azregents.edu
Kris Okazaki 602-229-2552 Kris.Okazaki@azregents.edu
The board will draw on the information provided throughout the course of the year as it makes decisions regarding the university (e.g., tuition, capital projects, partnerships, academic programs, etc.).

Once received by the board, the university OFR materials will be used to facilitate university operating decisions internally.

Discussion

NAU’s review is composed of three components:

1) background report
2) business plan update; and,
3) public presentation and strategic discussion with the board.

NAU’s OFR materials may be found here.

Each OFR component is briefly described below.

NAU Background Report

The background report is designed to provide the regents with an overview of each university’s progress in key areas of responsibility from the prior year relative to the ABOR metrics and university projections. The report includes several schedules populated by data obtained from the board’s business intelligence database, the financial aid report, other financial data, additional board annual reports and university provided financial projections.

NAU's Business Plan Update

In addition to the background report, NAU submits a business plan update to be read in conjunction with NAU’s written business plan adopted by the board at its September 28-29, 2017 board meeting. The update:

- contains the university’s most important modifications to operations and financial strategies after the written business plan was adopted by the board;
- informs the board what the university intends to achieve, recognizing the current competitive conditions and environment;
- details the major initiatives that will be deployed;
- identifies the resource commitment it will take to achieve those initiatives;
- identifies the key opportunities available to the university; and
- addresses what risk factors exist that could prevent the university from achieving its initiatives/goals and the actions needed to mitigate.
Public Presentation and Strategic Discussion
As part of the review process, each university president (and, at the president’s
discretion, key members of the university leadership team) will have the opportunity to
make a presentation and engage in a strategic discussion with the board.

The presentation and discussion is expected to focus on those areas of greatest
importance and urgency to NAU and cover the strategies and initiatives that will be
pursued in the coming year.

Statutory/Policy Requirements
A.R.S. §15-1626(A) General Administrative powers and duties of board
Adoption of Minutes
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ARIZONA BOARD OF REGENTS
Minutes of a Regular Meeting
Wednesday, April 4, Thursday, April 5 and Friday, April 6, 2018

A meeting of the Arizona Board of Regents was held on Wednesday, April 4, Thursday, April 5 and Friday, April 6, 2018 at the University of Arizona Student Union Memorial Center in Tucson, Arizona.

Present: Regent Ridenour, Regent Heiler, Regent Krishna, Regent Manson, Regent Penley, Regent Shoopman, Regent Taylor Robson, Regent Myers, Regent Careaga and Regent DeGravina.

Absent: Governor Doug Ducey and Superintendent Douglas.

Others present: from the University of Arizona President Robert Robbins, Provost Andrew Comrie, Senior Associate Jon Dudas and General Counsel Laura Todd Johnson; from Arizona State University President Michael Crow, Provost Mark Searle, Senior Associate Christine Wilkinson, General Counsel José Cárdenas, and Morgan Olsen; from Northern Arizona University: President Rita Cheng, Provost Daniel Kain, Senior Associate Christy Farley and General Counsel Michelle Parker; from the Board Office: President Eileen Klein, General Counsel Nancy Tribbensee, Jennifer Pollock, John Arnold, Chad Sampson, Brittany Kaufmann, Dan Anderson and Kate Linder; and Arizona Faculties Council Representative Lynn Nadel.

All lists, reports, summaries, background materials and other documents referred to in the minutes can be found in the April 4-6, 2018 Document Files. The meeting was called to order on April 4, 2018 at 4:03 p.m. The board immediately voted to go into executive session.

RESUME PUBLIC SESSION, GREETINGS AND ANNOUNCEMENTS FROM THE BOARD CHAIR

The public meeting resumed on April 5, 2018 at 9:05 a.m. Regent Ridenour called the meeting to order and Regent Heiler led the Pledge of Allegiance. Regent Ridenour noted that Regent Myers was unable to attend the morning session, and acknowledged the recent passing of Dr. Henry Koffler who served as president of the University of Arizona from 1982 to 1991. This was also President Klein’s final meeting as board president.

UNIVERSITY OF ARIZONA PRESIDENT’S WELCOME

President Robbins provided his welcoming remarks and announced UA was named a Hispanic serving institution by the U.S. Department of Education. President Robbins acknowledged the Director of Student Affairs Assessment and Research, Marla Franco, who led this effort, as well as Melissa Vito and Kimberly Espy who contributed to the
project. UA is one of only a few AAU universities to have this distinction along with ASU Downtown and ASU West. UA South has been a Hispanic serving institution since 2002. This distinction allows the university to receive additional resources and funding from federal agencies. President Robbins also brought attention to the “I Will” campaign around campus, which is an effort to help raise awareness of sexual assault.

**ABOR PRESIDENT’S REPORT**

**ABOR President’s Report** (Item 1)

President Klein provided her report to the board and focused on the tuition setting process and the universities’ tuition proposals. The timeline for the tuition setting process begins in the fall and the university presidents work with their teams to develop their proposals. During the process, student input is solicited and collected through several channels. The university presidents fashion the proposals from data and input and release those proposals to the public. President Klein recounted a series of meetings and statewide tuition hearings held over the past several weeks. These public meeting formats provide opportunities for the board to hear from the public about the published proposals. The board takes into account all public feedback it receives, and at times, revisions to tuition plans occur based on that feedback. After the tuition hearings, the board attends a Tuition Workshop, which provides an opportunity for the board to have an in-depth discussion on the proposals. The university presidents provide transparency in their proposals by incorporating details regarding how tuition proceeds will be used, allocated, and how the net result of tuition increases will be used for the betterment of students. Simultaneously, the regents recommend efficiencies to help mitigate tuition increases. President Klein spoke about the Auditor General’s recommendations on the fee and the tuition setting process. The board has started the immediate implementation of some of the recommendations. Voting by the board on the proposed tuition and fee rates as well as housing and meal plans were on the day’s agenda. The board is continually looking for ways to make the process better and there are opportunities for continual change.

President Klein reported on the state of tuition prices and student debt related to tuition. For the past five years, the board has greatly stabilized tuition rate increases. The rate of tuition growth has slowed considerably, with focused effort from the board and the presidents. President Klein called for continued work on clarity and transparency of tuition prices, which has been a deliberate effort of the board and results are materializing. Arizona ranks fourth best for the lowest amount of student debt among other peer states. All three universities provide a considerable amount of financial aid so that Arizona’s resident students benefit from lower rates. President Klein also pointed out that the board has been focused on managing costs. The current cost of educating a student at one of Arizona’s public higher education institutions is lower than our peers. Furthermore, Arizona’s universities’ net costs are lower than they were 10 years ago, which is the result of a concerted effort to ensure that Arizona’s public universities are affordable. The board has contemplated some opportunities to implement additional reforms on fee setting in general. The legislature has shown interest in having the board set all class fees, which would be almost 3,500 more
decision points for the board. The board has the opportunity to evaluate, as the universities have carefully done, where it is appropriate to charge fees and how to differentiate tuition. The timing of the tuition rate setting should always be considered and it is important that the board and universities go through a regular and detailed tuition setting process. One consideration is to set tuition every other year. The universities are now in a period of relative stability in terms of overall finances, although state support is still lacking. It is possible to authorize several-year windows for tuition rate setting to continue predictability and stability. Tuition guarantee programs need to ensure the delivery of low tuition prices and provide the most effective ways to give the predictability that the students and their parents need.

President Klein compared current tuition setting to several years ago. Tuition setting is an open, transparent process, and the board has an opportunity to think of enhancements that can be made to competitive analysis. Unlike other states, Arizona’s board has a constitutional mandate to keep tuition as nearly as free as possible. Arizona’s students are being recruited by other states and it is important to understand the market dynamics and ensure Arizona’s students are getting a quality education at an affordable price.

President Klein described the board’s continual review of the universities’ financial health. Arizona’s public universities are in a sound financial position with necessary cash on hand, healthy bond ratings, and new infusions and investments coming from the state. Work continues for the 50/50 model and getting the legislature to fund resident students at 50% of the in-state tuition price. President Klein emphasized that while there has been much discussion about finances and tuition setting, quality is the underlying goal. Continued efforts through the academic affairs teams, regents, and the universities’ presidents is essential to keeping quality as high as a student expects and as high as can be delivered.

President Klein spoke about governing with a purpose and the overarching set of principles used to develop a cohesive strategic plan for the board to unify the universities. For the past several years, the board and university presidents have worked to ensure transparency and accountability are central to their work. Today there is a single plan that unifies Arizona’s three universities. President Klein expressed gratitude to have been part of a group that is keeping students at the center, is accountable and performance driven with the knowledge of building on the success of others.

President Klein introduced recent retiree, Dan Anderson, and highlighted the remarkable legacy and impact he has had on the universities and the board office. His work has provided data that has helped regents and the universities pinpoint problems, find solutions, and make fact-based decisions. He was also instrumental in bringing the K-12 pipeline and community colleges in partnership with the universities by finding untapped resources for information. Mr. Anderson addressed the board with gratitude for 43 years of service with the State of Arizona and the remarkable people he has worked with.

President Klein reflected on the things that have helped her achieve her goals and earn the trust of the public and the board. She expressed pride in Arizona’s public universities and
the changes that have resulted in great success in one of the most difficult times in America and in a state that was particularly hit hard by the recession. President Klein ended her report by thanking the faculty, students, presidents and regents for the chance to serve them and to help lead.

CALL TO THE AUDIENCE

Per Board Policy 1-114, time was set aside for the Call to the Audience, an opportunity for people to express their views or concerns on matters of board governance to the entire board in a public setting. Regent Ridenour reminded the audience that due to the board's March 27, 2018 statewide tuition hearing, comments regarding the issue of tuition at this meeting were discouraged.

Matthew Rein, from ASUA, spoke on his experience at the university and the role of the regents to make the state universities successful. He expressed support for the 50/50 funding model, encouraged the regents to continue to be the voice of the students of Arizona, and hoped to see Arizona's university system become a funding model for higher education around the country. Matt Lubisich, from ASUA, expressed his pride for the impact the student voice has had on the University of Arizona campus, and expressed gratitude for the opportunity to work with UA administration and the Board of Regents.

Lauren L’Ecuyer, from ASNAU, reported on student government transition and campus initiatives at NAU. Ms. L’Ecuyer is the 2018-19 incoming student regent.

ADOPTION OF CONSENT AGENDA ACTION ITEMS AND ACCEPTANCE OF CONSENT INFORMATION ITEMS

All items on the Agenda that are marked with an asterisk (*) are consent matters. The Agenda was adopted as described in the executive summaries upon motion by Regent Ridenour; second by Regent Krishna, with the exception of Item 22, which was pulled from the consent agenda and discussed separately. All other items were considered by a single motion with no discussion. Regents Shoopman, Krishna, Manson, Penley, Heiler, Taylor Robson, Careaga and Ridenour voted in favor. None opposed and none abstained. Regent Myers was not present for this item.

*Minutes

The board approved the (a) November 2, 2017 Special Executive Session; (b) November 8, 2017 Special Executive Session; (c) November 15-17, 2017 Regular board Meeting; and (d) December 13, 2017 Special Board meeting minutes.
BUSINESS AND FINANCE COMMITTEE

*Report on the Business and Finance Committee Meeting (Item 10)
The board reviewed the report of the March 22, 2018 Business and Finance Committee meeting.

*February and March Reports on the Real Estate Subcommittee Meetings (Item 11)
The board reviewed the reports of the February 22, 2018 and March 22, 2018 Real Estate Subcommittee meetings.

*Real Estate Subcommittee Name Change to University Property Oversight Committee (Item 12)
The board approved the Real Estate Subcommittee’s request to change its name to the University Property Oversight Subcommittee.

*Mineral Museum Lease at Old County Courthouse (UA) (Item 13)
The board approved the University of Arizona’s lease between Pima County as landlord and the UA as tenant for the UA Gem & Mineral Museum in the historic Pima County Courthouse located in downtown Tucson.

*Proposed Revisions to ABOR Policy 4-101 “Authority to Set Tuition and Fees” (Second Reading) (Item 14)
The board approved proposed revisions to board policy related to student tuition and fees.

ACADEMIC AND STUDENT AFFAIRS COMMITTEE

*Report on the Academic and Student Affairs Committee Meeting (Item 15)
The board reviewed the report of the March 22, 2018 Academic and Student Affairs Committee Meeting.

*Proposed Revision to ABOR Policy 6-202 “Academic Freedoms” (First Reading) (Item 16)
The board reviewed on first reading a proposed revision to ABOR Policy 6-202 “Academic Freedom.”

*Proposed Revision to ABOR Policy 2-221 “Academic Degree Programs” (First Reading) (Item 17)
The board reviewed on first reading the proposed revision to ABOR Policy 2-221 “Academic Degree Programs.”
*Proposed Revisions to ABOR Policy 4-323(C)(2) “Tuition Waiver Scholarships and Institutionally Supported Financial Aid Programs – Student Financial Aid; Resident Tuition Waiver Scholarships for Recipients of a Regents High Honors Endorsement (also known as the AIMS Scholarship)” (First Reading) (Item 18)

The board reviewed on first reading the proposed revisions to ABOR Policy 4-323(C)(2) “Tuition Waiver Scholarships and Institutionally Supported Financial Aid Programs – Student Financial Aid; Resident Tuition Waiver Scholarships for Recipients of a Regents High Honors Endorsement (also known as the AIMS Scholarship).” The proposed revision removes the reference to the “AIMS Scholarship.”

*Request for New Academic Programs for Northern Arizona University (NAU) (Item 19)

The board reviewed and approved Northern Arizona University’s request for a new program effective in the 2018-2019 catalog and one new program request effective in the 2019-2020 catalog.

AUDIT COMMITTEE

*Report on the Audit Committee Meeting (Item 20)

The board reviewed the report of the March 22, 2018 Audit Committee meeting.

RESEARCH, INNOVATION AND IMPACT COMMITTEE

*Report on the Research, Innovation and Impact Committee Meeting (Item 21)

The board reviewed the report of the March 22, 2018 Research, Innovation and Impact Committee meeting.

REGENTS EXECUTIVE COMMITTEE

Proposed Revisions to ABOR Policies 6-910 “Appointments Requiring Board Approval” and 6-1001 “General Provisions” and Proposed Repeal of 6-1002 “Authority,” 6-1003 “Contract” and the ABOR Guidelines for Communication with the Board regarding Multiple-year Coaching Contracts (Second Reading) (Item 22)

Item 22 was withdrawn from consent agenda and approved separately during the meeting.

*Amendment to Multiple-year Employment Contract for Head Football Coach – Clarification of Terms (NAU) (Item 23)

The board approved Northern Arizona University’s request to amend the Multiple-year Employment Contract for Jerome Souers as Head Football Coach at Northern Arizona University. This item was revisited from the December 2017 special board meeting to clarify that the one-year extension is from the end of the current contract period and consistent with the Board discussion, and will extend for a year to provide an expiration
date of January 31, 2019, not December 31, 2018 as misstated in the original December 2017 board executive summary.

*Trademark Infringement Lawsuit against Sun Devil Locksmith (Item 25)*

The board approved Arizona State University’s request for ratification of prior authorization to file a trademark infringement lawsuit against Sun Devil Locksmith, LLC, which is using unlicensed university-owned trademarks and indicia in its name, logo, and marketing material.

**ADMINISTRATIVE BUSINESS**

*Proposed Renaming of the Academic and Student Affairs, Business and Finance, and Research, Innovation and Impact Committees (Item 24)*

The board approved the proposed name changes to the Academic and Student Affairs, Business and Finance and Research, Innovation and Impact Committees. The name changes will take effect July 1, 2018. Approval of this item provides authority to the board office to update references to committees in board policies.

**REGENTS EXECUTIVE COMMITTEE**

Proposed Revisions to ABOR Policies 6-910 “Appointments Requiring Board Approval” and 6-1001 “General Provisions” and Proposed Repeal of 6-1002 “Authority,” 6-1003 “Contract” and the ABOR Guidelines for Communication with the Board regarding Multiple-year Coaching Contracts (Second Reading) (Item 22)

Regent Taylor Robson requested this item be pulled from the consent agenda and discuss policies pertaining to multiple-year coaching contracts. Guidelines have been incorporated into board policy that the university presidents and the board will communicate regarding a coaching contract before a decision is made to approve the contract. The trend has been the hiring of a coach was made public subject to board approval afterwards. The proper function is that the board be included in communication prior to public announcement. Regent Penley concurred with Regent Taylor Robson and suggested the issue be addressed in a more comprehensive manner to be consistent with the board taking greater responsibility for reviewing university athletics. Regent Manson reiterated that prior to hiring a coach and the contract details made public, the board has a responsibility to review high-profile hires particularly in athletics.

President Robbins agreed with the process, however, emphasized the turnaround process would have to be swift. President Cheng added that leakage to the press is a concern and often times the process is expedited to avoid information becoming public by an entity other than the university. Best practice in the industry is often a memorandum of terms with a contract to be determined. President Crow discouraged the board from having the responsibility of hiring coaches, because the board would then assume responsibility for them. The presidents should be responsible for the coaches and report to the board with
the terms and conditions of the contract, which are set by the nature and environment in which the universities compete. A university has seven days to replace a coach, 24 hours to negotiate, and 12 hours to initiate a contract. The board’s engagement will need to be on the same timeframe and require the board to assemble, engage and review the terms and conditions of the contract within a 24-hour period.

Regent Taylor Robson stated it was important for the board to give the presidents sufficient guidance on what is expected in the contracts. It is further incumbent on the board to be responsive to the presidents while understanding the time constraints in the market in which they have to operate. The board should not be put in a position to approve a contract after the contract has been offered and accepted.

Upon motion by Regent Taylor Robson; second by Regent Krishna, the board approved Item 22 concerning proposed revisions to ABOR Policies regarding multiple-year employment contracts and the proposed repeal of ABOR Guidelines for communication with the board regarding multiple-year employment contracts, with the stipulation that a communications protocol with the board be developed and brought back to the board for approval. Regents Shoopman, Krishna, Manson, Penley, Heiler, Taylor Robson, Careaga and Ridenour voted in favor. None opposed and none abstained. Regent Myers was not present for this item.

RECESS

The board recessed at 10:35 a.m. and reconvened in public session at 10:50 a.m. on Thursday, April 5, 2018.

BUSINESS AND FINANCE COMMITTEE

Setting Base Tuition and Mandatory Fees, Differential Tuition and Program Fees, Class Fees and Other Academic Fees, and Residence Housing and Meal Plans for 2018-2019 Academic Year (ASU, NAU, UA) (Item 2)

The board was asked to approve the proposed 2018-2019 base tuition and mandatory fees, differential tuition, class fees, program fees other academic fees, and residence housing and meal plans for Arizona State University, Northern Arizona University and the University of Arizona.

Regent Shoopman introduced this item and discussed the Business and Finance Committee Tuition Workshop, which provided an opportunity for regents to thoroughly vet and study the presidents’ recommendations for 2018-2019 and gain a better understanding of their requests before the board was asked to vote. Regent Shoopman thanked the board and university staff for putting together information that showed revenue impact of the proposals and outlined key spending initiatives that can be undertaken with marginal increase in revenue. The data compared Arizona’s public universities to peer institutions, the impact on operating efficiencies and financial aid. The university presidents work
diligently to ensure the universities are as efficient as possible without sacrificing quality. Regent Shoopman emphasized that tuition is just one source of funds used to advance Arizona's strategic initiatives. The universities have become much more reliant on tuition revenues as it makes up a greater share of their operating budgets. Cuts in state funding have had a great impact on the universities, and Arizona is currently one of only a few states whose state support has not returned to pre-recession levels. The universities have done a tremendous job of operating with declining state support while maintaining access and affordability to Arizona students. Regent Shoopman then invited the presidents to provide brief overviews of their requests.

President Crow reviewed ASU’s policy on tuition, which states tuition is an investment by students and their education. ASU proposed for its in-state undergraduate students a 0% increase in tuition, class fees, program fees and differential tuition. A $15.00 fee per semester was proposed by ASU’s student government leadership as an extension to the student health fee. President Crow described how over the past few years students have designed, built, and paid for student recreation centers, a new student pavilion, engaged in the athletic program and supported an athletic fee. There is a new emergence of student leadership and engagement in the operations of the institution and delivery of student services and support. ASU is in a financial and organizational position to allow its leadership to continue into the seventh year of its ten-year commitment for in-state graduate students. A policy was made more than 10 years ago by the board, the graduate education and the cost of graduate education not including scholarships, would be a function of market conditions, graduate degrees would be flexible in cost. In light of that, ASU proposed for its graduate programs a very modest increase, still within the 3% policy guidelines, of 1.5%. For international students, ASU proposed a 3.5% tuition increase and a 3.5% increase for out-of-state students. For online students, ASU proposed a 2% tuition increase as well as a cap on in-state tuition price for online students to equal the price of in-state tuition. President Crow explained the misunderstanding about online courses being more expensive than regular courses. Online courses are offered separately, which is different from core programs, but online courses are not more expensive.

ASU proposed a few miscellaneous new graduate programs fees and miscellaneous fees elsewhere. ASU continues its work to create a situation where it can maintain its accessibility, excellence and move the university forward. President Crow closed with a reminder of the proposal to the state to fund half the cost of in-state students’ education. The board paid for and carried out a cost study with an outside consultant that verified that all three of Arizona's public universities had the lowest cost bases of any institutions in the country. ASU has maintained low tuition over a ten-year time period and continues to enhance its quality of education while operating in a state that has no funding model for its public universities.

President Cheng explained that after going through a detailed tuition process it became clear that a small tuition increase was necessary for incoming students of Northern Arizona University. NAU is in its second decade of its tuition pledge program, which guarantees tuition for students for four years. NAU's tuition proposal continues differentiation in tuition
options for students to access an NAU education in several ways, with different delivery models, and at many locations throughout Arizona. NAU proposed a new athletics fee and an Athletic Fee Advisory Committee composed of students and members of the athletics department to make recommendations on funding priorities through the new athletic fee. NAU’s proposal will allow the university to invest in top priorities that are closely linked to its 2025 metrics and in line with the mission, vision, and values as a student-centered university. The largest investments reflect this priority directed to financial aid for students and investments to support the growing enrollment base with the necessary academic and support services infrastructure. NAU has planned investments to retain and recruit faculty and staff, improve technology, increase funding for its police department, and fund research programs closely tied to high-quality graduate education opportunities. As NAU looks to the state for increased support for their 50% partnership, it will continue to protect the quality of education of its students and the university.

President Robbins briefly described UA’s proposal and thanked the teams of administrators and student leaders who helped UA leadership determine a 2% tuition increase for both graduate and undergraduate students, and no increase in mandatory fees for the 2018 – 2019 academic year. President Robbins itemized how the increase will be utilized across the UA campus based on student input regarding their needs: an increase of 12 FTE in the Health Services Center for counseling and psychological services; increased hours of availability to counselors; an increase in personnel for the Financial Aid Department to help students work through the stress of securing financial aid services; subsidized childcare vouchers for graduate and undergraduate students; annual merit-based increases for faculty and staff after many years of no compensation increase; and investment in information technology security.

Regent Penley applauded the presidents’ efforts to obtain student input and ways in which tuition and fees were kept low and summarized the university’s innovative efforts to reduce costs and increase sustainability.

Regent Shoopman pointed out that the motions before the board would not include existing tuition or mandatory fees charged to students if no changes were recommended. The Arizona Financial Aid Trust was automatically calculated at 1% of resident undergraduate tuition.

Regent Careaga made a public statement regarding his vote and acknowledged the presidents’ work on developing their tuition proposals. Regent Careaga explained that as a student regent there is pressure to vote on particular matters and issues that come before the board. He further expressed appreciation for ASU’s zero increase in tuition for in-state students. ASU has a different kind of guarantee program from the other two universities. Regent Careaga expressed his hope for the state to increase its funding to the universities and encouraged people who were unfamiliar with the resident student-funding model to go to the board’s website for further information.
Arizona State University

(The following motions did not affect existing tuition or mandatory fees charged to students if no changes were recommended.)

Motion #1

Upon motion by Regent Shoopman; second by Regent Krishna, the board voted to approve Arizona State University’s request for:

- No increase in base tuition for all resident undergraduate student and nonresident undergraduate students at the Colleges at Lake Havasu.
- Nonresident undergraduate students at all ASU campuses, an increase base tuition by 3.5% to $27,618 except for freshman and sophomores in the Polytechnic School and New Colleges, with a base tuition of $24,858.
- International undergraduate students at all ASU campuses, increase base tuition by 3.5% to $29,834 except for freshman and sophomores in the Polytechnic School and New College, with a base tuition of $27,072.
- Resident graduate students, increase base tuition by 1.5% to $11,136.
- Graduate nonresident and international students, increase base tuition by 3.5% to $30,198 for nonresidents $32,434 for international students.
- The mandatory Health and Wellness fee increase by $15 per semester, from $40 to 455 per semester. This fee increase will support expansion of services for students and extend the health center operating hours to meet student demand. The fee is charged to all students except for those enrolled entirely in online courses.

Motion passed with a roll call vote of 8-0 with Regents Shoopman, Krishna, Manson, Penley, Heiler, Taylor Robson, Careaga and Ridenour voting in favor. None opposed and none abstained. Regent Myers was not present for this item.

Motion #2

Upon motion by Regent Shoopman; second by Regent Krishna, the board voted to approve Arizona State University’s graduate program fees in the College of Health Solutions, Thunderbird School of Global Management, and the WP Carey School of Business; and graduate class fee in the Mary Lou Fulton Teachers college for the 2018-2019 academic year.

Motion passed with a roll call vote of 8-0 with Regents Shoopman, Krishna, Manson, Penley, Heiler, Taylor Robson, Careaga and Ridenour voting in favor. None opposed and none abstained. Regent Myers was not present for this item.

Motion #3
Upon motion by Regent Shoopman; second by Regent Krishna, the board approved Arizona State University's 2018-2019 resident halls, leased apartments, family housing and meal plan rates for 2018-2019, with Regents Shoopman, Krishna, Manson, Penley, Heiler, Taylor Robson, Careaga and Ridenour voting in favor. None opposed and none abstained. Regent Myers was not present for this item.

Northern Arizona University

(The following motions did not include existing tuition or mandatory fees charged to students if no changes were recommended.)

Motion #4

Upon motion by Regent Shoopman; second by Regent Krishna, the board voted to approve Northern Arizona University's request to:

- Increase base tuition by 3.5% for all resident and nonresident undergraduate students, except for those students at NAU Yavapai, for a base tuition of:
  - $10,390 for new resident undergraduate students entering Fall 2018 on the tuition Pledge Program at the Flagstaff campus, $8,152 for resident undergraduate students at the Flagstaff campus, not on the pledge program, and $7,718 for NAU resident undergraduate students at NAU Yuma and statewide;
  - For all new nonresident undergraduate students enrolling Fall 2018 on the Tuition Pledge Plan at the Flagstaff campus, $24,654; for nonresident undergraduate students not on the pledge plan and at NAU Yuma and statewide, increase tuition to $21,324;
- For NAU Yavapai, increase base tuition by 5% for all students, for a base tuition of $6,216 for resident undergraduate students, and $18,382 for nonresident undergraduate students;
- For all graduate students at the Flagstaff campus, a 6% increase for a base tuition of $9,796 for resident graduate students and $22,882 for nonresident graduate students.
- For graduate students at NAU Yuma and statewide, increase tuition 4% for a base tuition of $9,619 for resident graduate students and $22,450 for nonresident graduate students.
- For Mandatory Fees, establish an Athletics Fee of $75 per semester to support facilities and ongoing operations and programmatic services for athletics. This fee will apply to all new and continuing students at the Flagstaff campus.

Motion passed with a roll call vote of 8-0 with Regents Shoopman, Krishna, Manson, Penley, Heiler, Taylor Robson, Careaga and Ridenour voting in favor. None opposed and none abstained. Regent Myers was not present for this item.
Motion #5

Upon motion by Regent Shoopman; second by Regent Krishna, the board approved Northern Arizona University's undergraduate program fees in Health Sciences, and graduate program fees in Public Health and Social Work for the 2018-2019 academic year.

Motion passed with a roll call vote of 8-0 with Regents Shoopman, Krishna, Manson, Penley, Heiler, Taylor Robson, Careaga and Ridenour voting in favor. None opposed and none abstained. Regent Myers was not present for this item.

Motion #6

Upon motion by Regent Shoopman; second by Regent Krishna, the board approved Northern Arizona University's 2018-2019 residence halls, leased apartments, family housing and meal plans rates.

Motion passed with a vote of 8-0 with Regents Shoopman, Krishna, Manson, Penley, Heiler, Taylor Robson, Careaga and Ridenour voting in favor. None opposed and none abstained. Regent Myers was not present for this item.

University of Arizona

Motion #7

Upon motion by Regent Shoopman; second by Regent Krishna, the board approved the University of Arizona's request to:

- Increase tuition for all students (except for the College of Medicine) by 2% bringing base tuition to:
  - For new students entering Fall 2018 on the universities' guaranteed tuition plan at the main campus, $11,077 for resident undergraduate students and $34,976 for nonresident undergraduate students;
  - For new students entering Fall 2018 on the universities' guaranteed tuition plan at UA South, $9,045 for resident undergraduate students and $34,976 for nonresident undergraduate students;
  - For continuing resident undergraduate students not on the guaranteed tuition plan at the Main campus, $10,467; and at UA South, $8,548; and continuing nonresident students not on the guarantee plan at all campuses, $31,688;
  - For graduate students, increase base tuition for resident graduate students to $11,716 at the main campus, and $11,362 at UA South; and for nonresident graduate students, $32,065 at all UA campuses;
  - For the College of Medicine, increase base tuition 3% for both resident and nonresident students for a resident tuition rate of $31,652 and nonresident student rate of $54,180.
Motion passed with a roll call vote of 8-0 with Regents Shoopman, Krishna, Manson, Penley, Heiler, Taylor Robson, Careaga and Ridenour voting in favor. None opposed and none abstained. Regent Myers was not present for this item.

**Motion #8**

Upon motion by Regent Shoopman; second by Regent Krishna, the board approved the University of Arizona’s:

- Undergraduate program fees in the Colleges of Agriculture and Life Sciences, and undergraduate and graduate program fees in the Colleges of Social and Behavior Sciences and Eller College of Management
- Class fees in the College of Agriculture and Lives Sciences, and College of Science; and
- A new $15 fee for administrative costs of providing students with a standard diploma for certificate awards. This fee will cover a portion of associated production and processing costs, and will apply to both undergraduate and graduate certificate awards, as requested by the University of Arizona.

Motion passed with a roll call vote of 8-0 with Regents Shoopman, Krishna, Manson, Penley, Heiler, Taylor Robson, Careaga and Ridenour voting in favor. None opposed and none abstained. Regent Myers was not present for this item.

**Motion #9**

Upon motion by Regent Shoopman; second by Regent Krishna, the board approved the University of Arizona’s 2018-2019 residence halls and leased apartment rates.

Motion passed with a vote of 8-0 with Regents Shoopman, Krishna, Manson, Penley, Heiler, Taylor Robson, Careaga and Ridenour voting in favor. None opposed and none abstained. Regent Myers was not present for this item.

**Discussion on Revisions to ABOR Tuition Setting Process** (Item 3)

The board was asked to discuss the annual tuition setting process and timeline for tuition setting for improvements in oversight, transparency and predictability.

Regent Shoopman provided a brief history on the Enterprise Executive Committee’s (EEC) 2014 assignment by the board to review tuition setting and provide recommendations for improvements in the tuition setting process. The goal was to enhance business planning, oversight, transparency, and predictability for students and the universities. In the past, a tri-university workgroup was established to create improvements. President Klein suggested there be a discussion on the topic of multi-year tuition review and that the board provide considerations and feedback on this reform. President Klein requested the EEC be charged with creating ideas of how to make the process more streamlined, focused, and have a longer range in modeling, and then report back to the board with recommendations.
Even though the universities have tuition guarantee programs that last for multiple years, it would be helpful to understand if the board could move to a multi-year tuition setting process.

For the past several years, ASU has not increased its undergraduate tuition more than 3% per year. A multi-year tuition approval process would cause the board to approve specific numbers and rates. Regent Manson stated this could help the board in terms of not finding itself in the depth of review over the same things on an annual basis. At the same time, it is important to maintain flexibility in the event economic situations change and the board needs to re-address prior agreements to adapt to unexpected economic changes.

The board discussed using community and state indexes as a means of resources. Regent Shoopman asked that the financial departments within the enterprise system determine the resources available to help with this topic. Regent DeGravina felt encouraged about future discussions regarding a multi-year tuition setting process and future student input. Regent Manson added that she did not anticipate that a multi-year process would eliminate the need of the board having an annual tuition discussion, but rather, it would be a rolling approval. This would allow a longer period, but the board would have the annual discussions. Regent Shoopman pointed out that the complexity of the process will be a challenge but worth the effort. Lynn Nadel suggested that faculty be involved in revision decisions. Faculty have concerns about matters of university funding. Tuition revenue is an important stream that affects everything the university does, and Dr. Nadel hoped that the faculty voice could be present at these discussions for changing the ways in which tuition is dealt with going forward.

Regent Taylor Robson spoke on the complexity on the multi-year approach, and called for a discussion regarding Arizona’s legislative practice of yearly budget requests. The board would be setting tuition without knowing what the legislature will do concerning university appropriations. President Crow shared his thoughts on the tuition process and stated the discussion is whether the institution will have adequate resources. There is a lack of connection between the notions of tuition and financial aid, which are not the same. President Crow stated he could make the case that a multi-year tuition model, in which the universities adjust to the higher education price index and market conditions, is more efficient in terms of the operations of the university. However, the actual political discussion is why the state is not financing the universities in addition to no state financial aid. Arizona is one in five states in the country that do not have financial aid for students going to public universities. President Crow would like to make certain that with every talk about tuition, that there is value in changing the discourse and argument across all dimensions. The state also needs to set a multi-year investment strategy. President Crow stated he would like to see the board try to politicize access and state investment and de-politicize tuition.

President Cheng pointed out that there is a perception that the presidents are not sensitive to the price of the tuition. The universities have set aggressive goals. Discussions need to include what resources are needed for the universities to achieve those goals. Regent Krishna suggested the state does not provide more funding because it sees the universities
as still successful even with less funding. President Crow responded that some believe ASU is a better institution because of reduced funding, and there may be some truth to that. ASU has become a more innovative and adaptive institution. The legislature knows it needs college graduates and they know the universities cost base is much lower, however, it does not realize the investment return it could have by enhancing state investment. More energy should be focused on the model of funding the student. President Crow would like the board to devote more political energy to the student investment model.

Regent Penley spoke on linking education to Arizona’s economic prosperity. President Crow pointed specifically to the personal per capita income, which has diverged from the national personal per capita income over the years, suggesting a fundamental problem for the state. A shared model of funding by both the state and individual citizens for their education is a model that should be articulated on a continuing basis. Strategically, the board and the presidents need to address the issue of enhancing the student financial aid and the issue of financial aid fundamentally. Tens of millions of dollars are already allocated by the universities for financial aid and more financial aid increases the probability that high school graduates remain in the state. Regent Penley recalled Barbara Barrett at the dedication of the Barrett Honors College, pointing out the reason the Barrett’s committed to the college because of their belief that students who are educated in Arizona will remain in the state. Regent Penley expressed his belief that a combination of a shared model and a strategic focus on financial aid will help increase the personal per capita income divergence and raise the quality of the workforce in Arizona.

Regent Heiler agreed with President Crow that tuition is a political issue. Public and political belief is that tuition is more of a tax and not a price, likening it to a belief that raising tuition is like raising taxes. Tuition is not a tax, but rather the price paid for an educational product. Regent Heiler stated that prices are set based on competitive position of the offering being priced, and the competitive dynamics around the consumer marketplace that affects that offering. The price paid for tuition by in-state residents is artificially low; even those paying without financial aid, by approximately two-thirds of the average cost of attendance across all disciplines. The decision for the board is whether the university will have the necessary resources and that decision determined around pricing. The question is whether the pricing scheme will allow the university to advance in its market and at a price that students can pay and the market can bear. Regent Heiler further stated that the board has most likely reached a point where there is little elasticity remaining in the pricing of the universities given all the competitive dynamics as there was a few years ago. The board, and the institutions it represents, must think forward on how to price and become more competitively compelling in the marketplace of higher education.

Regent Shoopman stated that the college attainment rate for Arizonans 45 and older is nearly equal to the national average, however, younger Arizonans fall behind the national average by several percentages. Regent Shoopman requested the EEC discuss tuition reforms including an option for multi-year tuition. An analysis of a multi-year setting would increase predictability and transparency, and we can study various changes that can be made, as well as review the existing pledge programs. Additionally we can review the way
that the board can begin to position the tuition discussion relative to its engagement with the legislature. Regent Shoopman requested these recommendations be presented towards December 2018, allowing the board to review the recommendations in time for the 2019-2020 tuition setting.

Regent Ridenour stated his belief that access and affordability have greatly improved over the last few years, and expressed appreciation for the efforts and hard work the universities put into bringing their tuition proposals to the board.

REGENTS EXECUTIVE COMMITTEE (cont’d)

Approval of Terms for Transition Agreement with Eileen I. Klein, Assignment of At-Risk Compensation Goals, Designation as President Emerita and Award of Regents Medal (Item 4)

The board office asked the board to authorize the board chair to finalize and sign a transition agreement with Eileen I. Klein, to assign at-risk compensation goals, to designate Eileen I. Klein as President Emerita and to award her the Regents Medal.

Nancy Tribbensee presented and, on behalf of board leadership, thanked President Klein for her guidance and direction as Board President.

Upon motion by Regent Ridenour; second by Regent Shoopman, the board approved the Terms for Transition Agreement with Eileen I. Klein, the assignment of at-risk compensation goals, and the designation of President Emerita and awarding of the Regents Medal. Regents Ridenour, Shoopman, Penley, Manson, Heiler, Taylor Robson, Krishna and Careaga voted in favor. None opposed and none abstained. Regent Myers was not present for this item.

Regent Ridenour expressed his appreciation for President Klein’s vision and leadership in guiding the board to forge a new approach to public higher education. Some of President Klein’s most notable accomplishments include:

- helping the board to define and clarify its mission as the governing body of Arizona’s public universities;
- providing leadership to assist the board in developing a more performance driven, transparent and student-centered public university enterprise;
- working with the board to lead Arizona’s public universities to be more competitive with increased graduation rates, student success and diversity;
- advocating for a strategic approach to governance to develop aggressive 2025 goals and metrics to increase system institutional performance;
- determination to increase accountability that resulted in the implementation of a web-based annual research and financial aid report;
- Standing as a visionary in achievement of the Achieve60AZ with a statewide goal of achieving a more highly educated population;
- guiding Governor Ducey’s vision of the Arizona Teacher’s Academy to fruition;
- enhancing partnerships with community organizations on a local and national level to improve education; and
- prioritizing students in requests for state appropriations with the new 50/50 funding model.

President Klein’s accomplishments over her term are significant and will continue to benefit the residents of the state for many years to come.

A video recording of Governor Ducey’s appreciation and acknowledgment of President Klein’s contributions to Arizona’s public universities was presented.

RECESS

The meeting recessed at 12:30 p.m. and resumed on Friday, April 6, 2018 at 9:00 a.m.

ACADEMIC AND STUDENT AFFAIRS COMMITTEE

Appointment of Regents’ Professors (UA) (Item 5)

The University of Arizona asked the board to approve the appointment of five Regents’ Professors.

President Robbins presented UA’s professors who were being appointed:

- Robert Williams (College of Law), E. Thomas Sullivan Professor of Law and Director of Indigenous Peoples Law in the policy program. He is the authority on Native American and indigenous people’s law and is recognized globally for the leadership position.
- Steven Schwartz (College of Science) chairs the Committee of Eleven and is the world leader in the study of enzymatic catalysis, the understanding of how enzymes work. He has a great understanding of basic science and translating it into how this atomic level control of enzymes works in the beating heart; more specifically into hypertrophic cardiomyopathy, which is a leading cause of death in young athletes.
- David Breshears (College of Agriculture and Life Sciences), proved the understanding of the cause of tree death on a massive scale, particularly in our ecosystem. He is a world-renowned investigator of plant life and particularly trees in arid environments.
- Allan Hamilton (College of Medicine) was a combat surgeon in operation Desert Storm. He is a neurosurgeon and former Chair of the Department of Surgery. Dr. Hamilton developed and revolutionized a stereotactic radio surgery treatment for spinal cord tumors, which were often inoperable, but are now possible through his development.
- Barbara Mills (College of Social and Behavioral Sciences), is a specialist in Native American ceramics. She used computer analysis, combining archaeology and computer science to better understand Native Americans, which led to recent
publications detailing the history of the Southwest that had never before been assimilated.

Upon motion by Regent Krishna; second by Regent Careaga, the board approved the appointment of Robert Williams, Steven Schwartz, David Breshears, Allan Hamilton and Barbara Mills as Regents’ Professors, as presented. Regents Ridenour, Shoopman, Penley, Manson, Myers, Heiler, Taylor Robson, Krishna and Careaga voted in favor. None opposed and none abstained.

**ADMINISTRATIVE BUSINESS**

**Proposed Revisions to ABOR Bylaws (Item 6)**

The board office asked the board to approve the proposed revisions to the ABOR Bylaws. Jennifer Pollock presented. Proposed revisions included a name change to the board’s vice chair to chair-elect. The intent is to promote continuity and reflect the expectation that the chair-elect will become the next chair at the next election cycle. No revisions to duties or responsibilities of board officers were made. In addition, revisions to add language reflecting the board’s authority and responsibilities as set forth in the Arizona Constitution and state statute were suggested.

Upon motion by Regent Ridenour; second by Regent Krishna, the board approved the proposed revisions to the ABOR Bylaws, as presented. Regents Ridenour, Shoopman, Penley, Manson, Myers, Heiler, Taylor Robson, Krishna and Careaga voted in favor. None opposed and none abstained.

**Election of Officers (Item 7)**

The board office asked the board to elect officers for one-year terms beginning July 1, 2018.

Ms. Pollock presented and listed the proposed the following slate of officers: Regent Shoopman as chair, Regent Penley as chair-elect, Regent Krishna as secretary, Regent Ridenour as treasurer, and Regent DeGravina as assistant treasurer.

Upon motion by Regent Ridenour; second by Regent Manson, the board approved the election of officers for one-year terms beginning July 1, 2018 as presented. Regents Ridenour, Shoopman, Penley, Manson, Myers, Heiler, Taylor Robson, Krishna and Careaga voted in favor. None opposed and none abstained.
REGENTS EXECUTIVE COMMITTEE (cont’d)

Proposed Revisions to ABOR Policies 5-302 “Code of Conduct-Definitions,” 5-303 “Code of Conduct-Prohibited Conduct” and 5-308 “Student Code of Conduct” (First Reading and Immediate Implementation) (Item 8)

The board office asked the board to review for first reading and immediate implementation proposed revisions to ABOR policies 5-302, 5-303 and 5-308 relating to codes of conduct. The revisions will update definitions and prohibitions and require each university to maintain and public a list of permitted personal safety devices to include personal alarms, chemical repellents and other devices designed to protect personal safety.

Nancy Tribbensee presented and reminded the board of a request in February asking the board to update the Student Code of Conduct to add the definition of a deadly instrument, and update the definition of weapons to allow chemical repellents and certain alarms. An additional update to the policy was requested to add a definition of personal safety devices as well as a requirement that each university maintain a list of these personal safety devices so that they can be updated as technology changes. Arizona laws allow the board to adopt rules to maintain public order on campus, recognizing that the universities and the board have the best understanding of campus environment, safety requirements for students and other members of the campus community. Collaboration with all three universities will take place to develop the lists and the list will be made available for fall semester orientation.

Upon motion by Regent Ridenour; second by Regent Krishna, the board reviewed on first reading and approved for immediate implementation the proposed revisions to ABOR policies 5-302, 5-303 and 5-308 concerning Codes of Conduct as presented. Regents Ridenour, Shoopman, Penley, Manson, Myers, Heiler, Taylor Robson, Krishna and Careaga voted in favor. None opposed and none abstained.

Amendment to Multiple-year Employment Contract for Head Men’s Basketball Coach (UA) (Item 26)

The University of Arizona asked the board to approve an amendment to the multiple-year employment contract for Sean Miller as Head Men’s Basketball Coach at UA, including revised terms regarding the Longevity Fund and Title IX obligations.

Laura Todd Johnson and Dave Heeke presented information on the amendment to the multiple-year employment contract for UA’s head men’s basketball coach. Sean Miller’s contract currently runs through May 2022. The amendment addressed two items. One is a provision that Coach Miller will forfeit $1 million if he is criminally charged for any crime related to his employment as the university’s head coach, or if he is found to have committed level I NCAA violation, the most severe of the NCAA violation sanctions. This forfeiture would be at the master limited partnership units that are held for the benefit of Coach Miller, and these units comprise of longevity fund. The second provision of the
proposed contract amendment to coach Miller’s contract relates to Title IX responsibilities. This amendment sets up Coach Miller’s obligations and responsibilities as an employee under Title IX, including reporting responsibilities, requirements, cooperation with any timeline investigation, participations and trainings. This addition is reflective of the university’s move to include this provision in all coaching contracts. Dave Heeke referred to the amendment as a step in a positive direction. Coach Miller worked with the administration to develop the partnership and supported this direction. The amendments are an effort on both parties to make a strong statement about the university and the men’s basketball program.

Regent Shoopman commented on the extraordinary job done by Laura Todd Johnson, Dave Heeke and President Robbins during an emotionally charged situation. UA was thoughtful, fact-based and very pragmatic. President Robbins made clear that the university and its student athletes remained the number one priority. Regardless of how the situation may turn out in the end, every action that was taken has been measured and thoughtful.

Regent Myers spoke about Title IX. He referred to the culture at the three universities and the honor given to what Title IX stands for, which is no sexual discrimination or inappropriate behavior will be tolerated at any time. There is much pride in the efforts by the board and the universities to ensure all is done to create a culture and standard of excellence that speaks to the integrity of the universities, their students and their faculty.

Upon motion by Regent Ridenour; second by Regent Krishna, the board approved the amendment to the multiple-year employment contract for Sean Miller as Head Men’s Basketball Coach for the University of Arizona as presented. Regents Ridenour, Shoopman, Penley, Manson, Myers, Heiler, Taylor Robson, Krishna and Careaga voted in favor. None opposed and none abstained.

LEGISLATIVE AFFAIRS

Report on Legislative Affairs (Item 9)

The board office received an update on recent legislative developments and activities. Regent Shoopman introduced Brittney Kaufmann, ABOR’s Associate Vice President of Government Affairs and Community Relations. Highlights from Ms. Kaufmann’s report included:

- HB 2563 required the board to form a free expression committee and report back yearly on university activity regarding free expression. President Crow requested that the reports include messages his office receives from Arizona legislators asking the universities to deny certain individuals from speaking on campus. Ms. Kauffmann noted the instructions indicated the board report include anything that hinders free speech. President Crow indicated that the most troublesome area is the interference of the legislature. President Klein reported that members of the university enterprise have talked at length with legislators for the past several years about concerns
around regulating free speech. Efforts to expand speech on campus have inadvertently caused curtailing of speech on campus. This is intended to be model legislation for the country. Efforts to improve free expression on campus will continue.

- HB 2280 concerning university leaseback financing failed to move through the legislature, however, there was a commitment to continue discussion in this area.
- HB 2482 concerning the foster care tuition waiver was moving through the legislature with an appropriation for this specific tuition waiver.
- The Western Interstate Commission for Higher Education (WICHE) was extended and signed by the governor.
- SB 1390 concerning a transaction privilege tax rate and an extension of Proposition 301 moved quickly through the legislature and was signed by the Governor. The board supported the K-12 funding and TRIF dollars the universities receive. Starting in 2021, TRIF monies are no longer voter protected. The board and the universities will need to put forth effort to explain the value of TRIF and why it is good for the state. President Crow commented that the legislative intent history be continuously communicated and requested that the board spend legal energy studying the notion of legislative intent, legislative history, the design of the premise, and the continued design. TRIF was the extension of the voter-protected act that was approved. Regent Ridenour assigned the board staff to the task.
- SB 1422 concerning university tuition and fees had several amendments in which the board must approve all academic fees as well as online tuition changes.

Ms. Kaufmann reported on the status of the budget requests on behalf of Arizona’s public universities. This included tuition waivers, taxation on tuition and funding Arizona’s in-state students. She also provided information regarding the Governor’s safety plan, which largely affects the K-12 system, but does have impact on public universities.

Regent Ridenour inquired when excess funds would be distributed. Ms. Kaufmann responded that the Governor and the legislature are very conservative relating to the number projections. Given national events, additional dollars will be applied to K-12.

Regent Shoopman supported President Crow’s exhortation to fight for higher education funding until the end of legislative session. The Health Insurance Trust Fund mandated by legislature is an additional financial burden on the universities. Regent Myers commented this is not about funding the universities, but rather about investing in the people of Arizona for a chance to be competitive.

STUDENT REGENT REPORT

Regent Careaga and Regent DeGravina provided their student regent report. Highlights included from the report included a student forum where the associated student bodies met to discuss current board matters. Student leaders developed an action plan for communication between student regents, the board and student governments. Regent DeGravina met with Regent Castro from the University of Texas San Antonio and discussed student regent best practices, obstacles and challenges of a student regent.
Regent Castro has a goal to create a conference for student regents and create a format where best practices can be shared from student regents around the country.

Regent Careaga spoke about the ASU Founders Day Celebration. ASU annually celebrates the vision and contribution of its founders when Excellent Achievement Awards are given to ASU staff and faculty who exemplify the pioneering and innovative spirit of ASU founders. Regent DeGravina spoke on the tuition hearings and thanked the presidents for the thorough description and transparency of the tuition proposals. Regent Careaga toured the NAU Flagstaff campus, visited fraternity and sorority housing and the Pathogen and Microbiome Institute as well as meeting with President Cheng.

Regent Careaga and Regent DeGravina also attended an ASNAU-hosted, student regent forum where NAU students could ask questions of ABOR’s representatives. At each board meeting, the student regents meet with student government leaders from each university to learn about their campus initiatives. The final item of business for the student regents was reporting on updates of the Office of the Student Regent and developing protocol. A description of the student regent handbook was provided, which includes history, roles and responsibilities, best practices, contacts and resources to aid future student regents as they start on the board. The student regents are working with the senior associates to the university presidents and provosts to develop standards for awarding of academic credit, the selections process on each campus, and office space and travel.

Regent Ridenour commended Regent Careaga and Regent DeGravina on their detailed reporting and their commitment to meet with students at each university and visit each campus.

REPORT FROM THE ARIZONA FACULTIES COUNCIL

Dr. Lynn Nadel presented his report on behalf of the Arizona Faculties Council (AFC). Highlights from his report included faculty support of the 50/50 funding model and the regents’ oversight in the area of coaching contracts. Faculty expressed desire to participate in discussions aimed at developing a potential multi-year tuition setting process and encouraged the board to put pay equity and other forms of equity on an agenda in the near future. Faculty commends the regents and the university presidents for their work to support DACA students, and greatly appreciates the board’s concern for campus safety and safeguarding academic freedom by revising board guidelines in that area. Additionally, it was anticipated that Dr. Gioia Woods from NAU would serve as the incoming AFC chair.

Dr. Nadel thanked the regents, President Klein and board staff for encouraging faculty engagement. Dr. Nadel expressed his gratitude for the opportunity to serve in the role of AFC representative.
INQUIRIES, REQUESTS, REPORTS, AND COMMENTS FROM REGENTS AND MEMBERS OF THE ENTERPRISE EXECUTIVE COMMITTEE

Regent Ridenour commended President Robbins and his team and the board office for their efforts hosting the board meeting and the dinner honoring President Klein.

RECESS AND ADJOURNMENT

The meeting recessed at 10:10 a.m. and adjourned at 12:30 p.m. at the conclusion of executive session.

Submitted by:

Katherine Linder
Secretary to the Board
The Arizona Board of Regents held a special meeting at the Arizona Board of Regents office in Phoenix, Arizona on May 25, 2018 at 9:00 a.m.

Present:  
Regent Ridenour  
Regent Shoopman (via phone)  
Regent Krishna  
Regent Myers (via phone)  
Regent Penley  
Regent Manson  
Regent Careaga

Absent:  
Regent Heiler, Regent Taylor Robson, Regent DeGravina, Superintendent Douglas and Governor Ducey

Also present were Interim Managing Director John Arnold, Nancy Tribbensee, Jennifer Pollock, Kate Linder and Suzanne Templin from the board office.

Regent Ridenour called the meeting to order at 9:04 a.m.

EXECUTIVE SESSION

A motion was made by Regent Krishna, seconded by Regent Manson to move into executive session. Regents Ridenour, Shoopman, Krishna, Myers, Penley, Manson and Careaga voted “Aye” none opposed. The motion carried.

The board recessed to executive session at 9:04 a.m.

ADJOURNMENT

The meeting adjourned 10:58 p.m.

Submitted by:

Suzanne Templin
Assistant Secretary to the Board
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ARIZONA BOARD OF REGENTS
MINUTES OF A SPECIAL BOARD MEETING
May 31, 2018

The Arizona Board of Regents held a special meeting at the Arizona Board of Regents office in Phoenix, Arizona on May 31, 2018 at 6:05 p.m.

Present: Regent Ridenour
Regent Shoopman
Regent Krishna
Regent Myers
Regent Heiler (via phone)
Regent Penley
Regent Manson
Regent Taylor Robson
Regent Careaga
Regent DeGravina

Absent: Superintendent Douglas and Governor Ducey

Also present were John Arnold, Nancy Tribbensee, Jennifer Pollock, Katherine Linder, and Suzanne Templin from the board office.

Regent Ridenour called the meeting to order at 6:05 p.m.

PUBLIC SESSION

Proposed Amendment to the Multiple-Year Employment Contract with Arizona State University President Michael Crow (Item 1)
The board was asked to review and approve a proposed amendment to the Multiple-Year Contract with Arizona State University President Michael Crow to increase his base salary to $690,000. Approval of this item would authorize the board chair to execute an amendment to or restatement of the Contract to reflect this approval. The board was asked to discuss and approve future scheduled increases to the president’s base salary subject to prior board review of the president’s performance.

A motion was made by Regent Shoopman and seconded by Regent Krishna to 1) approve the increase of President Crow’s base salary to $690,000, effective January 1, 2018; 2) authorize scheduled future increases to his base salary of 3.5% per year to be effective on September 1, 2019, September 1, 2020 and September 1, 2021 and unless the board takes action to alter a scheduled increase, the increases would go into effect without further board action; and 3) authorize the board chair to execute an amendment or restate the employment contract as reflected in the board’s approval. Regents Ridenour, Shoopman, Krishna, Heiler, Myers, Penley, Manson, Taylor Robson, and Careaga voted “Aye”, none opposed. The motion carried.
Proposed Amendment to the Multiple-Year Employment Contract with Northern Arizona University President Rita Cheng (Item 2)
The board was asked to review and approve a proposed amendment to the Multiple-Year Contract with Northern Arizona University President Rita Cheng to increase her base salary to $475,000. Approval of this item would authorize the board chair to execute an amendment to or restatement of the Contract to reflect this approval. The board was asked to discuss and approve future scheduled increases to the president’s base salary subject to prior board review of the president’s performance.

A motion was made by Regent Shoopman and seconded by Regent Krishna to 1) approve the increase of President Cheng’s base salary to $475,000, effective January 1, 2018; 2) authorize scheduled future increases to his base salary of 3.5% per year to be effective on September 1, 2019, September 1, 2020 and September 1, 2021 and unless the board takes action to alter a scheduled increase, the increases would go into effect without further board action; and 3) authorize the board chair to execute an amendment or restate the employment contract as reflected in the board’s approval. Regents Ridenour, Shoopman, Krishna, Heiler, Myers, Penley, Manson, Taylor Robson, and Careaga voted “Aye”, none opposed. The motion carried.

Proposed Amendment to the Multiple-Year Employment Contract with University of Arizona President Robert C. Robbins (Item 3)
The board was asked to review and approve a proposed amendment to the Multiple-Year Contract with University of Arizona President Robert C. Robbins to increase his base salary to $675,000. Approval of this item would authorize the board chair to execute an amendment to or restatement of the Contract to reflect this approval. The board was asked to discuss and approve future scheduled increases to the president’s base salary subject to prior board review of the president’s performance.

A motion was made by Regent Shoopman and seconded by Regent Krishna to 1) approve the increase of President Robbins’ base salary to $675,000, effective July 1, 2018; 2) authorize scheduled future increases to his base salary of 3.5% per year to be effective on September 1, 2019, September 1, 2020 and September 1, 2021 and unless the board takes action to alter a scheduled increase, the increases would go into effect without further board action; and 3) authorize the board chair to execute an amendment or restate the employment contract as reflected in the board’s approval. Regents Ridenour, Shoopman, Krishna, Heiler, Myers, Penley, Manson, Taylor Robson, and Careaga voted “Aye”, none opposed. The motion carried.

EXECUTIVE SESSION

A motion was made by Regent Shoopman, seconded by Regent Careaga to move into executive session. Regents Regents Ridenour, Shoopman, Krishna, Heiler, Myers, Penley, Manson, Taylor Robson, and Careaga voted “Aye”, none opposed. The motion carried.
The board recessed to executive session at 6:14 p.m.

**ADJOURNMENT**

The meeting adjourned 6:43 p.m.

Submitted by:

Suzanne Templin  
Assistant Secretary to the Board
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The Arizona Board of Regents held a special meeting at the Arizona Board of Regents office in Phoenix, Arizona on June 29, 2018 at 9:00 a.m.

Present: Regent Ridenour  
Regent Shoopman (via phone)  
Regent Krishna  
Regent Myers (via phone)  
Regent Heiler (via phone)  
Regent Penley  
Regent Manson (via phone)  
Regent Taylor Robson (via phone)  
Regent Careaga (via phone)  
Regent DeGravina  

Absent: Superintendent Douglas and Governor Ducey  

Also present were Nancy Tribbensee, Jennifer Pollock, Katherine Linder, and Suzanne Templin from the board office.

Regent Shoopman called the meeting to order at 9:06 a.m.

EXECUTIVE SESSION

A motion was made by Regent Krishna, seconded by Regent Manson to move into executive session. Regents Regents Shoopman, Krishna, Heiler, Myers, Penley, Manson, Taylor Robson, and Careaga voted “Aye”, none opposed. The motion carried.

The board recessed to executive session at 9:07 a.m.

ADJOURNMENT

The meeting adjourned 10:09 a.m.

Submitted by:

Suzanne Templin  
Assistant Secretary to the Board
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The Arizona Board of Regents held a special meeting at the Arizona Board of Regents office in Phoenix, Arizona on July 26, 2018 at 3:00 p.m.

Present:  Regent Shoopman (via phone)
           Regent Penley
           Regent Krishna
           Regent Myers (via phone)
           Regent Heiler
           Regent Manson (via phone)
           Regent Taylor Robson (via phone)
           Regent DeGravina
           Regent L’Ecuyer

Absent:  Regent Ridenour, Superintendent Douglas and Governor Ducey

Also present were John Arnold, Nancy Tribbensee, Jennifer Pollock, Katherine Linder, Sarah Harper, Julie Newberg, Rick Gfeller and Suzanne Templin from the board office. In the audience Rachel Leingang and Jose Patiño.

Regent Penley called the meeting to order at 3:01 p.m.

EXECUTIVE SESSION

A motion was made by Regent Krishna, seconded by Regent DeGravina to move into executive session. Regents Shoopman, Penley, Krishna, Heiler, Myers, Manson, Taylor Robson, and DeGravina voted “Aye”, none opposed. The motion carried.

The board recessed to executive session at 3:02 p.m.

Regent Penley reconvened public session at 3:50 p.m.

PUBLIC SESSION

Appointment of Executive Director (Item 1)
The board was asked to consider and approve the appointment of John Arnold as Executive Director of the Arizona Board of Regents. Approval of this item authorizes the Board Chair to sign a Letter of Appointment on behalf of the Board, on terms consistent with this Executive Summary.
Regent Krishna commented that John Arnold would be an appropriate candidate for the executive director position. He has proven himself to be a great leader, he has worked for many years with the State of Arizona and with the Arizona Board of Regents.

Regent Taylor Robson commented during the past year, her first year as a regent, she has found John to be an incredible wealth of knowledge in particular when it comes to the financial state of affairs of our university enterprise. Given John’s long history with the State of Arizona and the budget process and given the challenges of our time from a funding prospective, he brings the right set of skills and experience to the table and she is very supportive of him assuming the position of executive director.

Regent Myers commented that he appreciates the discussions the regents have held over the last number of months on what the board is looking for in terms of staff leadership of the Arizona Board of Regents and what the board is looking for in terms of how our universities can help our state to achieve everything it deserves to achieve. The board’s intent is not about the board, its intent is how the board helps the people of the State of Arizona to be more competitive and to have an economy that gives people the standard of living that they desire. Regent Myers feels good about the process, the way the regents led the search through this decision and the candidate the board interviewed. He is excited about the future and thanked everyone for their work on this search process.

Regent Shoopman commented at this point in our history we have a unique opportunity for Arizona and our university enterprise. We have 3 excellent leaders as presidents of our universities. The board has a very highly talented team at the Arizona Board of Regents office. The board needs a leader who cannot only lead that team, but also build relationships with the presidents, with the teams at each of the universities and the regents. Through external collaboration, regents will have credibility when talking to the legislature and to business groups. John has a long-standing record of honest and faithful service to the state. John’s twenty years of service to the state, his personal attributes and proven character make him an outstanding choice for the executive director of the Arizona Board of Regents.

Regent DeGravina commented that former student Regent Carreaga did a lot of work in regards to the role of the office of the student regent. With another student regent on board and the potential opportunity of Mr. Arnold coming forth, she is excited and looks forward to furthering those discussions.

Regent Penley commented that he sees values that John Arnold holds. One of those values deals with the extent in which a public entity like the Arizona Board of Regents can do good for the State of Arizona and for the people of Arizona. John has that value of service that would be a great benefit to this board and to the people of our state. He welcomes this opportunity to vote on the motion.

Regent Penley made the motion, seconded by Regent Krishna, that the board approve the appointment of John Arnold as Executive Director of the Arizona Board of Regents and authorize the board chair to sign a letter of appointment on behalf of the board, on terms consistent with this executive summary. Regents Shoopman, Penley, Krishna, Heiler, Myers, Manson, Taylor Robson, and DeGravina voted “Aye”, none opposed, no abstentions. The motion carried.
Regent Penley congratulated John Arnold.

John Arnold thanked the board for the opportunity, the trust and kind words and promised that he will do his best. He looks forward to all the board’s assistance and guidance as they go about this increasingly important work.

ADJOURNMENT

Regent Krishna made the motion, seconded by Regent DeGravina to adjourn. Regents Shoopman, Penley, Krishna, Heiler, Myers, Manson, Taylor Robson, and DeGravina voted “Aye”, none opposed, no abstentions. The motion carried.

The meeting adjourned 3:58 p.m.

Submitted by:

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Suzanne Templin
Assistant Secretary to the Board
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ARIZONA BOARD OF REGENTS  
MINUTES OF A SPECIAL BOARD MEETING  
August 8, 2018  

The Arizona Board of Regents held a special meeting at the Arizona Board of Regents office in Phoenix, Arizona on August 8, 2018 at 3:00 p.m.

Present: Regent Shoopman  
Regent Ridenour  
Regent Krishna  
Regent Myers (via phone)  
Regent Heiler (via phone)  
Regent Manson (via phone)  
Regent Taylor Robson  
Regent DeGravina  
Regent L’Ecuyer

Absent: Regent Penley, Superintendent Douglas and Governor Ducey

Also present were John Arnold, Nancy Tribbensee, Jennifer Pollock, Lorenzo Martinez, Kate Linder and Suzanne Templin from the board office. Rita Cheng (via phone), Joanne Keene (via phone), Christy Farley, Daniel Okoli and Becky McGaugh from Northern Arizona University; Dr. Robbins, Jon Dudas, Laura Todd Johnson, David Wagner, Dave Heeke, and Jennifer Bailey from the University of Arizona; and Paul Kelly from Jackson Lewis.

Regent Shoopman called the meeting to order at 3:03 p.m.

EXECUTIVE SESSION

A motion was made by Regent Ridenour, seconded by Regent Krishna to move into executive session. Regents Shoopman, Ridenour, Krishna, Myers, Manson, Taylor Robson, and DeGravina voted “Aye”, none opposed. The motion carried.

The board recessed to executive session at 3:04 p.m.

Regent Shoopman reconvened public session at 3:20 p.m.

PUBLIC SESSION

Real Property Purchase (Item 1)  
The board was asked to approve the purchase of four parcels of property from Northern Arizona Real Estate Holdings, LLC (NAREH) located immediately north of the mountain campus.
A motion was made by Regent Shoopman, seconded by Regent DeGravina to approve the purchase of four parcels of property from Northern Arizona Real Estate Holdings, LLC (NAREH) located north of the mountain campus. Regents Shoopman, Ridenour, Krishna, Myers, Manson, Taylor Robson, and DeGravina voted “Aye”, none opposed. The motion carried.

Regent Taylor Robson commented that this purchase is appropriate for a number of good reasons, there is no new land in Flagstaff, there is mounting pressure in that market for housing and other uses and given the history of the city, it is prudent to acquire when we can, in particular parcels that are immediately adjacent to the university. The land price might seem high, the parcel is unique that is adjacent to the university and given the growing needs of the university it will serve the academic needs of the university well. Asks the board to be sensitive to the bigger policy issues related to real estate development by our universities.

EXECUTIVE SESSION

Regent Shoopman reconvened executive session at 3:22 p.m.

Regent Shoopman reconvened public session at 5:18 p.m.

ADJOURNMENT

A motion was made by Regent Shoopman, seconded by Regent Krishna to adjourn. Regents Shoopman, Ridenour, Krishna, Myers, Manson, Heiler, Taylor Robson, and DeGravina voted “Aye”, none opposed. The motion carried.

The meeting adjourned 5:19 p.m.

Submitted by:

Suzanne Templin
Assistant Secretary to the Board
EXECUTIVE SUMMARY

Item Name: Proposed Policy on Presidential Residence (Second Reading)

☑ Action Item

Requested Action: The board office asks the board to approve a proposed policy on presidential residences owned by a university or an affiliated entity.

Background and Discussion

- The University of Arizona has purchased a presidential residence. At this time, neither Arizona State University nor Northern Arizona University own a presidential residence.

- The board is asked to consider the attached proposed policy to promote appropriate governance oversight of presidential residences that may be owned by a university or an affiliated entity.

- The proposed policy provides that a president who lives in a house owned by the university or an affiliated entity without paying rent or lease payments is not entitled to the housing allowance that the board may provide to presidents who do not live in a university- or affiliate-provided residence.

- The board reviewed this item on first reading at its June 2018 meeting.

Contact Information:
Nancy Tribbensee, ABOR       602-229-2510       nancy.tribbensee@azregents.edu
6-1101.1 Presidential Residence

If a university or an affiliated entity owns a university presidential residence, it will serve as the primary residence for the current university president, unless otherwise authorized by the board. The public areas of the residence will be available to be used for university purposes and the university will provide services as set forth in a separate agreement between the president and the university or the affiliated entity. The board should receive advance notice of any planned significant renovations.

No university is required to maintain a presidential residence. A president who lives in a residence owned by a university or an affiliated entity as a primary residence without paying rent or lease payments will not receive the housing allowance that the board may provide to presidents who do not live in university- or affiliate-provided housing. This policy does not apply to a residence owned by a university or affiliate that is not used as a primary residence, but that is available instead only for limited overnight stays to avoid travel or recurring hotel costs.
EXECUTIVE SUMMARY

Item Name: Proposed Revisions to ABOR Policy 6-910 “Appointments Requiring Board Approval” and Proposed Repeal of ABOR Policy 6-915 “Executive Compensation” (Second Reading)

☑ Action Item

Requested Action: The board office asks the board to approve the proposed revisions to ABOR Policy 6-910 “Appointments Requiring Board Approval” and the proposed repeal of ABOR Policy 6-915 “Executive Compensation.”

Background/History of Previous Board Action

The board enacted ABOR Policy 6-915 “Executive Compensation” in 2003 and last amended the policy in 2012.

The current policy provides for the presidents to submit to the Regents Executive Committee annual reports describing the current compensation for vice presidents and senior executives who report directly to the presidents.

The board reviewed this item on first reading at its June 2018 meeting.

Discussion

The board has not requested reports pursuant to ABOR Policy 6-915 for several years.

Since the adoption of the policy, the board has implemented its operational and financial review (OFR) process. The board receives extensive information from each university through the OFR process, including aggregate salary data pertaining to managerial and administrative staff.

As a result, ABOR Policy 6-915 is no longer needed, and board staff is proposing the repeal of this policy.

In addition, board staff is proposing corresponding and conforming revisions to ABOR Policy 6-910. The proposed revisions to ABOR Policy 6-910 eliminate the requirement that compensation for senior executives needs to comply with ABOR Policy 6-915, as that policy is proposed for repeal, and replaces that requirement with the following language:

Contact Information:
Jennifer Pollock 602-229-2546 Jennifer.Pollock@azregents.edu
EXECUTIVE SUMMARY

• “With the exception of appointments requiring board approval pursuant to this ABOR policy 6-910 (Appointments Requiring Board Approval), the presidents retain discretion to make compensation adjustments for all employees.”

Statutory/Policy Requirement

ABOR Policy 6-915
EXECUTIVE SUMMARY

6-910 Appointments Requiring Board Approval

A. The following appointments require Board approval:

1. Appointments and renewals of appointments for the university presidents and the Board’s president.

2. The university’s chief academic officer.

3. The university’s chief financial officer.

4. Multiple-year appointments for head coaches of football, and basketball, BASEBALL and intercollegiate athletic directors.

B. Compensation for Senior Executives must comply with ABOR Policy 6-915 “Executive Compensation.” WITH THE EXCEPTION OF APPOINTMENTS REQUIRING BOARD APPROVAL PURSUANT TO THIS ABOR POLICY 6-910 (APPOINTMENTS REQUIRING BOARD APPROVAL), THE PRESIDENTS RETAIN DISCRETION TO MAKE COMPENSATION ADJUSTMENTS FOR ALL EMPLOYEES.

6-915 Executive Compensation—REPEALED

A. Each President will submit to the Board’s Executive Committee (or such other Committee that the Board designates to address Human Resource matters) an annual report describing the current compensation for all vice presidents and for all senior executives who report directly to the President.

1. The Executive Compensation Reports will be prepared in a format approved by the President of the Board, and will include the following elements: total compensation paid to each individual, source of funding, and appropriate comparison salary data as reported in the current year’s College and University Professional Association for Human Resources (CUPA-HR) Administrative Compensation survey, or such other source of comparative compensation data deemed appropriate by the Committee.

2. For purposes of the report, each university will use their Board approved peer institutions as their comparator group.
B. With the exception of appointments requiring Board approval pursuant to ABOR Policy 6-910 (Appointments Requiring Board Approval), the Presidents retain discretion to make compensation adjustments for all employees.
EXECUTIVE SUMMARY

Item Name: Proposed Revisions to ABOR Policies 5-308 “Student Code of Conduct,” 5-401 “Student Disciplinary Procedures” and 5-404 “Student Disciplinary Files and Records” (Second Reading)

Action Item

Recommended Action: The board office asks the board to approve the proposed revisions to ABOR Policies 5-308 “Student Code of Conduct,” 5-401 “Student Disciplinary Procedures” and 5-404 “Student Disciplinary Files and Records” to clarify language to distinguish between educational interventions, disciplinary sanctions, and other administrative actions, as well as to define the term “Disciplinary Proceeding” for purposes of implementing A.R.S. § 15-1866(A)(5).

Statutory/Policy Requirements

- A.R.S. § 13-2911, Section D authorizes the board to adopt rules for the maintenance of public order to govern the conduct of students, faculty, staff and all members of the public while on university or board property. The board has adopted Policies 5-301 through 5-307 (Code of Conduct) and 5-308 (Student Code of Conduct) and 5-401 through 5-404 (Student Disciplinary Procedures) pursuant to this authorization.

- Board Policy 1-202 (Procedures for Adoption of Rules by the Board), Section J provides for immediate adoption of a rule for 90 days pending second reading and a vote for permanent implementation.

- This item was reviewed on first reading and approved for immediate implementation at the special board meeting on August 23, 2018.

Discussion

- The Student Code of Conduct authorizes the universities to respond to alleged violations with an “educational response.” The proposed revisions further clarify the policy language to distinguish educational interventions from disciplinary sanctions and other administrative actions as well as to define the term “Disciplinary Proceeding” for purposes of implementing A.R.S. § 15-1866(A)(5).

Contact Information:
Nancy Tribbensee 602-229-2510 nancy.tribbensee@azregents.edu
A. Jurisdiction and Authority

1. Under Arizona law, the Arizona Board of Regents is responsible for the control and supervision of the state universities and their properties and activities. The Board is authorized to enact ordinances for the governance of the universities and the maintenance of public order upon all property under its jurisdiction. The Board has promulgated this Student Code of Conduct in order to meet its responsibilities under Arizona law. Enforcement of this Student Code of Conduct is subject to applicable law, including constitutional protections for speech, association and the press.

2. The Presidents are authorized to enforce the Student Code of Conduct.

3. Actions TAKEN under the Student Code of Conduct are administrative and not criminal in nature. Therefore, a student can be found responsible under the Student Code of Conduct even if the underlying conduct would not also constitute a criminal offense, and even if a prosecutor has determined not to prosecute as a criminal matter or the student has been found not guilty in a criminal proceeding.

4. For purposes of interpreting words and phrases not otherwise defined in the Student Code of Conduct, every day and common usages and understanding shall apply, and external sources may be consulted for guidance.

5. STUDENTS Violators may be accountable to both civil and criminal authorities and to the university for acts of misconduct that constitute violations of the Student Code of Conduct. At the discretion of university officials, EDUCATIONAL INTERVENTIONS OR disciplinary action at the university may proceed before, during, or after other proceedings. Sanctions may be imposed for acts of misconduct that occur on university property or at any university-sponsored activity. As further prescribed in these rules, off-campus conduct may also be subject to EDUCATIONAL INTERVENTIONS OR discipline. With respect to student organizations, and their members, university jurisdiction extends to premises used or controlled by the organizations on or off campus.

B. Philosophy
EXECUTIVE SUMMARY

1. The aim of education is the intellectual, personal, social, and ethical development of the individual. The educational process is ideally conducted in an environment that encourages reasoned discourse, intellectual honesty, openness to constructive change, and respect for the rights of all individuals. Self-discipline and a respect for the rights of others in the university community are necessary for the fulfillment of such goals. The Student Code of Conduct is designed to promote this environment at each of the state universities.

2. The Student Code of Conduct sets forth the standards of conduct expected of students who choose to join the university community.

3. A UNIVERSITY MAY RESPOND TO VIOLATIONS OF Students who violate these standards WITH will be subject to EDUCATIONAL INTERVENTIONS OR disciplinary sanctions in order to promote their own personal development to protect the university community, and to maintain order and stability on campus.

C. Scope

1. The adoption of the Student Code of Conduct does not prohibit any university or the Board from adopting or maintaining additional rules to govern the conduct of students. Allegations of misconduct brought under the Student Code of Conduct may be combined with allegations arising under other university or Board rules.

2. Each university may adopt policies and procedures for reviewing allegations of academic dishonesty.

3. The Student Code of Conduct applies to individual students and to student organizations.

4. Students and student organizations are also subject to the following rules:

   a. Rules adopted by each university to govern the control of vehicles and other modes of transportation on university property

   b. Rules relating to student classroom conduct, academic dishonesty, and academic eligibility, performance and evaluation

   c. Rules governing student housing
d. Rules governing the maintenance of public order

e. Rules governing the conduct of student athletes

f. Rules governing the use of university communication and computing resources, and

g. Such other rules as may be adopted by the Board, or the universities in furtherance of university and educational goals.

D. Student Organizations

1. Student organizations may be charged with violations of the Student Code of Conduct to the same extent as students.

2. Student organizations, as well as their members and other students, may also be held collectively and/or individually responsible for violations including but not limited to misconduct that occurs: (a) on university property; (b) on premises used or controlled by the organization; (c) at university-sponsored activities; or (d) in violation of university hazing policies.

3. The officers or leaders of a student organization may be held collectively and/or individually responsible when such violations are committed by persons associated with the organization who have received consent or encouragement from the organization's officers or leaders or if those officers or leaders knew or should have known that such violations were being or would be committed.

4. The officers or leaders of a student organization may be directed to take action designed to prevent or end such violations by the organization or by any persons associated with the organization. Failure to comply with a directive may be considered a violation of the Student Code of Conduct, both by the officers or leaders of the organization and by the organization.

E. Definitions

1. "Advisor" means an individual selected by the student to advise him/her. The advisor may be a faculty or staff member, student, attorney, or other representative of the student.

2. "Board" means the Arizona Board of Regents.
3. "Complainant" means any individual who initiates the referral procedures set forth in the Student Code of Conduct disciplinary procedures.

4. "Consent" in the context of sexual activity means informed and freely given words or actions that indicate a willingness to participate in mutually agreed upon sexual activity.

Consent may not be inferred from: 1) silence, passivity or lack of resistance, 2) a current or previous dating or sexual relationship, 3) acceptance or provision of gifts, meals, drinks, or other items or 4) previous consent to sexual activity.

Consent may be withdrawn during sexual activity. Consent to one form of consensual sexual activity does not imply consent to any other form of sexual activity.

Consent may not be obtained through physical force, violence, duress, intimidation, coercion, or an express or implied threat of injury.

Consent may never be given by a person who is: incapacitated (by drugs, alcohol or otherwise), unconscious, asleep, or otherwise physically or mentally unable to make informed, rational judgments. The use of alcohol or drugs does not diminish one’s responsibility to obtain consent and does not excuse conduct that violates this Student Code of Conduct.

Consent cannot be given by someone who, by virtue of age, circumstances or other factors, is deemed by law to be incapable of giving consent.

5. "Controlled substance" means a drug or substance whose use, possession, or distribution is controlled under state or federal law.

6. "Day" means university business day, not including Saturday, Sunday, any officially recognized university employee holiday, or any day the university is closed.

7. "Dangerous Instrument" means anything that under the circumstances in which it is used, attempted to be used or threatened to be used is readily capable of causing death or serious physical injury.
8. "Dean of Students" or "Dean" means the administrative officer responsible for administration of student conduct bearing this or similar title and includes his/her designee.

9. "Distribution" means sale, exchange, transfer, delivery, or gift.

10. "EDUCATIONAL RESPONSE OR INTERVENTION": THE DEAN OF STUDENTS MAY REQUIRE A STUDENT TO COMPLETE AN EDUCATIONAL PROGRAM AT THE STUDENT'S EXPENSE, WRITE A PAPER OR LETTER OF APOLOGY, ENGAGE IN COMMUNITY SERVICE, OR ASSIGN OTHER EDUCATIONAL RESPONSES TO ADDRESS THE STUDENT'S CONDUCT.

1011. "Endanger" means to bring into danger or peril.

1112. "Explosive" refers to dynamite, nitroglycerin, black powder, or other explosive material or bomb including plastic explosives; any breakable container that contains a flammable liquid with a flash point of 150°F or less and has a wick or similar device capable of being ignited.

1213. "Fabrication" means falsification or creation of false data or information.

1314. "Fireworks" refers to any fireworks, fire crackers, sparklers, rockets, and any propellant-activated device whose intended purpose is primarily for illumination.

1415. "Gambling" shall have the same meaning as defined by Arizona law.

1516. "Hazing" means either (a) any intentional, knowing or reckless act committed by a student, whether individually, or in concert with other persons, against another person, in connection with an initiation into, an affiliation with, or the maintenance of membership in any organization that is affiliated with a university that contributes to a substantial risk of potential physical injury, mental harm or degradation, or causes physical injury, mental harm or personal degradation; or (b) any act otherwise defined as hazing under applicable law. Hazing includes, but is not limited to, paddling in any form, physical or psychological shocks, late work sessions that interfere with scholastic activities, advocating or promoting alcohol or substance abuse, tests of endurance, submission of members or
prospective members to potentially dangerous or hazardous circumstances or activities which have a foreseeable potential for resulting in personal injury, or any activity which by its nature may have a potential to cause mental distress, panic, human degradation, or embarrassment.

¶617. "Illegal drug" means any drug whose manufacturing, use, possession, or distribution is prohibited or restricted by state or federal law.

¶718. “Personal Safety Devices:” each university will maintain and publish a list of permitted personal safety devices to include personal alarms, chemical repellents and other devices designed to protect personal safety from physical attacks by other people. Each university will also publish the process by which an individual may seek to have a device added to the list of permitted devices.

¶819. "President" means the president of the university or his/her designee.

¶920. "Sexual misconduct" means one or more of the following:

a. Sexual violence and other non-consensual sexual contact – actual or attempted physical sexual acts perpetrated against a person by force or without consent; or

b. Sexual harassment – unwelcome conduct of a sexual nature that is sufficiently severe or pervasive as to create an intimidating, hostile, or offensive environment; or

c. Other unwanted or non-consensual sexual conduct including but not limited to indecent exposure, sexual exploitation or voyeurism, or non-consensual photographing or audio-recording or video-recording of another in a state of full or partial undress or while engaged in sexual activity, or publishing or disseminating such materials.

¶2021. "Stalking" means engaging in a course of conduct that is directed toward another person if that conduct would cause a reasonable person to suffer substantial emotional distress or to fear for the person's safety or the safety of that person's immediate family member or close acquaintance, and that person in fact fears for his/her safety or the safety of that person's immediate family member or close acquaintance.
2422. "Student" for purposes of this Student Code of Conduct means any person who is currently admitted or registered or who participates in a university function, such as orientation, in anticipation of enrollment, or who was enrolled in a previous term or who is or was registered for a future term, including a faculty member or other employee so admitted, registered, or enrolled.

2223. "Student organization" means an organization or group which has been registered or has received recognition according to university policies and procedures or is affiliated with a university.


2425. “Title IX Coordinator” means the individual designated by each University to oversee compliance with the nondiscrimination and anti-harassment provisions of the Student Code of Conduct.

2526. "University" means either the University of Arizona, Arizona State University, Northern Arizona University, or any other university campus or division governed by the Board.

2627. "University community" means all university students, employees, and guests.

2728. "University property" means all resources, including but not limited to real and personal property, money, and intellectual property owned, operated, leased to, contracted by, controlled, or in the possession of a university or the Board.

2829. "University-sponsored activity" means any activity on or off campus authorized, supervised, or controlled by a university.

2930. "Vice President for Student Affairs" means the administrative officer bearing such title, similar title, or his/her designee.

3031. “Weapon” refers to any object or substance designed to (or which could be reasonably expected to) inflict a wound, cause injury, incapacitate, or cause death, including, without limitation, all firearms (loaded and unloaded, simulated and real), devices designed to expel a projectile (such as bb guns, air guns, pellet guns, and potato guns), swords, knives with blades of 5 inches or longer, martial arts weapons, bows and arrows, and chemicals
such as tear gas, but personal safety devices as defined above are not included in the definition of “weapon.”

F. Prohibited Conduct

1. All forms of student academic dishonesty, including but not limited to cheating, fabrication, facilitating academic dishonesty, and plagiarism.

2. Endangering, threatening, or causing physical harm to any member of the university community or to oneself, causing reasonable apprehension of such harm or engaging in conduct or communications that a reasonable person would interpret as a serious expression of intent to harm.

3. Violating the terms of any disciplinary sanction imposed for an earlier violation of the Student Code of Conduct or other Board or university rules.

4. Violation of, or attempt to violate, other rules that may be adopted by the Board or by the university.

5. Impersonation of another, using another person’s identity, or furnishing materially false information, including manufacturing or possession of false identification.

6. Initiating, causing, or contributing to any false report, warning, or threat of fire, explosion, or other emergency.

7. Failure to comply with the directions of university officials or agents, including law enforcement or security officers, acting in the good faith performance of their duties. This section is not intended to prohibit the lawful assertion of an individual’s Fifth Amendment right against self-incrimination.

8. Forgery, falsification, fabrication, unauthorized alteration, or misuse of campus documents, records, or identification, including, but not limited to, electronic software and records.

9. Unauthorized presence in or unauthorized use of university property, resources, or facilities.

10. Unauthorized access to, disclosure of, or use of any university document, record, or identification, including but not limited to, electronic software, data, and records.
11. Interfering with or disrupting university or university-sponsored activities, including but not limited to classroom related activities, studying, teaching, research, intellectual or creative endeavor, administration, service or the provision of communication, computing or emergency services.

12. Misrepresenting oneself or an organization as an agent of a university.

13. Possession of property the student knows or has reason to believe may be stolen or misappropriated.

14. Misuse, theft, misappropriation, destruction, damage, or unauthorized use, access, or reproduction of property, data, records, equipment or services belonging to the university or belonging to another person or entity.

15. Violation of the Board or university rules or applicable laws governing alcohol, including consumption, distribution, unauthorized sale, or possession of alcoholic beverages.

16. Unauthorized use, sale, possession, or distribution of any controlled substance or illegal drug or possession of drug paraphernalia that would violate the law.

17. Off-campus conduct that a reasonable person would believe may present a risk or danger to the health, safety or security of the Board or university community or to the safety or security of the Board or university property.

18. Gambling as prohibited by applicable law, university policy, or associated with any university event.

19. Engaging in, supporting, promoting, or sponsoring hazing or violating the Board or university rules governing hazing.

20. Stalking or engaging in repeated or significant behavior toward another individual, whether in person, in writing, or through electronic means, after having been asked to stop, or doing so to such a degree that a reasonable person, subject to such contact, would regard the contact as unwanted.

21. Engaging in discriminatory activities, including harassment and retaliation, as prohibited by applicable law or university policy.
22. Interfering with any university REVIEW, INVESTIGATIVE OR disciplinary process, including but not limited to tampering with physical evidence or inducing a witness to provide false information or to withhold information.

23. Sexual misconduct.

24. Use, possession, display, or storage of any weapon, dangerous instrument, explosive material or device, torch, device with open flames, fireworks, bomb-making materials or dangerous chemical on university property, at a university sponsored activity or in violation of law or university policy, is not permitted unless one of the following exceptions apply:

   a. Subject to A.R.S. §12-781 and other applicable law, a person may lawfully transport or lawfully store a firearm that is both 1) in the person's locked and privately owned motor vehicle or in a locked compartment on the person's privately owned motorcycle, and 2) not visible from the outside of the motor vehicle or motorcycle, although the board or a university may require that vehicles transporting or storing firearms be parked in alternative parking as described in A.R.S. §12-781, or

   b. Use, possession, display or storage is specifically authorized by an Arizona or federal statute governing law enforcement officers or in writing by university officials with the authority to grant such permission, or

   c. Universities may permit students to possess certain potentially dangerous instruments, and limited quantities of chemicals or other dangerous materials if they are used for academic and other legitimate purposes, if the presence of these items does not present an undue risk to the campus or community, and if the proposed use, possession, display or storage of these items has been expressly approved in writing by an authorized university representative.

   d. The possession or use for self-defense of personal safety devices are not prohibited by this section.

25. Photographing, videotaping, filming, digitally recording, or by any other means secretly viewing, with or without a device, another person without that person's consent in any location where the
person has a reasonable expectation of privacy, or in a manner that violates a reasonable expectation of privacy. This section does not apply to lawful security or surveillance filming or recording that is authorized by law enforcement or authorized university officials.

26. Commission of any offense prohibited by state or federal law or local ordinance.

Any attempt to commit or conceal an act of misconduct prohibited by these rules is subject to sanctions to the same extent as completed acts.

G. Sanctions

UNIVERSITY RESPONSES TO ALLEGED CODE VIOLATIONS

1. IN ADDITION TO, OR IN PLACE OF, AN EDUCATIONAL RESPONSE OR INTERVENTION, the Dean of Students may impose one or more of the following DISCIPLINARY sanctions (E.G., EXPULSION, SUSPENSION OR DEGREE REVOCATION) OR TAKE ADMINISTRATIVE ACTION (E.G., PROBATION, WARNING, ADMINISTRATIVE HOLD, INTERIM ACTION) for any violation of the Student Code of Conduct:

a. Expulsion: Permanent separation of the student from the university. An indication of expulsion may appear on the student's transcript. The expelled student will not participate in any university-sponsored activity and will be barred from university property. An expelled student will be ineligible to attend Arizona State University, Northern Arizona University, or the University of Arizona or any other university campus or division governed by the Board unless approved according to paragraph G.2 (a) and (b).

b. Suspension: Temporary separation of the student from the university for a specified period of time, or until specific conditions, if imposed, have been met. An indication of suspension may appear on the student's transcript. Except where prior approval has been granted by the Dean of Students, a suspended student will not participate in any university-sponsored activity and will be barred from the university campus. A suspended student will be ineligible to attend Arizona State University, Northern Arizona University, or the University of Arizona or any other university campus or division governed by the Board until the conditions of suspension have been met.
EXECUTIVE SUMMARY


c. Degree Revocation: A university may revoke a degree, certificate or other academic recognition previously awarded by that university to a student. Notice of any degree revocation will appear on the student's transcript. If the university previously communicated the award of a degree, certificate or other academic recognition to a third party, it may provide notice to that entity of the revocation.

d. Probation: Removal of the student from good CONDUCT disciplinary standing. Additional restrictions or conditions may also be imposed. Probation will last for a stated period of time and until specific conditions, if imposed, have been met. Any violation of these rules, the conditions of probation, or other university rules committed during the probationary period will subject the student to further discipline, including suspension or expulsion.

e. Warning: A written statement advising the student that a violation of the Student Code of Conduct has been committed and that further misconduct may result in more severe disciplinary action.

f. Administrative Hold: A status documented in the registrar's official file which may preclude the student from registering, from receiving transcripts, or from graduating until clearance has been received from the Dean of Students in accordance with university rules.

g. Restricted Access to University Property: A student's access to university property, including but not limited to research, communication and computing resources, may be restricted for a specified period of time or until certain conditions are met.

h. Organizational Sanctions: Sanctions for organizational misconduct may include revocation of the use of university property or privileges for a period of time, revocation or denial of recognition or registration, or suspension of social or intramural activities or events, as well as other appropriate sanctions permitted under the Student Code of Conduct or other rules of the university.

i. Educational Response: The Dean of Students may require a student to complete an educational program at the student's expense, write a paper or letter of apology, engage in
community service, or assign other educational responses to address the student’s conduct.

ij. Interim Action: The Dean of Students may impose restrictions on a student or suspend a student for an interim period prior to resolution of the STUDENT CODE OF CONDUCT proceeding.

jk. Academic Conduct: Each university may adopt procedures regarding student conduct that takes place while participating in academic activities. These procedures may outline sanctions including but not limited to lower-level warnings, administrative drop from a particular class, or other sanctions as appropriate.

kl. Restitution: Payment to the university or to other persons, groups, or organizations for damage to property or costs incurred as a result of the violation of this Student Code of Conduct.

lm. Notation on Transcript.

ma. Other sanctions permissible under existing university rules.

2. A student who has been suspended or expelled from one university will be ineligible for admission, enrollment, re-enrollment or re-admission to Arizona State University, Northern Arizona University, or the University of Arizona or any other university campus or division governed by the Board except as follows:

a. Each university may adopt rules and procedures to consider a request for readmission from a student who has been previously suspended or expelled, which shall include criteria to be used in evaluating a request for readmission, and shall provide that a decision to readmit must be approved by the Vice President for Student Affairs at the admitting university.

b. Except as set forth in Section G.2.a, a student who has been suspended or expelled at one university will not be eligible for admission or re-enrollment at another university governed by the Board until the student has met the conditions for reinstatement at the university which imposed the suspension or expulsion. The conditions for reinstatement may be waived in whole or in part at the
discretion of the Vice President for Student Affairs at the admitting university.

H. Determining What Sanction to Impose

1. Mitigating and aggravating factors may be considered. Factors to be considered in mitigation or aggravation include the individual's prior CONDUCT disciplinary record, the nature of the offense, the severity of any damage, injury, or harm resulting from the violation, the payment of restitution to the university or to any victims, or any other factors deemed appropriate under the circumstances, including but not limited to the individual's participation in an approved counseling program.

2. Repeated violations of the Student Code of Conduct may result in the imposition of progressively more severe sanctions, although any sanction may be imposed as appropriate under the circumstances.

I. Enforcement

1. Student sanctions shall be enforced through use of disciplinary procedures adopted by each university that are consistent with Board Policies and applicable laws and regulations

2. Sanctions for organizational misconduct shall be enforced through the use of the disciplinary procedures adopted by each university, consistent with Board Policies and applicable laws and regulations

J. Miscellaneous provisions

1. The description of prohibited conduct shall be interpreted as broadly as consistent with applicable law.

2. The Presidents are authorized by the Board to take other actions or to adopt other rules to protect university property and the safety and well-being of members of the university community and the public.
D. STUDENT CODE OF CONDUCT DISCIPLINARY PROCEDURES

5-401 Student CODE OF CONDUCT Disciplinary Procedures - General

A. The purpose of THESE student disciplinary procedures are to guide the REVIEW OF ALLEGATIONS OF VIOLATIONS enforcement of the Student Code of Conduct. Student disciplinary procedures are applicable to any student or student organization that is charged with a violation of the Student Code of Conduct.

B. THESE Student disciplinary procedures are designed to allow for fact-finding and decision-making in the context of an educational community, and to encourage students to accept responsibility for their own actions. The intent is to provide adequate procedural safeguards to protect the rights of the individual student and the legitimate interests of the university.

C. The universities may use mediation, or conciliation, OR ANY ALTERNATIVE DISPUTE RESOLUTION procedures in addition to or in place of THESE student disciplinary procedures in accordance with policies and procedures adopted by each university and as permitted by law.

D. Student records generated during the information gathering/decision-making process associated with THESE student disciplinary procedures are subject to the Family Educational Rights and Privacy Act (FERPA).

E. Each university shall adopt Student CODE OF CONDUCT Disciplinary Procedures that are consistent with Board Policy and applicable laws and regulations.

F. Each university may adopt policies and procedures for reviewing allegations of academic dishonesty. If the sanction imposed includes expulsion, suspension, or revocation of a degree, then the student is entitled to a hearing according to procedures adopted by each university.

G. EACH UNIVERSITY WILL PROVIDE PROCEDURAL PROTECTIONS FOR DISCIPLINARY PROCEDURES AS REQUIRED BY A.R.S. § 15-1866.
5-404 Disciplinary STUDENT CONDUCT Files and Records

A. Holds on Records

The university may place a hold on a student’s academic and other institutional records if the student refuses to respond to, or comply with, the procedures or AND sanction OR OTHER ACTIONS imposed in accordance with university STUDENT CONDUCT disciplinary procedures.

B. Student CONDUCT Disciplinary Records

1. Disciplinary STUDENT CONDUCT records will be maintained in accordance with each university’s retention policies. Disciplinary STUDENT CONDUCT records may be retained for a longer period, or permanently, if so specified AS PART OF A DETERMINATION UNDER THE PROCEDURES in the sanctions applied.
Agenda Highlights
Finance, Capital and Resources Committee
September 13, 2018

1. Novus Innovation Corridor Annual Report (ASU)

Outcomes and Assignments:
- Discussed change in master plan that increased acreage for athletic fields, traffic impacts and working with partners, such as MAG, to develop projects, clarifying the Athletic Facilities and the Novus Innovation Corridor, and factoring regional impact and costs as development occurs.
- The committee noted the report would be on the ABOR consent agenda as submitted for review.

2. FY 2020-2022 Capital Improvement Plans (ASU, NAU, UA)

Outcomes and Assignments:
- The universities provided an overview of their respective Capital Improvement Plans and the committee forwarded the plans to the full board with a recommendation for approval.

3. Capital Development Plan (NAU)

Outcomes and Assignments:
- NAU noted there are no anticipated projects in its Capital Development Plan, and reviewed the status of ongoing projects including the plan to achieve the gift target for the Recital Hall renovation project.
- The committee forwarded the plan to the full board with a recommendation for approval.

Contact Information:
Lorenzo Martinez, ABOR 602-229-2525 lorenzo.martinez@azregents.edu
4. Real Property Purchase (NAU)

Outcomes and Assignments:
• NAU noted that a second appraisal of the property has been commissioned.
• The committee forwarded the property purchase to the full board with a recommendation for approval noting that a waiver of board policy requiring two appraisals may be required at the board meeting.

5. Amendment to Capital Development Plans (ASU)

Outcomes and Assignments:
• The committee forwarded the amended plan to the full board with a recommendation for approval.

6. Lease Agreement with the City of Mesa for New City Center Building (ASU)

Outcomes and Assignments:
• The committee forwarded the proposed lease to the full board with a recommendation for approval. [Regent Taylor Robson recused herself from voting on the item.]

7. Lease Extension for EV Group, Inc. at the ASU research Park (ASU)

Outcomes and Assignments:
• The committee forwarded the proposed lease to the full board with a recommendation for approval.

8. Purchase of 1516 E. Drachman Residential Property within Planning Boundary (UA)

Outcomes and Assignments:
• The committee forwarded the property purchase to the full board with a recommendation for approval.

9. Sale of 1700 E. Broadway Property for Road Widening (UA)

Outcomes and Assignments:
• The committee forwarded the property sale to the full board and requested the UA review options for retaining ownership if the city does not move forward with the road widening project.
10. University Property Oversight Subcommittee Update and Proposed Property Development Principles

Outcomes and Assignments:
- The committee received a report on subcommittee activities and plans from the subcommittee chair, and the committee forwarded the policy position and principles on university property development to the full board with a recommendation for approval.

11. Proposed Revisions to ABOR Policies 3-808 “Intergovernmental Procurement,” 3-809 “Legal Remedies” and 3-811 “Significant Procurement Roles” of Chapter III, Article H--University Procurement Code (First Reading)

Outcomes and Assignments:
- The committee forwarded the proposed policy revisions to the full board for first reading.

12. Proposed Revisions to ABOR Policy 7-203 “Purchase of Real Property” (First Reading)

Outcomes and Assignments:
- The committee forwarded the proposed policy revision to the full board for first reading.

13. Proposed Revisions to ABOR Policy Chapter 4- Relating to the Setting of Tuition and Fees (First Reading)

Outcomes and Assignments:
- The committee forwarded the proposed policy revisions to the full board for first reading, and including the repeal of guidelines relating to tuition and fees.
EXECUTIVE SUMMARY

Item Name: FY 2020-2022 Capital Improvement Plans (ASU, NAU, UA)

☑ Action Item

Requested Action: Arizona State University, Northern Arizona University and the University of Arizona ask the board to approve their FY 2020 - 2022 Capital Improvement Plans, as described in this Executive Summary.

Background/History of Previous Board Action

- The annual CIPs serve 3 main functions:
  - To serve as reference documents for current facilities inventory and related financial management information;
  - To request general fund monies, including building renewal, from the state; and
  - To identify capital projects each university intends to implement during the next fiscal year along with a forecast of proposed activities and projects in the following 2 fiscal years.

- The Capital Improvement Plans include a capital allocations report; building renewal and deferred maintenance reports; building inventory reports; lease reports; acquisitions and sales of land reports; capital project status reports; three-year capital improvement plans; FY 2020 project descriptions, scope and cost; and preliminary debt reports. In-depth Debt Capacity Reports are presented as part of the Capital Development Plans.

- Approval of the CIPs allows universities to expend up to ten percent of total project costs in preparation for any projects that will be submitted for the next stage of project approval (Capital Development Plan).

- Each university draft CIP can also be found on the ABOR website (http://azregents.edu/) under the Board meeting section.

Contact Information:
Morgan R. Olsen, ASU 480-727-9920 Morgan.R.Olsen@asu.edu
Daniel Okoli, NAU 928-523-8871 Daniel.Okoli@nau.edu
Gregg Goldman, UA 520-621-5977 GGoldman@email.arizona.edu
Lorenzo Martinez, ABOR 602-229-2525 Lorenzo.Martinez@azregents.edu
Discussion

Arizona State University CIP

- The ASU Capital Improvement Plan includes 5 projects totaling $147 million.
- The FY 2020 building renewal formula requirement is $52 million.
- The debt ratio is estimated to be 5.5% excluding SPEED projects, and 5.9% including SPEED projects.

<table>
<thead>
<tr>
<th>ASU Project Name</th>
<th>Est. Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Thunderbird School of Global Management (Downtown Phoenix)</td>
<td>60,000,000</td>
</tr>
<tr>
<td>2. Parking Structure</td>
<td>30,000,000</td>
</tr>
<tr>
<td>3. Building and Infrastructure Enhancements and Modifications</td>
<td>32,000,000</td>
</tr>
<tr>
<td>4. Classroom and Academic Renovations</td>
<td>10,000,000</td>
</tr>
<tr>
<td>5. Research Laboratories/Faculty Startup</td>
<td>15,000,000</td>
</tr>
<tr>
<td><strong>Project Total</strong></td>
<td><strong>147,000,000</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Building Renewal</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Building Renewal Requirement</td>
<td>51,988,200</td>
</tr>
</tbody>
</table>

Northern Arizona University CIP

- The NAU Capital Improvement Plan includes one project totaling $139 million.
- The FY 2020 building renewal formula requirement is $21.2 million.
- The debt ratio is estimated to be 6.1% excluding SPEED projects, and 7.8% including SPEED projects.

<table>
<thead>
<tr>
<th>NAU Project Name</th>
<th>Est. Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Multi-Discipline STEM Academic/Research Building</td>
<td>139,000,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Building Renewal</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Building Renewal Requirement</td>
<td>21,152,800</td>
</tr>
</tbody>
</table>

University of Arizona CIP

- The UA Capital Improvement Plan includes 3 projects totaling $104 million.
- The FY 2020 building renewal formula requirement is $88.3 million.
EXECUTIVE SUMMARY

- The debt ratio is estimated to be 5.5% excluding SPEED projects, and 6.7% including SPEED projects.

<table>
<thead>
<tr>
<th>UA Project Name</th>
<th>Est. Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Deferred Maintenance</td>
<td>20,000,000</td>
</tr>
<tr>
<td>2. Applied Research Building (formerly IRIB 1)</td>
<td>50,000,000</td>
</tr>
<tr>
<td>3. Biomedical Sciences Partnership Building Buildout</td>
<td>34,000,000</td>
</tr>
<tr>
<td><strong>Project Total</strong></td>
<td><strong>104,000,000</strong></td>
</tr>
<tr>
<td><strong>Building Renewal</strong></td>
<td></td>
</tr>
<tr>
<td>Building Renewal Requirement</td>
<td>88,282,900</td>
</tr>
</tbody>
</table>

Committee Review and Recommendation

The Finance, Capital and Resources Committee reviewed this item at its September 13, 2018 meeting and recommended forwarding to the full board for approval.

Statutory/Policy Requirements

- ABOR Policy 7-106 requires Capital Committee review and Board approval of the annual Capital Improvement Plan.

- A.R.S. §41-793, require each building system to annually submit a Capital Improvement Plan (CIP) to the Governor no later than October 15. The state of Arizona recognizes three building systems: The Department of Transportation, the Department of Administration, and the Arizona Board of Regents.
EXECUTIVE SUMMARY

Item Name: FY 2020-2022 Capital Improvement Plan (ASU)

Action Item

Requested Action: Arizona State University asks the board to approve its FY 2020-2022 Capital Improvement Plan (CIP), as described in this Executive Summary.

Strategic Alignment with the University’s Institutional Priorities

- ASU continues to make meaningful progress in its evolution as a model for 21st century higher education, dedicated to access, excellence and impact. In keeping with the ambitious trajectory reflected in the ASU Strategic Enterprise Framework and the ASU Campus Master Plan, the projects proposed in this FY 2020-2022 CIP focus strongly on addressing the need for sustainable facilities that support the achievement of our institutional mission and goals.

- Thoughtful and productive investment in the university's facilities and infrastructure is vital to the success of current and future ASU students and supports the key elements of ASU’s Strategic Enterprise Framework, including:
  - Achieving a 57 percent increase in degree production
  - Establishing national standing in academic quality and the impact of colleges and schools in every field
  - Enhancing local impact and social embeddedness
  - Expanding research performance to $815 million in annual research expenditures by 2025.

- For this CIP, ASU has identified five projects in its first-year priorities, including construction of a Downtown Phoenix academic facility and a Tempe campus parking structure, as well as the renovation of academic and research facilities and enhancements to infrastructure on all campuses. These projects total $147.0 million in estimated costs. Descriptions of the projects included in the university’s one-year capital plan for FY 2020 are outlined in Table 1.

- This CIP also includes a FY 2019 Building Renewal Request totaling $51,988,165. This Building Renewal Request was computed using the Joint Committee on Capital Review-approved formula, along with Arizona Board of Regents direction.

- The FY 2020-22 CIP, as well as the active capital projects being advanced through our Campus Master Plan, reflects the physical manifestation of ASU’s realization of the New American University and its steadfast commitment to serve the people of Arizona.

Contact Information:
Morgan R. Olsen, Executive Vice President, Treasurer and CFO • (480) 727-9920 • Morgan.R.Olsen@asu.edu
EXECUTIVE SUMMARY

Capital Improvement Plan One and Two-Year Forecast

- **One-Year Capital Plan for FY 2020**: ASU presents five projects as its FY 2020 priorities in this CIP. The projects total $147.0 million in estimated costs. Descriptions for these projects are included below in Table 1. Additional information on these projects is included in the “FY 2020 Project Descriptions” section of the CIP.

### Table 1
**Capital Improvement Plan – FY 2020 Projects**

<table>
<thead>
<tr>
<th>PRIORITY</th>
<th>CAMPUS</th>
<th>PROJECT NAME</th>
<th>PROJECT DESCRIPTION</th>
<th>FUNDING METHOD</th>
<th>ESTIMATED TOTAL COSTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Downtown</td>
<td>Thunderbird School of Global Management</td>
<td>This project will construct an approximately 105,000 gross-square-foot academic facility to accommodate the strategic relocation of Thunderbird School of Global Management graduate and executive programs to the Downtown Phoenix campus. This multi-level classroom and office building will include innovative, high-technology spaces to facilitate the school’s global leadership and management programs. This project reinforces the university’s commitment to providing a world-class global management and business education with a unique intercultural focus.</td>
<td>System Revenue Bonds (SRB)</td>
<td>$ 60,000,000</td>
</tr>
<tr>
<td>2</td>
<td>Tempe</td>
<td>Tempe Campus Parking Structure</td>
<td>This proposed new multi-level parking structure will replace an existing surface lot on a mixed-use development site at the southeast corner of University Drive and Mill Avenue. This approximately 1,200-space parking structure will provide the essential capacity required to support the academic, cultural and social activities on the Tempe campus, a new on-site hotel and conference center, and future site development.</td>
<td>System Revenue Bonds (SRB)</td>
<td>$ 30,000,000</td>
</tr>
<tr>
<td>3</td>
<td>All</td>
<td>Building and Infrastructure Enhancements and Modifications</td>
<td>Many components of the ASU built environment, including the underground infrastructure, have exceeded their useful life and do not effectively support the advancement of the university’s mission of academic and research excellence. In order to develop a master plan and prioritize the required replacement of the utility infrastructure, all of the underground utilities for the Tempe and Polytechnic campuses will be mapped out. The primary areas of concern for the university will also be addressed on all campuses, which include, but are not limited to, life safety deficiencies, the replacement of aging mechanical and other critical building systems, and the repair and replacement of timeworn and unreliable elevators and roofs. These projects will ensure the efficient, reliable and safe operation of essential campus infrastructure and systems, including those that must continue without interruption to support critical academic and research initiatives.</td>
<td>System Revenue Bonds (SRB)</td>
<td>$ 32,000,000</td>
</tr>
<tr>
<td>4</td>
<td>All</td>
<td>Classroom and Academic Renovations</td>
<td>These projects will renovate existing classrooms, create new classrooms of various sizes, update instructional spaces and modify academic and student support spaces at all campuses. These renovations will include mechanical, plumbing, electrical, flooring, window, door and internal wall and partition components, as well as upgrades to address life safety and Americans with Disabilities Act (ADA) deficiencies. These projects are essential to meeting the growing demand for space to support student enrollment growth and the evolving program needs associated with new fields of learning and new teaching methodologies.</td>
<td>System Revenue Bonds (SRB)</td>
<td>$ 10,000,000</td>
</tr>
<tr>
<td>5</td>
<td>All</td>
<td>Research Laboratories/Faculty Startup</td>
<td>These projects will renovate laboratories and associated spaces to meet new and current research requirements. Multiple wet and dry laboratory spaces will be upgraded to provide future flexibility and better space utilization through shared services. Many existing laboratories and building systems are inadequate due to age and the requirements of emerging technologies. These planned renovations will ensure that existing facility systems meet the growing demands of the university’s research initiatives and comply with code requirements.</td>
<td>System Revenue Bonds (SRB)</td>
<td>$ 15,000,000</td>
</tr>
</tbody>
</table>

State Appropriation (SAP)
- General Fund, Debt Service (GFA)
- System Revenue Bonds (SRB) $ 147,000,000
- Certificates of Participation (COPS)
- Federal Funds (FEDF)
- Gifts (GIFT)
- Other (OTH)

**TOTAL COST: FY 2019** $ 147,000,000
Two-Year Capital Plan (FY 2021-2022)

- Multiple high-priority projects are currently in the early planning stages for fiscal years 2021 and 2022. Descriptions for these projects are included in Table 2.

### Table 2
Capital Improvement Plan – FY 2021-2022 Projects

<table>
<thead>
<tr>
<th>LOCATION</th>
<th>PROJECT NAME</th>
<th>PROJECT DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mesa</td>
<td>ASU at Mesa City Center</td>
<td>ASU has entered into a partnership with the City of Mesa in which the city will build a facility to ASU's specifications to accommodate space for Digital and Sensory Technology, Film and Media Arts, User Experience Design, and Entrepreneurial Support. This project consists of furniture, fixtures and equipment for this facility, as well as the infrastructure required to support these university programs and initiatives.</td>
</tr>
<tr>
<td>Tempe</td>
<td>Bateman Physical Sciences Center Improvements</td>
<td>This project will update and increase the number of instructional labs, as well as update the research labs and office spaces in this aging multi-functional complex. Extensive upgrades to the building systems, hazardous material abatement, and updates to meet current Americans with Disabilities Act (ADA) and life safety requirements are also planned. The project will enable the university to meet new and current research requirements, the growing demand for space to support student enrollment growth, and the evolving program needs associated with new fields of learning and new teaching methodologies.</td>
</tr>
<tr>
<td>Downtown Phoenix</td>
<td>New Residence Hall</td>
<td>This project will construct a residence hall to address the growing demand for quality student housing near the Downtown Phoenix campus. The relocation of Thunderbird School of Global Management students to the campus, as well as the growth in campus enrollment, has necessitated the construction of a new living and learning facility that will enable student success.</td>
</tr>
<tr>
<td>Polytechnic</td>
<td>New Residence Hall</td>
<td>This project will construct a student housing facility as a replacement for the deteriorating former military base housing in South Desert Village. The project addresses a critical need to improve the overall quality of student housing on the campus.</td>
</tr>
<tr>
<td>Downtown Phoenix</td>
<td>Central Plant</td>
<td>The university plans to partner with the University of Arizona to construct a chilled water central plant to accommodate the growing cooling needs of the two campuses in downtown Phoenix. The plant will provide chilled water to meet current and future needs at a substantially reduced rate, resulting in increasing savings as existing supplier contracts expire. An initial 4,000-ton chilled water plant is planned that could expand to 10,000 tons, as needed, along with the piping distribution systems required to serve the two university campuses.</td>
</tr>
<tr>
<td>Tempe</td>
<td>Recreation and Sports Fields</td>
<td>This project will construct recreation and sports fields that will host activities and programs to promote healthy lifestyles, build community and enable student success. The fields represent the first development in the planned Athletics Village within the Novus Innovation Corridor™ and will be designed to enhance Sun Devil athletics programs, such as the soccer and lacrosse sport clubs.</td>
</tr>
</tbody>
</table>
### Table 2 – Continued
Capital Improvement Plan – FY 2021-2022 Projects

<table>
<thead>
<tr>
<th>LOCATION</th>
<th>PROJECT NAME</th>
<th>PROJECT DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Downtown Phoenix</td>
<td>Parking Structure</td>
<td>This project will construct a 500-800 space parking structure to support the need for increased parking capacity near the Downtown Phoenix campus. Additionally, this structure will include mixed commercial and retail use on the ground level to meet the needs of the university, as well as the Phoenix community.</td>
</tr>
<tr>
<td>Downtown Phoenix</td>
<td>Classroom/Office Building</td>
<td>This project will construct a new facility to provide needed classroom, instructional and office spaces for the growing academic programs housed on the Downtown Phoenix campus, including a new, centralized location for the Herberger Institute for Design and the Arts.</td>
</tr>
<tr>
<td>New</td>
<td>Colleges at ASU</td>
<td>This project will create undergraduate colleges in sponsoring communities statewide to support the university’s commitment to academic excellence and accessibility. These colleges will make instruction-intensive programs accessible to qualified students at tuition costs that are lower than those available at research-intensive university campuses.</td>
</tr>
<tr>
<td>Tempe</td>
<td>Pedestrian Bridge</td>
<td>This project will construct a pedestrian bridge that will span University Drive, proximate to the Rural Road intersection and the major transit hub. This bridge will connect pedestrians with the events and activities in the Athletic Facilities District and the Novus Innovation Corridor, located north of University Drive, and the campus facilities and research corridor located south of University Drive, including the new Interdisciplinary Science and Technology Building 7.</td>
</tr>
<tr>
<td>Tempe</td>
<td>Environmental Health and Safety Facility</td>
<td>This project will construct a replacement facility to meet the stringent life safety requirements for safe removal and disposal of hazardous substances generated by wet laboratory research. The current facility was built in 1957, is undersized for the current volume of substances produced, is proximate to high-volume pedestrian corridors and does not have a loading dock. The project will support the university's commitment to significantly increasing its research footprint.</td>
</tr>
<tr>
<td>Tempe</td>
<td>Palo Verde East and West Renovations</td>
<td>This project will renovate two aging residential colleges to provide students with a more enriching living and learning environment that will enable their success. The project will use energy-efficient components to make upgrades to the fitness centers, student lounges, kitchens, fire alarms and information technology systems, as well as make much-needed renovations to the student units. The heating, ventilation and air conditioning, mechanical, electrical and plumbing systems will also be brought into compliance with current codes.</td>
</tr>
</tbody>
</table>

### Project Delivery Method and Process

- The delivery method for each project in the Capital Improvement Plan is selected based on which method provides the most efficient and effective project delivery. The anticipated delivery method will be identified as projects are submitted in the Capital Development Plan.
Project Status and Schedule

- Capital projects progress through the various project development phases based on a variety of factors, including the priority and need for the project and the programs it supports, as well as the availability of funding and financing. Project schedules usually are aligned with the academic calendar so that construction activity can occur during the summer break or when there is lower activity on campus. In addition, project schedules typically are developed so that projects are completed and functional in time for the beginning of a new session. Anticipated schedules are submitted in the Justification Report, which is included for each project in the Capital Development Plan.

Fiscal Impact and Financing Plan

- The annual assessment of debt capacity contained in the CIP provides a summary report of the university’s ability to finance additional capital projects through the issuance of debt. Based upon the university’s capital projects approved in the FY 2019 Capital Development Plan and the FY 2020 One-Year Capital Plan, the highest projected debt ratio is 5.5 percent.

- The debt ratio is the total projected annual debt service on bonds and certificates of participation as a proportion of total projected university expenses. The maximum debt ratio allowed by ABOR policy and state statute is 8 percent.

- This ratio excludes debt service from the Stimulus Plan for Economic and Educational Development (SPEED) projects. The projected highest debt ratio including debt service on SPEED projects is 5.9 percent.

- Debt Ratio Impact: The debt service associated with the FY 2020 projects included in this CIP will increase the projected debt ratio by 0.33 percent.

- The $32.0 million Building and Infrastructure Enhancements and Modifications project will be funded with system revenue bonds. Debt service will be funded by the State of Arizona Capital Infrastructure Fund and matched with university funds.

- The preceding debt ratios are estimates based on unaudited FY 2018 financial records and are subject to change.
Occupancy Plan

- Projects included in this CIP will create space that will allow for the creation, expansion and/or relocation of programs. The space that the projects provide will house programs that fulfill various objectives within the university strategic plan, including academic, research and student success goals. Project justification reports that are submitted when these projects are transitioned to the Capital Development Plan will provide additional detail on occupancy plans for new or renovated space.

Committee Review and Recommendation

The Finance, Capital and Resources Committee reviewed this item at its September 13, 2018 meeting and recommended forwarding to the full board for approval.

Statutory/Policy Requirements

- ABOR Policy 7-106 requires the university to submit to the board a fully developed Capital Improvement Plan in accordance with the calendar approved by the chair of the Finance, Capital and Resources Committee.
EXECUTIVE SUMMARY

Item Name: FY2020 – 2022 Capital Improvement Plan (NAU)

☑️ Action Item

Requested Action: Northern Arizona University asks the board to approve its FY2020 – 2022 Capital Improvement Plan (CIP), as described in this Executive Summary.

Previous Board Action
None

Statutory/Policy Requirements

- ABOR Policy 7-106 requires Capital Committee review and Board approval of the annual Capital Improvement Plan.

Project Justification/Description/Scope

- In keeping with the vision articulated in both the Enterprise and University’s Strategic Plan, the projects proposed in the FY2020 – 2022 Northern Arizona University CIP focus on increased academic and research space on campus.

- For this plan, NAU is proposing the following project in the first year:
  Multi-Discipline STEM Academic/Research Building $139,000,000
  Total: $139,000,000

- Multi-Discipline STEM Academic/Research Building - This project represents the construction of a new 162,500 GSF building dedicated to multiple disciplines within the STEM programs. A new multi-discipline science building is needed to provide adequate space for departments that have increased enrollments over the last several years in order to maintain a high academic standard. The full programming of the building is to be determined over the next several months. This building would be located at the site of an existing building, Peterson. The cost to demolish Peterson is not included in this projected budget.

- Additional information on this project is provided in the Three Year Capital Plan section of the Capital Improvement Plan.

Project Delivery Method and Process

- The delivery method for each project in the capital improvement plan is selected on a project-by-project basis depending on which method provides the most efficient and

Contact Information
Daniel Okoli, Vice President, (928) 523.8871, Daniel.Okoli@nau.edu
effective delivery. The anticipated delivery method will be identified when projects are submitted in the Capital Development Plan.

Project Status and Schedule

- Projects progress through the various capital phases based on a variety of factors, including priority, need for the project and programs, availability of funding and financing, and potentially the scheduled use of the existing space if the project is a renovation.

- Project schedules are usually aligned to the academic calendar so that construction activity can occur during the summer and winter breaks or when there is limited activity on campus to minimize the impact. In addition, project schedules are developed so that projects are completed and functional in time for the beginning of a new semester.

- Anticipated schedules for each project are submitted in the Justification Report included for each project when they are submitted in the Capital Development Plan.

Project Cost

- The first year of the three-year CIP contains one project which is displayed in the table below. The project totals $139,000,000 in estimated costs.

- The CIP includes a Building Renewal calculation of $21.2 million for fiscal year 2019. Building renewal is computed using the Joint Committee on Capital Review approved formula and directions from the ABOR Central Office.
Fiscal Impact and Financing Plan:

- The Annual Assessment of Debt Capacity found in the CIP provides a summary report of the university’s ability to finance capital projects through issuance of debt. The university’s debt capacity study for the FY 2020 – 2022 Capital Improvement Plan indicates the maximum projected debt service as a percentage of total expenditures are 6.1% excluding SPEED projects and 7.8% including SPEED projects. NAU existing debt service as a percentage of total expenses is 4.6% or approximately $27.2 million.

- **Debt Ratio Impact**: The debt ratio for the projects in the FY2020 One-Year Capital Plan is estimated to be increased to 6.5% of projected total expenses (including SPEED projects). This is an estimate based on the assumptions outlined in the plan as well as previously approved projects and are subject to adjustment in the Capital Development Plan and Project Approval.

Occupancy Plan

- Projects included in the CIP create space that will allow for the expansion of academic and research programs. The space the projects provide house programs that will fulfill various objectives within the university strategic plan, including academic and research excellence.

- Project justification reports submitted when these projects are transitioned to the Capital Development Plans will provide additional detail on occupancy plans for new space.
Committee Review and Recommendation

The Finance, Capital and Resources Committee reviewed this item at its September 13, 2018 meeting and recommended forwarding to the full board for approval.
FY 2020 PROJECT DESCRIPTION

PROJECT NAME: Multi-Discipline STEM Academic/Research Building

PRIORITY: 1

DESCRIPTION:

This is the construction of a new 162,500 GSF building dedicated to multiple disciplines within the STEM programs. A new multi-science building is needed to provide adequate space for departments that have increased enrollments over the last several years in order to maintain a high academic standard. The full programming of the building is yet to be determined. This building would be located at the site of an existing building, Peterson. The cost to demolish Peterson is not included in this projected budget.

JUSTIFICATION:

The university’s top two strategic goals are student success and national recognized research excellence. Space on NAU’s mountain campus is increasingly limited and there is not adequate space to match the research goals established. Attention to the STEM fields is vitally important for NAU to remain competitive in the marketplace and deliver highly prepared graduates and high impact research. Additionally, this building will become a vital component of the North Science Corridor to maximize the benefits of colocation of critical STEM programs.

ESTIMATED PROJECT COST: $139 million

FUNDING SOURCE: System Revenue Bonds
## FY 2021-2022 PROJECT DESCRIPTIONS

<table>
<thead>
<tr>
<th>PRIORITY</th>
<th>PROJECT NAME</th>
<th>PROJECT DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>Biological Sciences Building</strong></td>
<td>The Biological Sciences building is 86,964 GSF and in a deteriorating condition with an FCI of 42%. A complete renovation of the facility will modernize the space to increase the building’s research ability. It will increase the functionality and usability of the academic space to meet enrollment and research growth projections for Biological Sciences to meet the higher education Enterprise Plan. The space will provide opportunities for independent research and expand access for students and researchers. This space will support academic programs that prepare students for an increasingly technical world. Renovating existing space is a fiscally responsible plan for NAU to reinvest into existing capital. This building is part of the North Campus Science Corridor.</td>
</tr>
<tr>
<td></td>
<td><strong>Physical Sciences Building</strong></td>
<td>The Physical Sciences building is 51,318 GSF and is in a deteriorating condition with an FCI of 43%. A complete renovation of the facility will modernize the space to increase the building’s research capacity. It will enhance the functionality and usability of the academic space to meet enrollment and research growth projections for Physical Sciences to meet the higher education Enterprise Plan. The space will provide opportunities for independent research and expand access for students and researchers. This space will support academic programs that prepare students for an increasingly technical world. Renovating existing space is a fiscally responsible plan for NAU to reinvest into existing capital. This building is part of the North Campus Science Corridor.</td>
</tr>
<tr>
<td>PRIORITY</td>
<td>PROJECT NAME</td>
<td>PROJECT DESCRIPTION</td>
</tr>
<tr>
<td>----------</td>
<td>--------------------------------------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>3</td>
<td>Health Research Sports Performance and Convocation Center (Phase I)</td>
<td>This is a two-phase project consisting of a sports performance center and a convocation center. The sports performance center will provide athletic training and physical therapy to student athletes working in conjunction with the College of Health and Human Services academic programs. The convocation center is a venue for athletic competition, regional and university events, including convocation. The project consolidates functions and services currently spread across different locations, thus alleviating student athlete travel, facilitating collaborative study through dedicated study spaces, and providing a sense of community. Currently, a portion of these services are provided in Rolle Activity Center which does not meet NCAA requirements. This project is dependent on fundraising.</td>
</tr>
<tr>
<td>4</td>
<td>Native American Cultural Center Expansion</td>
<td>One of NAU's strategic goals is to become the nation's leading university serving Native Americans. By expanding the existing 12,849 GSF Native American Cultural Center, NAU will position itself to have more collaborative gathering spaces and academic spaces for the Native American community. Additionally, this expansion will bring the Institute for Tribal Environmental Professionals to the Native American Cultural Center bringing unity and colocation for all Native American services on campus. This project is dependent on fundraising.</td>
</tr>
<tr>
<td>5</td>
<td>Lab Upgrades and Renovations</td>
<td>Research labs in Engineering, Health Sciences and Social and Behavioral Sciences are out of date and in a deteriorated condition. This project will address needed repairs and modernization of the labs, as well as the functionality to optimize the research that can be performed in the existing spaces.</td>
</tr>
</tbody>
</table>


<table>
<thead>
<tr>
<th>PRIORITY</th>
<th>PROJECT NAME</th>
<th>PROJECT DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>Multi-Discipline STEM Academic/Research Building 2</td>
<td>This project is the next phase in the North Campus Science Corridor, following the first Multi-discipline STEM building. It is construction of a new 162,500 GSF building dedicated to multiple disciplines within the STEM programs. A new multi-discipline science building is needed to provide adequate space for departments that have increased enrollments over the last several years in order to maintain a high academic standard, as well as provide research facilities to meet ABOR goals. The full programming of the building is to be determined. This building would be located at the site of an existing building, Babbitt Annex.</td>
</tr>
<tr>
<td>7</td>
<td>Cline Library Renovation and Study Space Expansion</td>
<td>A 2014 campus space assessment indicated that the library is deficient over 30,000 square feet and needs increased space to fully serve the students. Student study space is undersized and outdated. An aesthetic renovation will build a creative environment that meets the students’ needs and desires. Additionally, aging HVAC and FLS infrastructure in the Special Collections and Archives are now more than 25 years old, putting these unique and valuable collections at considerable risk. An academic strategic plan coupled with a space plan for Cline Library is planned to further define the programming of this project.</td>
</tr>
<tr>
<td>8</td>
<td>Classroom/Office Building</td>
<td>The development of a new classroom/office building will allow the university to remove red and orange buildings from the central core, which is consistent with the 2010 Master Plan. The university will be able to relocate residents of Babbitt Annex to a new classroom and office building, to enable the demolition of Babbitt Annex.</td>
</tr>
<tr>
<td>PRIORITY</td>
<td>PROJECT NAME</td>
<td>PROJECT DESCRIPTION</td>
</tr>
<tr>
<td>---------</td>
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<td>-----------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>9</td>
<td>South Campus Academic Building</td>
<td>This project will address the aging buildings utilized by Social and Behavioral Sciences and Social Behavioral Sciences West. A space needs assessment identified the need to reconfigure the existing spaces into more functional and useable spaces, as well as accommodate additional programs like Anthropology. Renovations to the buildings or construction of a replacement are necessary to address the space and the condition of the buildings.</td>
</tr>
<tr>
<td>10</td>
<td>Adel Math Renovation and Expansion</td>
<td>Adel Mathematics was constructed in 1962 and has a facility condition index approaching 40%. Current inefficiencies in design and wear and tear make this a poor classroom building. It is anticipated that Adel will be renovated into offices pending and expanded to make more efficient use of its existing footprint. Mathematics is a service department that sees increased enrollment in correlation with NAU's enrollment growth. As NAU's enrollment continues to increase to meet 2025 Enterprise Goals, Mathematics will need a correlating increase in space to accommodate.</td>
</tr>
<tr>
<td>11</td>
<td>Multi-use Building</td>
<td>This project is a multi-use building located at the boundary of NAU's mountain campus. Its program is to be determined, but will serve a multitude of functions. It could potentially include academic functions, housing, offices, or a research center. A public/private partnership may be utilized.</td>
</tr>
<tr>
<td>12</td>
<td>ITS and Administration Building</td>
<td>A new central ITS and Administration building will consolidate the administrative and core support functions to a central campus location. The location of this building is to be determined.</td>
</tr>
</tbody>
</table>
### EXECUTIVE SUMMARY

<table>
<thead>
<tr>
<th>PRIORITY</th>
<th>PROJECT NAME</th>
<th>PROJECT DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>13</td>
<td>Early Childhood Education</td>
<td>The lack of child-care facilities on campus has long been a source of dissatisfaction for both students and faculty and was one of the strongest negatives in the COACHE survey. The College of Education’s specialization in early childhood education brings with it the potential to address the childcare issue while creating a &quot;lab school&quot; environment that will benefit NAU's academic program.</td>
</tr>
<tr>
<td>14</td>
<td>Central Campus Parking Structure</td>
<td>This project constructs a new parking structure adjacent to Cline Library, Ardrey Auditorium and the Performing and Fine Arts Academic building. Utilizing an existing parking surface for the site of the new parking structure is consistent with the 2010 Master Plan. The Master Plan guides relocation of parking from internal campus parking surfaces to parking structures sited along campus perimeters. This project is needed to alleviate parking on north campus as interior parking surfaces are allocated for instructional expansions and restored green space for student activities. Alternative financing and public/private partnerships will be evaluated for this project.</td>
</tr>
<tr>
<td>15</td>
<td>South Campus Parking Structure</td>
<td>A project to construct a parking deck to service the southwest region of campus on the site of an old detention center acquired from Coconino County. This use is consistent with the 2010 Master Plan. The structure would be located on south campus so as to be accessible to the highly used W. A. Franke College of Business, the Raul H. Castro Social and Behavioral Sciences Building, and the College of Engineering, Forestry and Natural Sciences buildings.</td>
</tr>
<tr>
<td>16</td>
<td>Campus Utility and Infrastructure</td>
<td>This project will continue utility improvements needed to support increased research, academic programs, technology requirements and enrollment projections. It will also address aging infrastructure. The project scope will include infrastructure upgrades/replacements to improve and ensure stable delivery of utilities for current and future campus development. The scope will include metering, steam, electrical, chilled water, system controls, and other systems support requirements.</td>
</tr>
</tbody>
</table>
### Executive Summary

<table>
<thead>
<tr>
<th>Priority</th>
<th>Project Name</th>
<th>Project Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>17</td>
<td>South Parking Structure/Bus Depot</td>
<td>Demands for parking structures on the edges of campus continue to increase as parking lots are removed from the interior. A multi-functional building serving as a bus depot and a parking structure on south campus will serve the south campus commuters. Additionally, it will serve event parking for commencement, athletic activities, and a variety of other events. Given the altitude of Flagstaff and the preponderance of inclement weather during the winter months, a large portion of the bus fleet is subject to the effects of being stored without the benefit of roof cover. The bus depot will create covered storage for the fleet, thus protecting NAU's investment.</td>
</tr>
</tbody>
</table>
FACILITY CONDITION INDEX MAP

Northern Arizona University at Flagstaff
June 30, 2019

FCI Color Code

- <5% (Good)
- 5% - 10% (Fair)
- >10% - 40% (Poor)
- >40% or Demolish

Facility Condition Index is the deferred maintenance dollars divided by the total building replacement cost. These percentages are based on the most current available data.

ACC PROPERTIES:
1. Hilltop #59
2. Honors College #41
3. SkyView #67
4. The Suites I & II
EXECUTIVE SUMMARY

Item Name: FY 2020–2022 Capital Improvement Plan (UA)

☐ Action Item

Requested Action: The University of Arizona asks the board to approve its FY 2020-2022 Capital Improvement Plan (CIP), as described in this Executive Summary.

Statutory/Policy Requirements:

Board Policy 7-106 requires Committee review and Board approval of the annual Capital Improvement Plan.

Strategic Alignment with the University’s Institutional Priorities:

- For more than 130 years, the University of Arizona has been a leader, from research achievements and quality academic programs to economic impact and service to the community, our university ranks among the best amongst our peers. Today, we are poised to lead innovation in health, big data and the environment just to name a few. We are now in a position to enable more dynamic human interaction in an increasingly digital world. Our emerging Strategic Plan is addressing these goals and providing a roadmap for the future while this Capital Improvement Plan reflects the physical aspects of our overall strategic priorities as we know them today.

- In this CIP, the UA is addressing the critical needs of both growth and renewal. New sustainable facilities are required to accommodate research, instruction and growth, to remain competitive, and to facilitate modern paradigms. An investment in building renewal is required to address critical deferred maintenance across campus. Part of this plan is being supported by matching State Appropriation Funds and the UA is focused on maximizing this benefit.

- As noted in the CIP report, the amount of Building Renewal funding due to the UA under the state formula this year would be $88,282,900.

Contact Information:
Gregg Goldman, Senior Vice President for Business Affairs and Chief Financial Officer
(520) 621-5977, ggoldman@email.arizona.edu
EXECUTIVE SUMMARY

Capital Improvement Plan One & Two-Year Forecast:

- **One-Year Capital Plan for FY 2020:** There are three First-Year projects being presented by the UA in this CIP

<table>
<thead>
<tr>
<th>PROJECT NAME</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Deferred Maintenance</td>
<td>These improvements will address deferred maintenance that has accumulated across the campus in recent years. They will repair or replace aging and deteriorating mechanical, electrical and plumbing systems in buildings throughout the campus. Many of these systems are 50 or 60 years old, and are beyond their usable life and failing. These improvements will address critical life/safety issues, including repairs and replacements of fire alarm, electrical, HVAC, plumbing and roofing systems, as well as building and utility tunnel structural repairs, and asbestos abatement as needed.</td>
</tr>
<tr>
<td>Applied Research Building (Formerly IRIB 1)</td>
<td>A new building that is critically needed for the continued success of, and grant revenue generation related to, cross-campus research programs focused on applied research. This facility will consolidate a number of strategic interdisciplinary programs in one location, including advanced manufacturing, cubesat design and testing, long-duration balloon payload integration, high performance materials, and human performance optimization.</td>
</tr>
<tr>
<td>Biomedical Sciences Partnership Building 3rd and 4th Floor Build-Out</td>
<td>The project will build-out the 3rd and 4th floors of current 'shell space' of the Biomedical Sciences Partnership Building (BSPB) for wet lab and administrative research spaces to support additional faculty recruitment for the College of Medicine-Phoenix (COM-P). These floors were recently constructed as shell space with the objective of building out the space as needed. Building out the 3rd and 4th floors at the same time will provide us with economies of scale and reduce the duration of impacts to current occupants of the building.</td>
</tr>
</tbody>
</table>

- **The Two-Year Capital Plan Forecast (FY 2021-2022):** The following potential future projects are under consideration as part of the UA’s Integrated Planning Process which aligns the University’s academic, financial and capital priorities.

<table>
<thead>
<tr>
<th>PROJECT NAME</th>
<th>PROJECT DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interdisciplinary Research Innovation Building</td>
<td>A new multi-disciplinary translational sciences research building to facilitate detection, treatment and prevention of diseases.</td>
</tr>
</tbody>
</table>
### PROJECT NAME | PROJECT DESCRIPTION
---|---
Deferred Maintenance | Deferred maintenance to highest priority buildings and building systems across campus.
Laboratory Modernization and Renovations | These renovations will facilitate the increased utilization of existing, inefficient research lab space and reduce the new building needs.
Centennial Hall Renovations | This renovation and expansion will address the most critical needs of patrons, performance and support. The renovations include improving seating and sight lines, acoustics/sound, adding restrooms, and improving point of sale opportunities. This project will also prioritize future improvement opportunities for potential donors including amenities such as additional rehearsal, lecture and lounge space, and will investigate improved loading dock, lighting and parking opportunities.
AZPM/iSchool Complex | A multi-disciplinary complex to house related programs including Arizona Public Media (AZPM), an emerging Information School (iSchool), student media services and journalism. AZPM is a public broadcast extension of the University with FCC licenses for radio and television stations that are committed to serving the public by providing content of the highest quality that enriches the market place of ideas, unencumbered by commercial imperative. A new facility with a public face that is proximate to campus will allow both public access and student engagement. The iSchool will bring together information technology, library science, informatics (bio and health), information science and related tracks. Together with corporate and industry partners, this program will serve to strengthen relationships between information, people and technology while creating information leaders to tackle key social and technical problems in the information field.
Campus Infrastructure - Central | Core campus infrastructure improvements to support increased utility loads from new and planned facilities, increase efficiencies and ensure reliability.
The University of Arizona/Arizona State University Chilled Water Central Plant – Phoenix Downtown Campuses | The University of Arizona and Arizona State University are partnering to develop a central chilled water plant for their downtown Phoenix campuses. This plant would efficiently accommodate existing facilities as their current services contracts expire and create much needed capacity for new growth for both universities.
Land Acquisition | Real Estate within the designated University planning area is limited and rapidly increasing in cost. The University will seek to acquire properties as they become available to accommodate critical planned growth.
EXECUTIVE SUMMARY

<table>
<thead>
<tr>
<th>PROJECT NAME</th>
<th>PROJECT DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arizona Stadium Improvements</td>
<td>Additional upgrades and repairs to Arizona Stadium.</td>
</tr>
</tbody>
</table>

Project Delivery Method and Process:

- The delivery method for each project in the Capital Improvement Plan is selected on a project-by-project basis depending on which method provides the most efficient and effective delivery. The anticipated delivery method will be identified when projects are submitted in the Capital Development Plan.

Project Status and Schedule:

- Projects progress through the various capital project phases based on a variety of factors, including priority and need for the project and programs, availability of funding and financing, and consistency with strategic plans. Project schedules are sometimes aligned to the academic calendar so that construction activity can occur during the summer break or when there is limited activity on campus. In addition, project schedules are developed so that projects are completed and functional in time for the beginning of a new semester. Anticipated schedules for each project are submitted in the Justification Report included for each project in the Capital Development Plan.

Fiscal Impact and Financing Plan:

- The Annual Assessment of Debt Capacity report, contained in the FY 2020-2022 CIP, provides a summary of the UA’s outstanding debt and debt ratios. The projected debt ratio in relation to ABOR policy and State Statute is the total annual debt service on bonds and certificates of participation to total university expenses. The report demonstrates the UA’s ability to finance additional capital projects through the issuance of debt while complying with ABOR policy and the State Statute debt ratio limit of 8%.

- Debt Ratio Impact: Based on the University’s current outstanding debt, projects in the approved FY 2018 Capital Development Plan (CDP), and the projects in the first year of the FY 2020-2022 Capital Improvement Plan (CIP), the projected highest debt ratio is 5.5% in FY 2020. This ratio excludes debt service on projects financed by SPEED Revenue Bonds authorized by HB2211. The projected highest debt ratio including SPEED Revenue Bonds debt service is 6.7% in FY 2020.

Occupancy Plan:
- Projects included in the Capital Improvement Plan typically create space that will allow for the creation, expansion and/or relocation of programs. The space the projects provide house programs that will fulfill various objectives within the university strategic plan, including academic, research and student success goals. Project justification reports submitted when these projects are transitioned to the Capital Development Plans will provide additional detail on occupancy plans for new or renovated space.

Committee Review and Recommendation

The Finance, Capital and Resources Committee reviewed this item at its September 13, 2018 meeting and recommended forwarding to the full board for approval.
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EXECUTIVE SUMMARY

Item Name: Amended Capital Development Plan (ASU)

☑ Action Item

Requested Action: Arizona State University (ASU) asks the board to approve its amended Capital Development Plan (CDP), which includes one new project, as presented in this Executive Summary.

Previous Board Action

- Annual Capital Development Plan (CDP) February 2018
  - ASU’s $590.0 million CDP included six projects.
  - Of the $590.0 million total CDP, $550.0 million will be debt-financed.
  - Details on the ongoing and completed capital projects are included in Exhibit 1.

- Amended Capital Development Plan June 2018
  - ASU’s $36.0 million Amended CDP included one new project, the Novus Place Parking Structure.

Overview and Alignment with Enterprise and University Goals and Objectives

- This ASU Amended CDP includes one new project totaling $32.0 million.

- ASU has developed this Amended CDP to align with the University’s campus master plan and the ABOR enterprise and University strategic goals and objectives.

- These institutional priorities are supported by this Amended CDP:
  - Campus Operations and Infrastructure Priorities: To advance the University’s academic and research goals, its facilities and related infrastructure must be maintained in a safe, operational condition. The proposed information technology infrastructure improvements will increase the security and effectiveness of academic and research environments that support the mission and goals of the University.

Contact Information:
Morgan R. Olsen, Executive Vice President, Treasurer and CFO • (480) 727-9920 • Morgan.R.Olsen@asu.edu
EXECUTIVE SUMMARY

- **Life Safety and Code Compliance:** Life safety and code compliance matters assume the highest priority in ensuring a safe environment for students, faculty, staff and visitors and in supporting the achievement of the University’s academic and research goals. These information technology infrastructure improvements will support the safety and security of the University’s learning environments and ensure compliance with current standards and codes.

- **Academic Success:** The proposed improvements to the University’s information technology infrastructure will contribute to advancing the twin pillars of academic success: leadership in academic excellence and accessibility and national standing in academic quality. These infrastructure improvements will provide essential support to achieving these goals and metrics by 2025:
  - Increase total enrollment to 125,000
  - Improve the freshman retention rate to 90 percent
  - Increase the six-year graduation rate to 75 percent
  - Increase the number of bachelor’s degrees awarded to 21,430 and graduate degrees awarded to 10,670.

**Capital Development Plan Projects**

- Following are the previously-approved CDP projects:
  - Biomedical Research Laboratory Building Improvements
  - Durham Language and Literature Building Renovation
  - Hayden Library Reinvention
  - Health Solutions Innovation Center
  - Interdisciplinary Science and Technology Building (ISTB) 7
  - Wells Fargo Arena Renovation and New Multi-Purpose Arena
  - Novus Place Parking Structure

- The following additional project is proposed for Amended CDP approval:
  - Information Technology (IT) Infrastructure Improvements
    - Additional details on the project scope, costs and financing are included in the Project Justification Report attached hereto.

**Fiscal Impact and Management**

- The IT Infrastructure Improvements project will cost a total of $32.0 million and will be debt-financed with system revenue bonds.
• ASU will:
  (a) sell one or more series of System Revenue Bonds to finance the project, as identified in Exhibit 2, costs of issuance, and payments to a bond insurer or other credit enhancer, provided such payments result in a benefit that exceeds the amount of such payments;
  (b) sell bonds at a price at, above or below par, on a tax-exempt or taxable basis, in one or more series, at a fixed or variable rate of interest; and
  (c) enter into necessary agreements, including those related to bond insurance or other credit enhancement agreements.

Debt Ratio Impact

The incremental debt ratio impact of the IT Infrastructure Improvement system revenue bonds debt service is projected to be 0.08 percent.

Committee Review and Recommendation

The Finance, Capital and Resources Committee reviewed this item at its September 13, 2018 meeting and recommended forwarding to the full board for approval.

Statutory/Policy Requirements

• Pursuant to Arizona Board of Regents Policy Chapter 7-107, each university shall submit an annual Capital Development Plan for the upcoming 12-month period in accordance with the calendar approved by the president of the Board. Capital Development Plans are reviewed by the Finance, Capital and Resources Committee and approved by the Board.

• Pursuant to Arizona Board of Regents Policy Chapter 7-107, amendments to the Capital Development Plan may be reviewed at regular Finance, Capital and Resources Committee meetings and considered for approval at regular Board meetings for new projects added outside of the regular Capital Development Plan schedule.
### EXHIBIT 1

**Arizona State University Capital Project Status Report**

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Budget</th>
<th>Status</th>
<th>Forecast</th>
<th>Actual</th>
<th>Date</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greek Leadership Village Community Center ¹</td>
<td>30,666</td>
<td>$14,000,000</td>
<td>95</td>
<td>65</td>
<td>N/A</td>
<td>6/9/2017</td>
</tr>
<tr>
<td>Hayden Library Reinvention</td>
<td>240,000</td>
<td>$90,000,000</td>
<td>23</td>
<td>15</td>
<td>N/A</td>
<td>2/8/2018</td>
</tr>
<tr>
<td>Health Solutions Innovation Center</td>
<td>150,000</td>
<td>$80,000,000</td>
<td>20</td>
<td>10</td>
<td>N/A</td>
<td>2/8/2018</td>
</tr>
<tr>
<td>Interdisciplinary Science and Technology Building (ISTB) ⁷</td>
<td>258,000</td>
<td>$175,000,000</td>
<td>17</td>
<td>1</td>
<td>N/A</td>
<td>2/8/2018</td>
</tr>
<tr>
<td>Novus Place Parking Structure</td>
<td>400,000</td>
<td>$36,000,000</td>
<td>1</td>
<td>0</td>
<td>N/A</td>
<td>6/14/2018</td>
</tr>
<tr>
<td>Sun Devil Stadium Renovation ³</td>
<td>813,953</td>
<td>$307,600,000</td>
<td>91</td>
<td>87</td>
<td>90%</td>
<td>9/28/2017</td>
</tr>
<tr>
<td>Wells Fargo Arena Renovation and New Multi-Purpose Arena</td>
<td>405,000</td>
<td>$160,000,000</td>
<td>0</td>
<td>0</td>
<td>2%</td>
<td>2/8/2018</td>
</tr>
</tbody>
</table>

#### Ongoing Third-Party Projects

- Greek Leadership Village ² ³ ⁴
  - 309,000
  - 98
  - N/A
  - N/A
  - 11/17/2016
  - 7/31/2018

- Sun Devil Energy Center, LLC
  - 21,989
  - 50
  - N/A
  - N/A
  - 6/7/2017
  - 5/31/2019

#### Completed Projects

- Armstrong Hall/Ross-Blakley Library Renovation ³
  - 167,000
  - $26,000,000
  - 99
  - 86
  - N/A
  - 2/2/2017
  - 5/18/2018

- Biodesign C
  - 188,447
  - $120,000,000
  - 99
  - 91
  - N/A
  - 4/6/2016
  - 5/1/2018

- Central Plant Chilled Water System Optimization
  - 21,989
  - $10,380,000
  - 100
  - 91
  - N/A
  - 6/9/2016
  - 2/28/2018

- Student Pavilion
  - 74,653
  - $39,900,000
  - 100
  - 96
  - N/A
  - 11/19/2015
  - 8/7/2017

#### Completed Third-Party Projects

- Fulton Schools Residential Community at Tooker House
  - 450,000
  - 100
  - N/A
  - N/A
  - 6/4/2015
  - 8/15/2017

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¹ This exhibit reflects the status of Arizona State University capital projects effective July 1, 2018.
² The Board approved the combination of these projects to capture efficiencies in the project design and construction process.
³ This project budget and schedule reflects all phases of the overall Sun Devil Stadium Renovation project. The Sun Devil Stadium Renovation project will be completed in three phases with a total budget of $307,600,000.
Arizona Board of Regents
Arizona State University
Amended Capital Development Plan – Project Justification Report
IT Infrastructure Improvements

Previous Board Action
• None

Project Justification/Description/Scope

• The Information Technology (IT) Infrastructure Improvements project is essential to advancing the University’s mission of demonstrating leadership in academic excellence and accessibility. These improvements will accelerate the achievement of the University’s vision of universal learning, an evolving model of higher education that provides academic, training and skill-building opportunities to learners from all socioeconomic backgrounds through diverse learning experiences. ASU’s existing IT infrastructure is aging and does not fully support the University’s role as a comprehensive knowledge enterprise dedicated to access, excellence and impact.

• The information technology infrastructure improvements planned on all campuses will focus on four fundamental network and infrastructure elements: network infrastructure security, network infrastructure capacity, data center capacity, and network-enabled smart and secure campuses.

  o **Network Infrastructure Security:** To support the University’s commitment to preserving the availability, confidentiality and integrity of its information resources, proactive security management is required. Upgrades to the University’s firewalls are critical to meeting the demands of sharply increasing network traffic, as is securing web services, improving network segment security and providing endpoint protection.

  o **Network Infrastructure and Capacity:** To support the University’s ambitious academic and research initiatives, the fiber backbone, as well as the wired and wireless networks, must be upgraded. To create more resilient and reliable networks, the fiber will be upgraded to the new standard in an estimated forty buildings, as well as in the associated network closets.
EXECUTIVE SUMMARY

The University’s high-density wireless capacity also will be expanded, and obsolete technology that poses a security vulnerability or no longer supports current needs will be replaced in over 1,000 University learning spaces. These upgrades will support the use of classroom and instructional technologies to enhance learning and support student success.

- **Data Center Capacity**: To meet the University’s current and future high-performance computing requirements, upgrades to its primary Tempe campus data center are critical, as it is currently operating at capacity.

- **Network-Enabled Smart and Secure Campuses**: To ensure secure campus communities, the outdated emergency call boxes will be replaced with a smart version, in preparation for the ASU Array of Things. The ASU Array of Things will consist of a network of interactive sensors that will collect real-time data on the campus environment, infrastructure and activity. These stanchions will function as the physical platform on which the University will build the ASU Array of Things for the next generation of smart and secure campuses.

**Project Delivery Method and Process**

- The Construction Manager at Risk, Design-Build and Job Order Contracting methods will be used to deliver these improvements, based upon the needs of the individual project components.

**Project Status and Schedule**

- Installation of the infrastructure improvements is scheduled to start in March 2019 and project completion is estimated for March 2022.

**Project Cost**

- The total budget for the IT Infrastructure Improvements project is $32.0 million.

- The project costs are based upon current market-competitive pricing. A competitive procurement process, including at least three contracted vendors, will be used to complete these infrastructure improvements.

**Fiscal Impact and Financing Plan**

- The $32.0 million IT Infrastructure Improvement project will be funded with system revenue bond proceeds and the annual debt service of approximately $2.3 million will be funded by tuition.
EXECUTIVE SUMMARY

- There are no expected increases in operation and maintenance costs associated with the IT Infrastructure Improvements project.

- Debt Ratio Impact: The projected incremental debt ratio impact for this project is 0.08 percent.

Occupancy Plan

- The installation of the proposed improvements will not impact occupancy or programs, but it will support the advancement of the University's academic and research initiatives.

Statutory/Policy Requirements

- ABOR Policy Chapter 7-102(B) requires Amended Capital Development Plan approval for new projects added outside of the regular Capital Development Plan.
Capital Project Information Summary

University: Arizona State University  Project Name: IT Infrastructure Improvements

Project Description and Location: This project will upgrade, increase and install IT infrastructure, wireless systems and associated network security infrastructure at all ASU campuses.

Project Schedule:

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<tr>
<th>Task</th>
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Change in Annual O & M Cost:

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Funding Sources:

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EXECUTIVE SUMMARY

Item Name: Novus Annual Report (ASU)

☐ Action item

Requested Action: Arizona State University submits its Novus Innovation Corridor annual report, in accordance with the reporting process approved by the board in September 2017.

Background/History of Previous Board Action

- The Novus Innovation Corridor is a branded, mixed-use project that will be developed by ASU and third parties, a significant portion of which is currently known as the Arizona State University Athletic Facilities District (AFD).

- In March 2016, the board approved authority for ASU to execute ground leases within the AFD with certain reporting requirements.

- Since the March 2016 approval, ASU has branded the mixed-use project as the Novus Innovation Corridor™, which includes the AFD and certain additional property. The Business and Finance Committee received executive session updates regarding the Novus Innovation Corridor on June 7, 2017, August 8, 2017, and August 29, 2017.

- In September 2017, the board approved a reporting structure for the Novus Innovation Corridor.

Summary

Novus is the intersection where business and research meet to create a unique opportunity for synergy and collaboration with the country’s most innovative University. Novus is a unique opportunity to develop the 21\textsuperscript{st} century urban community on an infill canvas in the center of one of the nation’s largest and fastest-growing metropolitan areas. The 330-acre development adjacent to the Arizona State University (ASU) Tempe campus is planned to incorporate approximately 8 million square feet of urban neighborhoods that feature office, retail, hospitality and residential activities, creating the potential to bring more than 30,000 new jobs and 5,000 new residents to the thriving

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Tempe community, while generating more than $350M in economic impact for the local community over the coming 20 years.

In 2010, state legislation passed allowing Arizona’s three state universities to create University Athletic Facilities Districts designed to generate long-term revenue for improving new or existing athletic facilities. The Novus Innovation Corridor is the Athletic Facilities District for Arizona State University.

In 2014, ASU selected Catellus Development Corporation through an RFP process as the horizontal (land) development partner for Novus. In March of 2016, the Arizona Board of Regents (ABOR) approved the development partner agreement and the master development plan. The Master Development Agreement (MDA) between ASU and Catellus was executed in July of 2016. All of Novus was zoned Mixed-Use Educational (MU-ED) in July of 2017. Infrastructure development and site preparation for Phase III is scheduled to begin at the Northwest corner of University Drive and Rural Road in August 2018, and Catellus has received their board’s approval to fund the Phase III site preparation and infrastructure costs.

Development within the corridor has already begun. Phase I of Novus created Marina Heights, a two-million-square-foot regional hub for the State Farm Automobile Insurance Company, completed in 2017. Phase II of Novus development is the $300 million reinvention of Sun Devil Stadium, expected to be fully complete in 2019. Groundbreaking for the first projects in the mixed-use neighborhood that comprises Phase III of Novus is set for January 2019.

The goals for the Novus Innovation Corridor are to:

- Advance *New American University* design aspirations
- Generate resources for intercollegiate athletic facilities construction and maintenance
EXECUTIVE SUMMARY

- Create an urban, mixed-use, smart city development at the ASU Tempe campus and Downtown Tempe
- Enhance economic development for Tempe and the Valley.

Envisioned as a model of sustainable and creative urban neighborhood design, Novus will implement best-practice solutions in transportation, resource and utility usage, responsible waste management and more. ASU is committed to promoting sustainable practices in each private development through the establishment of design guidelines requiring all Novus development to obtain LEED certification.

This annual report provides an update on the development, individual projects, finances and marketing efforts.

Development

The current development status for Novus reflects the following milestones:

- The Novus development has been rezoned by the City of Tempe to Mixed-Use Educational (MU-ED)

- A Novus zoning overlay district will be established through a text amendment process that included:
  - Neighborhood meetings
  - A Joint Review Committee (JRC) study session
  - A Development Review Commission (DRC) study session
  - A DRC Hearing

- The terms for a public safety intergovernmental agreement (IGA) for Novus have been negotiated and an amendment to the existing ASU/City of Tempe Public Safety IGA is being prepared and scheduled for a fall City Council public hearing

- The Novus zoning overlay district text amendment that establishes density and development standards will accompany the Public Safety IGA amendment at the City Council Public Hearing

- An ASU and City of Tempe Joint Traffic Study has been completed and was presented to the City Council in Q3 2017
ASU has dedicated to the City of Tempe several Rights of Way identified by the City for Novus and area-wide traffic mitigation

ASU and the City of Tempe have agreed to approximate locations of up to four pedestrian bridges on University Drive and Rural Road to help mitigate traffic congestion and pedestrian conflicts in and around Novus

Novus Design Guidelines and a Design Standards Manual have been completed

Novus Covenants, Conditions and Restrictions (CC&Rs) have been completed

The Novus common area maintenance (CAM) budget has been established

The plat for Phase III, approximately 19 acres on the northwest corner of Rural Road and University Drive, has been approved by the City and recorded

The East Athletic Village has been expanded by 14 acres to accommodate the long-term vision of Sun Devil Athletics and to provide much-needed student recreation fields to be shared between intercollegiate athletics and student recreation uses. As a result, Novus recaptured Parcel 4F for creative office development. This change does not affect the overall economic performance of Novus and accelerates land lease and district assessment revenues.

ASU has selected a design/build team for the first phase of the Novus Phase III neighborhood parking structure. This structure will initially have 1,250 spaces to serve the first two office buildings, the Phase III Parcel 3G Hotel, and the ground level retail along Novus Place. Additional parking may be added later, depending on parking demand. In addition to parking for Novus Phase III, ASU controls garage parking after normal business hours on game days for up to 40 events per year.
The following graphic reflects current development plans within Novus, including phases I, II and III, as well as the Phase IV creative office development currently in early planning.

Novus Master Development Plan
Projects

Marina Heights Phase I

The Phase I Marina Heights development exemplifies what Novus is all about, bringing together private enterprise and the university in an innovation zone. The 2.1 million square foot, five-building development is completed and occupied by more than 8,000 State Farm employees and multiple supporting retail and service businesses.
Sun Devil Stadium – Phase II

Novus Innovation Corridor Phase II, Sun Devil Stadium, reached a milestone recently as the complete demolition and replacement of the East grandstands was completed. The new East stadium grandstands feature a continuous concourse around the stadium, additional modern restrooms and elevators, new concession and merchandise sale points, and shelled space that will be developed into additional premium service areas after the 2018 Sun Devil Football season. Additional development to facilitate expanded use of Sun Devil Stadium for uses other than intercollegiate athletics, dubbed Sun Devil 365, is anticipated once fundraising is completed.

Pre-development of the Novus innovation Corridor has included a master land use plan, market studies, financial modeling, pro forma development, site due diligence, rezoning, public safety and traffic planning, and public meetings and hearings. Novus is now moving into the Phase III development stage, with several projects in various stages of planning, negotiation and execution. The following Phase III and IV projects are in process now:

Phase III

- The Preliminary Takedown Notice (PTN) for all of Phase III has been approved and issued.

- There are three projects within Phase III that are under way and Catellus has
begun construction on the Phase III site development and infrastructure.

- **Phase III infrastructure**
  - Began August 29, 2018
  - $11.6M budget with the following scope:
    - Remove and relocate existing utilities that conflict with parcels
    - Perform site demolition and mass grading
    - Construct streets and off-site utility installations

- **Phase III projects**
  - **Parcel 3B - Multi-Family Residential**
    - 262 multi-family units
    - 27,000 square feet of ground floor retail
    - Option to Lease has been executed by developer
    - Ground Lease to be finalized and executed Q1 2019
    - Tempe Joint Review Committee (JRC) has approved the project
    - $900,000 in deposits are non-refundable
    - Construction plans are being finalized for a Q1 2019 start
  - **Parcel 3C - Office Building 1**
    - 6 stories and 160,000 square feet of Class A office space
    - 7,500 square feet of ground floor retail
    - Option to Lease has been executed
    - Ground Lease to be finalized and executed Q4 2018
    - Tempe JRC has approved the project
    - Construction plans are being finalized for a Q1 2019 start
  - **Parcel 3E - Hotel**
    - National hotel developer was selected through an RFP process
    - National brand, dual-flag hotel (select service and extended stay)
    - 8-stories; 260 rooms
    - Letter of Intent has been executed
    - Developer currently performing due diligence
    - Preliminary concept and design have been approved by ASU
    - Option to Lease being negotiated for a Q3 2018 execution
    - Construction is anticipated starting Q4 2019
The following graphic reflects the Phase III parcel master development plan:

**Phase III Projects**

**Phase IV**

- A PTN has been prepared for Parcel 4F in Phase IV, and will be issued soon
- Parcel 4F - Creative Office
  - A developer has been selected through an RFP process
  - Option to Lease, Ground Lease and development documents are being negotiated and will be finalized and executed upon PTN approval
  - Parcel 4F is approximately 25 acres
  - Creative Office Park to consist of three buildings of approximately 150,000 square feet each with multiple parking structures
  - Each building will be three to four stories
  - The first building and the second building pad will be constructed together
Construction is scheduled to start Q4 2019

The following graphic reflects the Phase IV, Parcel 4F development plan:

Financial Projections for Phase III and Phase IV Parcel F

The projected revenues and costs for the current projects in Phase III and Phase IV, Parcel F are shown below. The first three projects in Phase III are funding all of the Phase III infrastructure and 85 percent of the Novus Pre-Development costs to date. The sites for the remaining four parcels within Phase III will be improved simultaneously, and costs of sales will be limited to direct costs associated with each of those projects, including legal, commissions and fees, and closing costs. Overall, these
projects are in alignment with the projected income and costs of the development pro forma.

Novus Pre-Development Costs (2014 to present) ($ 5.0M)
Phase III Office 1, Multi-Family Residential 1 and Hotel:
- Land lease revenues $19.2M
- Site preparation and Infrastructure (11.6M)
- Project closing costs and fees (3.4M)

Phase IV, Parcel F Buildings 1 and 2:
- Land lease revenues $10.8M
- Site preparation and Infrastructure (5.1M)
- Project closing costs and fees (2.0M)

Novus Net Margin for Phases III and IV – F $ 2.9M

The remaining Phase III and Phase IV, Parcel F projects are expected to net approximately $11M from projected land lease revenues after related horizontal development costs.

Marketing
Initial marketing activities (2015-2018) for a large-scale, master planned development such as Novus include naming, brand creation, and early public relations to inform the community and marketplace that something new and exciting is coming.

Early Novus transactions have been focused on speculative development for commercial office space, apartments, a hotel and retail. These uses are not wholly leased to tenants prior to construction, which is why they are described as speculative. These developments are business-to-business transactions between Novus and third-
party developers and do not require traditional retail marketing. These developments are key to establishing the brand, the physical place, and the quality of development in Novus and will be marketed through a series of media announcements and marketing activities commonly known as a drumbeat. Timing is spaced to keep market interest high and to manage time lulls between early activities.

Concurrently with the early transactions, ASU and Catellus have begun focusing business attraction efforts on companies and other organizations potentially interested in establishing a multi-faceted partnership with ASU that would include a significant Novus location. These efforts will be most effective once physical development has started and media coverage on Novus is high. ASU, Catellus and a specialized marketing firm are developing a range of Novus promotional and marketing strategies incorporating multiple media collateral.

As residents and tenants begin to occupy apartments and office buildings, consumer-marketing activities will become important. Each developer will be marketing its own products, and Novus will market at a community-wide level, including support and emphasis on individual project developments as they come to market. A community Marketing and Welcome Center will open in Novus during this phase, currently scheduled in 2020, for Novus stakeholders to attract prospective residents and tenants.

As Novus moves to Phase III vertical development and future phases begin horizontal development, including infrastructure, site preparation and development east of Rural Road, and the new East Athletic Village begins to take shape, media and industry recognition opportunities will be plentiful.
Below are examples of planned marketing activities by year:

2018
- Brand refinement
- Foundational materials
- Public relations for initial Phase III development activity
- Commence communications “drumbeat” through regular releases

2019
- Groundbreaking events
- Local/regional roadshows and speaker events
- Early recognition awards (planning, design, etc.)
- Communications drumbeat continues

2020
- National industry speaking opportunities
- Welcome Center opens on Novus Place
- Top-tier business media focus
- Project awards (development, buildings, etc.)
- Communications drumbeat continues

Post 2020
- Large-scale campaigns for residential and office tenants
- Technology and smart city proofs of concept
- Development awards and recognition
- Ongoing communications drumbeat

Near-Term Marketing Summary
Beginning in September 2018, the Novus Phase III and Beyond campaign will be launched with a series of marketing activities to position its value proposition strategically in the awareness of the local community and the commercial real estate industry. Below is a summary of planned marketing activities:
- A 30-second Novus spot will be featured in stadium at home football games
- In mid-to-late September, a feature story is planned for exclusive launch with key media outlets to announce the advent of Novus as part of the New American University. This coverage will touch on ASU, Sun Devil Athletics, 365 Community Union, and will emphasize Novus.
• On October 2, 2018, Arizona Urban Land Institute (ULI), Valley Partnership, and Arizona NAIOP (a commercial real estate professional organization representing developers, owners and investors of office, industrial, retail and mixed-use real estate)-- the premier real estate organizations in the state-- are holding a joint mixer in Sun Devil Stadium, providing an opportunity to highlight Novus to approximately 400 industry leaders concurrent with Phase III development activities.

• The media drumbeat will commence with these activities and continue with individual press opportunities for groundbreakings, construction progress, tenant announcements, future transactions, etc.

• In November 2018, Novus will be presented as part of a New Developments Panel at the ULI Fall Meeting in Boston.

• In February 2019, Novus will be presented during ULI Trends Day, the premier real estate forum in Arizona.

• In October 2019, Dr. Crow will have the opportunity to present the *New American University* and Novus to the Fall National Meeting of ULI in Washington D.C.
EXECUTIVE SUMMARY

Item Name: Lease Agreement with the City of Mesa for New City Center Building (ASU)

☑️ Action Item

Requested Action: Arizona State University asks the board to approve a 99-year lease with the City of Mesa for approximately 115,000 SF of academic, research, innovation and office/support space to be constructed at the northwest corner of Pepper Place and Centennial Way, Mesa, Arizona 85201 (the “Property”), as described in this Executive Summary.

Background/History of Previous Board Action

- The City of Mesa is seeking to enhance the higher education and innovation infrastructure in its City Center. The desired result is greater access to higher education programs for its residents, greater activity in its City Center, and leveraging of the city’s investment in light rail transportation and the Mesa Arts Center.

- ASU shares these goals and recognizes that connecting its education and innovation activities to new facilities in the Mesa City Center can increase community partnership in the East Valley and facilitate access and success in the recommended program areas. ASU also recognizes that its activities can grow in size and quality through the connections and investments that come from such partnerships.

- The Mesa City Center project has as its goal the creation of a locus to accelerate growth of education, innovation, and entrepreneurial support activities of the community in the areas of Digital and Sensory Technology, Film and Media Arts, User Experience Design, and Entrepreneurial Support.

- With ABOR approval in June 2016, ASU entered into an Intergovernmental Agreement (IGA) with the City of Mesa, whereby the City sought voter approval to finance through a sales tax approximately 260,000 square feet of buildings and associated open space and infrastructure over three phases. After Mesa voters did not approve the proposition, ASU and City of Mesa entered into a more limited IGA in March 2018 to finance with existing City revenue streams an approximately 115,000 square foot building.

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EXECUTIVE SUMMARY

The Mesa City Council on June 4, 2018 approved a master plan for the site, including the ASU building, a two-acre park, renovation of a separate City-owned building to become the Mesa Innovation Studios, and two expansion parcels for future ASU use (see Appendix A). The City Council also authorized entering into a lease agreement with the university for the to-be-constructed ASU building at a budget of $63.5 million. Mesa will fund and construct the building for occupancy by ASU. ASU will be responsible for the initial furniture, fixtures and equipment, ongoing operating costs of the building, funding for the building’s academic and innovation programs and long-term capital replacement costs for the building, in exchange for a modest-cost lease for 99 years with options to extend based upon additional capital investment.

Discussion

ASU and the City of Mesa plan to work together over time to create a connected set of buildings and open space in the Mesa City Center that will be a hub of education and innovation activities in support of ASU’s mission. These facilities will improve educational program quality and expand enrollment, advancing support of entrepreneurial opportunities for ASU students, and enhancing community outreach and impact. The project will advance the community’s education and commerce goals as well as leverage community revitalization investments, including light rail transportation and the Mesa Arts Center.

The project will enhance ASU’s ability to achieve a number of its mission goals and metrics, as follows:

- **Improve educational program strength and student success** for undergraduate and graduate students through the availability of top-quality educational and innovation facilities in digital and media arts and related fields.

- **Achieve an increase in enrollment** by creating and expanding programs in Digital and Sensory Technology, Film and Media Arts, User Experience Design and Entrepreneurial Support. With new and expanded facilities in the Mesa City Center and by leveraging community partnerships with nearby assets, such as the Mesa Arts Center and future Mesa Innovation Studios, ASU will be able to expand program offerings and attractiveness to potential applicants throughout the East Valley and the world.

- **Achieve an increase in research expenditures** through expanded and updated research facilities, allowing ASU to build research capacity in Digital and Sensory Technology, Film and Media Arts, User Experience Design and Entrepreneurial Support.
EXECUTIVE SUMMARY

- **Expand community engagement and economic impact** by providing the opportunity for East Valley residents to access education programs, for working professionals to gain training opportunities, and for businesses to partner with ASU to advance economic potential. A proposed digital maker space and entrepreneur support center will provide opportunities for student, alumni and community creativity and commerce ideas to develop into meaningful economic activity.

- **Provide space for program expansion** on existing campuses, particularly the Tempe Campus, using space that will be vacated as a result of existing programs moving to downtown Mesa.

The proposed lease would allow ASU to occupy the building subject to the City arranging financing and working in partnership with ASU to design and construct the building.

The site is located within the boundaries of the Mesa City Center, which is bounded on the south by Main Street, on the north by First Street, on the east by Centennial Way, and on the west by Center Street. The building will be within a five-minute walk to the Center/Main Street Light Rail Station.

The lease term will be 99 years, with an option to extend the lease term in the event that ASU replaces the building or expends significant amounts for capital improvements expected to last beyond the term of the original lease. ASU will make an annual lease payment of $100,000, subject to annual adjustment, to offset the City’s costs and will reimburse a portion of the City’s facilities management cost. ASU will be responsible for the operating costs of the building constructed by the City. Net rent received from retail or commercial space included in the project will be due to the City.

The building will total approximately 115,000 gross square feet. The City also will repurpose an adjacent building into the Mesa Innovation Studios and build a two-acre urban plaza/park area that will create a desirable pedestrian environment between the building and the light rail station. It is anticipated that, in the first five years, a minimum of 750 students would attend classes at this location. If the full master plan is built out, the site is expected to support a minimum of 2,000 students and 200 faculty and staff.

The City of Mesa will be responsible for the procurement of design and construction professionals with the collaboration of ASU and will manage the construction process. ASU will manage the furniture, fixtures and equipment (FFE) construction.

ASU will seek separate ABOR approval for any subsequent phase leases.
EXECUTIVE SUMMARY

Cost Summary

The City of Mesa will be responsible for the approximately $63.5 million capital cost for the building and will enter into a modest-cost lease with ASU to occupy the building. ASU will be responsible for FFE at an approximate cost of $10 million, building operating costs at approximately $1.3 million annually, and annual academic and innovation program costs.

Committee Review and Recommendation

The Finance, Capital and Resources Committee reviewed this item at its September 13, 2018 meeting and recommended forwarding to the full board for approval.

Statutory/Policy Requirements

ABOR Policy 7-207 requires Board approval of leases of real property by ASU when the lease term, including renewal options, exceeds ten years or if the total annual rental including taxes, insurance and maintenance payable by the University exceeds $500,000.
Appendix A
EXECUTIVE SUMMARY

Item Name: Lease Extension for EV Group, Inc. at the ASU Research Park (ASU)

Action Item

Requested Action: Arizona State University asks the board to approve authorizing all actions necessary to execute a five-year lease extension, with a five-year option to renew, between ASU, as Landlord, and the EV Group, Inc., as Tenant, for 12,683 square feet in the Macro Technology Works (MTW) Building in the ASU Research Park in Tempe, as described in this Executive Summary.

Background/History of Previous Board Action

- The EV Group, Inc. is located in space in the MacroTechnology Works building located in the ASU Research Park (as shown on Exhibit A).

- The MacroTechnology Works building is a research building providing ASU with the ability to advance research in partnership with private industry. The building includes wet labs, dry labs, high bay space and offices, including a 40,000 sq.ft. clean room.

- Non-ASU occupied space in the building is subleased to partners and compatible lessees, including EV Group, Inc., Applied Microarrays, Inc. and Cactus Materials. Rental income received from the subtenants is used to help offset ASU’s costs to operate the facility.

- In 2013, ASU leased to the EV Group, Inc., 12,683 square feet in the Macro Technology Works building for office (10,761 sq.ft.), storage (863 sq.ft.) and clean room space (1,059 sq.ft.).

- The original five-year term expired on May 31, 2018. On May 15, 2018, ASU and Tenant entered into a lease amendment to extend the term to October 31, 2018.

Discussion

- The proposed additional lease extension, if approved, will commence with an annual rent of $510,969 and will increase three percent annually during the initial five-year extension and the subsequent optional five-year extension.

- The per-square-foot lease rate of $40.29 is in line with fair rental value.

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EXECUTIVE SUMMARY

- The proposed five-year extension with the subsequent five-year option period will extend the lease term over ten years, thus requiring ABOR approval.

- The annual renewal lease rate also exceeds the $500,000 annual threshold requiring ABOR approval.

Committee Review and Recommendation

The Finance, Capital and Resources Committee reviewed this item at its September 13, 2018 meeting and recommended forwarding to the full board for approval.

Statutory/Policy Requirements

- ABOR Policy 7-207(A)(1) requires Board approval for leases of real property when ASU is the lessor, if the lease term exceeds ten years or if the annual base lease amount exceeds $500,000.

Exhibits

EXHIBIT A – Location Map
EXHIBIT A – LOCATION MAP OF LEASED PREMISES
EXECUTIVE SUMMARY

Item Name: Capital Development Plan (NAU)

☑️ Action Item

Requested Action: Northern Arizona University asks the board to approve its Capital Development Plan, which includes no new projects and no resubmitted projects; the CDP has no financial impact, as described in this Executive Summary.

Previous Board Action
None

Statutory/Policy Requirements

- Pursuant to Arizona Board of Regents Policy Chapter 7-107, each university shall submit an annual Capital Development Plan for the upcoming year in accordance with the calendar approved by the President of the Board.

- Capital Development Plans are reviewed by the Finance, Capital, and Resources Committee and approved by the Board.

- Approval of the CDP allows universities to complete design and planning, execute construction and financing agreements, and begin construction as outlined in policy.

Prior Year Activity

- One university project totaling $19.2M was substantially completed within the last 12 months. Additionally, two third-party projects were completed.

- Two university projects totaling $32.4M began or continued construction activity in the last 12 months.

- Detail on completed and ongoing projects are listed in Exhibit 1.

Overview and Alignment with Enterprise and University Goals and Objectives:

- The NAU CDP includes no projects and has no financial impact.

- NAU has developed the CDP to align with university’s campus master plan, and the system Enterprise and university strategic goals and objectives.

Capital Development Plan Projects:

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Dr. Dan Okoli, Vice President, (928) 523-8871, Daniel.okoli@nau.edu
EXECUTIVE SUMMARY

- The following lists the new and resubmitted projects proposed for CDP approval.
  - Not applicable

- Additional detail on project costs, financing, and scope can be found in the tables in Exhibits 2 and 3, and the individual Project Justification Reports attached at the end.

Fiscal Impact and Management:

- The NAU CDP has no fiscal impact.

- Debt Ratio Impact: Based upon projects included in this CDP and the first year of the CIP, the debt ratio is expected to reach its maximum in FY 2021 at 6.1 percent excluding SPEED debt. If SPEED debt is included, the FY 2021 debt ratio is 7.8 percent.

- The tables in Exhibits 2, 3, and 4 provide detail project financing, funding sources and debt ratio impact.

Committee Review and Recommendation

The Finance, Capital and Resources Committee reviewed this item at its September 13, 2018 meeting and recommended forwarding to the full board for approval.
## EXHIBIT 1

### Northern Arizona University
### Capital Project Status Report

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<th>Original / Revised Occupancy Date</th>
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<td>26,863</td>
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<td>34,115</td>
<td>$17,400,000</td>
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<td>South Dining Renovation</td>
<td>50,759</td>
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<td>98%</td>
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<td>Skyview</td>
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*Values as of 8/17/2018*
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<th>Gross Square Footage</th>
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## EXHIBIT 3

### CAPITAL DEVELOPMENT PLAN - ANNUAL DEBT SERVICE BY FUNDING SOURCE

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<tr>
<th>Project</th>
<th>Amount Financed</th>
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<th>AUX</th>
<th>ICR</th>
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<th>DFG</th>
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Funding Source Codes:
- (CIF) Capital Infrastructure Fund
- (ICR) Indirect Cost Recovery
- (FGT) Federal Grant
- (TUI) Tuition
- (OLF) Other Local Funds
- (DFG) Debt Financed by Gifts
- (AUX) Auxiliary
- (GFA) General Fund Appropriation
- (OTH) Other

### OPERATION AND MAINTENANCE BY FUNDING SOURCE

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<th>AUX</th>
<th>ICR</th>
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EXHIBIT 4
DEBT CAPACITY UPDATE

PURPOSE

To demonstrate Northern Arizona University’s ability to finance additional capital investment through debt instruments and to fund the related debt service (principal and interest).

PROJECTED DEBT CAPACITY

Currently outstanding (issued) debt at the end of FY 2018 is $511.9M. Anticipating that all appropriate approvals are in place, the $139.0 million Multi-Discipline STEM Academic / Research building will be financed at the end of FY 2020 with debt service payments beginning in FY 2021. Outstanding debt in FY 2020 is projected to be $611.6 million. The maximum projected debt ratio is 6.1 percent in FY 2021. The 6.1 percent ratio is within the range used by bond rating firms to confirm an institution’s creditworthiness and is below the 8 percent statutory debt limit. Maximum total annual debt service of $41.1 million will occur in FYs 2023 and 2024 (5.9 and 5.8 percent respectively).

Currently outstanding (issued) debt declines from $511.9 million in FY 2018 to $293.0 million in FY 2027 as debt is retired. Outstanding planned debt includes future financings of approved, CDP and CIP projects. Additional debt capacity represents debt that can be issued in any given year based on the statutory 8 percent debt ratio maximum.

FUTURE PROJECTS

Future debt financed projects include those approved in the FY 2019 Capital Development Plan (CDP), the first year of the FY 2020-2022 Capital Improvement Plan (CIP), and projects that will be presented for ABOR Project Approval. These planned projects are included in the future Debt Capacity assumptions.
EXECUTIVE SUMMARY

Multi-Discipline STEM Academic/Research Building

Budget be Financed
$139,000,000 $139,000,000

CREDIT RATINGS

Positive rating factors cited by agencies include NAU's role as a large and growing public university with enrollment growth of close to 20% over the past five years and annual growth since 2008, conservative fixed rate debt structure and improving student quality, higher retention and graduation rates.

Offsetting factors include strong enrollment competition, sustained weak state support for operations, high maximum annual debt service compared to agency medians and narrow reserves relative to debt.

<table>
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<th>Fiscal Year</th>
<th>Moody's Rating</th>
<th>Moody's Outlook</th>
<th>Standard &amp; Poor's Rating</th>
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<td>A+</td>
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<td>2014</td>
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<td>2015</td>
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<td>A+</td>
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RATIO OF DEBT SERVICE TO TOTAL EXPENSES

As a result of the planned project described above, annual debt service on system revenue bonds and COPs is projected to increase from $27.2 million in FY 2018 to a maximum of $41.1 million in FYs 2023 and 2024. The ratio of debt service to total expenses is expected to reach a maximum in FY 2021 at 6.1 percent. SPEED (Stimulus Plan for Economic and Educational Development) bonds are funded up to 80 percent by state lottery revenues, with the balance funded by the University. SPEED debt service is excluded from the statutory debt ratio, but if SPEED debt service of $11.1 million is included, the highest projected debt ratio increases to 7.8 percent in FY 2021.

![Graph showing the ratio of debt service to total expenses from 2018 to 2027]
EXECUTIVE SUMMARY

Item Name: Real Property Purchase (NAU)

☑ Action Item

Requested Action: Northern Arizona University asks the board to approve the purchase of real property from Northern Arizona Real Estate Holdings, LLC. (NAREH) located immediately adjacent to the west of the mountain campus, as described in this Executive Summary.

Background/History of Previous Board Action

- NAREH is a subsidiary of the NAU Foundation (NAUF) and is organized to finance, acquire, construct, develop, equip, operate, maintain, lease and hold real estate investments on behalf of the NAUF for the benefit of NAU.

- The parcel is located in Flagstaff, Arizona, at 700 S Milton Road, and is approximately 1.88 acres (82,026 square feet) as shown on Exhibit “A.”

Discussion

- On August 20, 2018, the owners of the real property agreed to a purchase price for the real property in the amount of $7,900,000.

- Two appraisals were obtained nine months ago, one appraised the real property at $6,400,000 and the other appraised it at $5,000,000. Due to market changes, an additional appraisal was conducted. This current appraisal for the property is $7,800,000. The documents provided by the owner as part of due diligence contain a Phase I environmental study and show no concerns with the real property, however, as part of due diligence, a current Phase I has been ordered. Specific use for the real property has not been determined; however, transferring ownership from the NAU Foundation to the University will allow for the University to better manage the real property and will better position NAU to manage its anticipated future growth and needed facilities.

Contact Information:
Daniel T Okoli, Vice President for Capital Planning and Campus Operation • (928) 523-8871 • daniel.okoli@nau.edu
NAU will acquire the real property from NAREH under the terms proposed below:

- NAU will pay NAREH $1,400,000 within ninety (90) days after closing at an interest rate of 5%, and the remaining $6,500,000 will be paid in 20 equal annual installments at an interest rate of 5%;
- Payment of all due diligence costs, to include NAREH’s attorney’s fees;
- Early payment in whole or in part, without penalty; and
- NAU will take title to the real property at the close of escrow.

Committee Review and Recommendation

The Finance, Capital and Resources Committee reviewed this item at its September 13, 2018 meeting and recommended forwarding to the full board for approval, and including waiver of board policy requiring two appraisals if a second appraisal is not ready by the board meeting.

Statutory/Policy Requirements

- ABOR Policy 7-203 requires Business and Finance Committee review and Board approval for purchase of real property that exceed $500,000.
- ABOR Policy 7-203 requires that any request for authorization to purchase real property shall include a legal description of the property; please refer to Exhibit B.
- ABOR Policy 7-206 requires two appraisals for any property purchase with an estimated purchase price above 1,000,000. All appraisals shall be independent, unilaterally required and paid for by the University.
EXHIBIT B
### Requested Action:
The University of Arizona asks the board to approve the purchase of a residential property located at 1516 E. Drachman, Tucson, Arizona, which is located strategically within the UA’s planning boundary and immediately adjacent to the UA’s Facilities Management electrical shop, as described in this Executive Summary.

### Background/History of Previous Board Action

- As a result of the construction in and around Banner-University Medical Center, the UA needed to relocate its Facilities Management (“FM”) electrical shop, and identified a UA-owned property at 1522 E. Drachman as an appropriate location.

- 1516 E. Drachman (the “Property”) is a privately-owned property located between two UA-owned properties and immediately adjacent to the relocated electrical shop. A map showing the location of the Property inside the UA Campus Planning Boundary is attached as Exhibit A. A depiction of the proposed FM electric shop location, and other UA-owned properties in the area is attached as Exhibit A-1. A legal description is attached as Exhibit B.

- The Property’s owner requested that the UA purchase the Property because he viewed the electrical shop as inconsistent with his current use of the property as student housing, and because the Property is located strategically for future UA uses.

### Discussion

- The Property is a 5,700 square foot site with a 2,230 square foot, 6-bedroom, 5-bath residential building and is owned by 1516 Drachman Street LLC.

- The UA and the Seller negotiated for a sales price of $625,000, which reflects the value of the Property as being located within the UA Campus Planning Boundary and subject to future assemblage for UA uses.

### Contact Information:
Gregg Goldman, Senior Vice President for Business Affairs and CFO, ggoldman@email.arizona.edu, (520) 621-5977
EXECUTIVE SUMMARY

- In the past three years, the UA has pursued a plan to acquire any properties within the UA’s Campus Planning Boundary when they become available for sale, to provide the UA with maximum flexibility for future development within its planning boundary.

- Residential property values have been increasing rapidly throughout Tucson, and particularly in the downtown area and the neighborhoods adjacent to the UA.

- Taking all of these factors into account, the UA has determined that acquiring the Property now will have long-term benefits both financially and for the UA’s strategic planning purposes.

Committee Review and Recommendation

The University of Arizona clarified the price was based on an appraised value of $550,000 and other considerations. The Finance, Capital and Resources Committee reviewed this item at its September 13, 2018 meeting and recommended forwarding to the full board for approval.

Statutory/Policy Requirements

- ABOR Policy 7-203 requires Finance, Capital and Resources Committee review and board approval of any real property acquisitions if they are located outside the Campus Planning Boundary or if the purchase price exceeds $500,000.

- ABOR Policy 7-206(B) requires that one appraisal be secured for any purchase with an anticipated purchase price between $100,000 and $1,000,000.
EXHIBIT “A”

Site Aerial
EXHIBIT “A-1”

UA Ownership

EXHIBIT "A-1"

UA OWNED PROPERTY
EXHIBIT ‘B’

(Legal Description)

The East 40 feet of Lot 14, Block 3 of Plumer & Stewards Addition No. 2, a subdivision of Pima County, Arizona, according to the plat of record in the office of the Pima County Recorder in Book 2 of Maps and Plats at page 13 thereof.
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Item Name: Proposed Revisions to ABOR Policy Chapter 4—Relating to the Setting of Tuition and Fees (First Reading) and Proposed Delayed Repeal of ABOR “Guidelines for Class Fees;” “Guidelines for Definitions Used in Setting Tuition and Fees;” and “Guidelines for Requesting Differential Tuition and Program Fee Additions or Modifications.”

Requested Action: The board office asks the board to review on first reading the proposed revisions to ABOR Policy Chapter 4 relating to the annual setting of tuition and fees for Arizona State University, Northern Arizona University and University of Arizona. The board office also asks the board to consider the proposed delayed repeal of ABOR “Guidelines for Class Fees;” “Guidelines for Definitions Used in Setting Tuition and Fees;” and “Guidelines for Requesting Differential Tuition and Program Fee Additions or Modifications,” with such repeal becoming effective upon final board approval of the policy revisions to Chapter 4.

Background and Discussion

- In keeping with ABOR’s commitment to ensure greater accessibility, affordability and transparency, the board established a reform agenda regarding tuition and fee setting at Arizona’s public universities.

- During the past year, the board discussed the need to implement reforms to update fee development processes and policies to provide appropriate oversight over the continued growth of fees. A multi-phase process to implement changes to the tuition and fee process was presented to the board at its February 2018 meeting, and further discussed at its April 2018 meeting.

- In January 2018, the Arizona Auditor General issued its audit of the Arizona’s Universities Fee-Setting Process. The AG audit concluded that ABOR and the universities have established fee-setting processes consistent with best practices, but could further enhance the process.

- During the 2018 legislative session, legislation passed (Laws 2018, Chapter 107) that amends A.R.S. § 15-1626, requiring the board to broaden its approval of fees to approve via a roll call vote any changes to academic fees or online fees.

Contact Information:

John Arnold 602.229.2505 john.arnold@azregents.edu
program tuition rates. Current ABOR policy requires review of only changes to tuition (base, differential), mandatory fees, program fees and class fees greater than $100.

- The proposed policy revisions take into account prior tuition and fee discussions, the Auditor General’s observations and legislative amendments, and university input. The revisions are summarized below:

  o Moved definitions section from Board Guidelines to be included as part of policy and updated definitions. This action repeals the Guidelines for Class Fees, the Guidelines for Definitions Used in Setting Tuition and Fees and the Guidelines for Requesting Differential Tuition and Program Fee Additions or Modifications and will become effective upon final action by the board to approve the proposed policy revisions.

  o Language added to state explicitly what is to be included in each university’s tuition and fee proposals, which includes increases to base tuition, differential tuition, online tuition and academic fees.

  o Language added that better describes evidence of student consultation.

  o Description added for calculation of per unit tuition rate.

  o New section for process of setting academic fees (mandatory fees, program fees, class fees and other academic fees). This section identifies the type of factors that the board may consider when setting academic fees, provides direction for accounting of academic fee revenues and direction for retaining a portion of academic fee revenues for student financial aid.

  o New section for sunset review process of all academic fees.

Committee Review and Recommendation

The Finance, Capital and Resources Committee reviewed this item at its September 13, 2018 meeting and recommended forwarding to the full board for first reading and subsequent approval.

Statutory/Policy Requirements

- A.R.S.§15-1626 – General administrative powers and duties of board
EXECUTIVE SUMMARY

4-101 TUITION AND FEE DEFINITIONS

A. "ACADEMIC FEES" CONSIST OF MANDATORY, PROGRAM, CLASS, AND OTHER FEES LEVIED AS THE RESULT OF ENROLLMENT AS A STUDENT IN THE UNIVERSITY, IN A PROGRAM OF THE UNIVERSITY, OR IN A CLASS OFFERED BY THE UNIVERSITY.

B. "ACCELERATED PROGRAM TUITION" MEANS TUITION SET FOR A PROGRAM THAT ALLOWS A STUDENT TO ACHIEVE AN ACADEMIC DEGREE ON AN ACCELERATED SCHEDULE.

C. "BASE TUITION" MEANS THE AMOUNT OF TUITION SET FOR AN ACADMEMIC YEAR FOR A FULL-TIME STUDENTS AT IDENTIFIED CAMPUSSES OR LOCATIONS OF ARIZONA STATE UNIVERSITY, NORTHERN ARIZONA UNIVERSITY AND UNIVERSITY OF ARIZONA.

D. "CLASS FEES" MEANS ADDITIONAL CHARGES FOR SPECIFIC CLASSES OR COURSES THAT HAVE DEMONSTRABLY HIGHER COSTS OF DELIVERING INSTRUCTION OVERALL BECAUSE OF THE NEED FOR OR USE OF SPECIAL EQUIPMENT, SUPPLIES, TECHNOLOGY, KEY PERSONNEL EXPENSES, FIELD TRIPS OR OTHER COSTS APPROVED BY THE BOARD.

E. "DIFFERENTIAL TUITION" MEANS TUITION THAT IS HIGHER OR LOWER THAN THE BASE TUITION ESTABLISHED FOR EACH UNIVERSITY CAMPUS OR LOCATION AND APPLIES TO ALL GRADUATE OR UNDERGRADUATE ACADEMIC PROGRAMS IN A COLLEGE OR SCHOOL.

F. "ELECTED STUDENT REPRESENTATIVES" MEANS THE STUDENTS ELECTED TO THE COLLEGE COUNCILS AND ASSOCIATED STUDENT GOVERNMENT.

G. "MANDATORY FEES" MEANS FEES CHARGED TO STUDENTS FOR A SPECIFIC PURPOSE, ACTIVITY, OR SERVICE. MANDATORY FEES CAN BE UNIVERSITY WIDE OR DIFFERENTIATED BY CAMPUS LOCATION DELIVERY-METHOD, ENROLLMENT LEVEL, OR OTHER
CRITERIA APPROVED BY THE BOARD. ALL MANDATORY FEES MUST BE APPROVED BY THE BOARD.

H. “NON-ACADEMIC FEES” ARE USER FEES LEVIED NOT AS THE RESULT OF ENROLLMENT AS A STUDENT IN THE UNIVERSITY, IN A PROGRAM OF THE UNIVERSITY, OR IN A CLASS OFFERED BY THE UNIVERSITY. EXAMPLES INCLUDE PARKING, ENTRY, EXTRACURRICULAR, GRADUATION, ORIENTATION, COPY AND OTHER ADMINISTRATIVE FEES.

I. “ONLINE TUITION” MEANS THE AMOUNT OF TUITION SET FOR STUDENTS IN A FULLY ONLINE ACADEMIC PROGRAM.

J. “PEER INSTITUTIONS” MEANS A BOARD APPROVED LIST OF HIGHER EDUCATION INSTITUTIONS FOR EACH ARIZONA UNIVERSITY TO PROVIDE BENCHMARKS FOR ASSESSING INSTITUTIONAL EFFECTIVENESS. THE CRITERIA FOR SELECTIONS MAY INCLUDE AN INSTITUTION’S SIZE, STUDENT CHARACTERISTICS, PROGRAM MIX, INSTITUTIONAL MISSION AND RESEARCH FOCUS.

K. “PROGRAM FEES” MEANS ADDITIONAL AMOUNTS CHARGED TO STUDENTS IN SELECT DEGREE PROGRAMS WITHIN COLLEGES, SCHOOLS OR DEPARTMENTS, INCLUDING HONORS COLLEGES OR PROGRAMS, THAT DEMONSTRATE ONE OR MORE OF THE FOLLOWING: HIGHER COSTS OF DELIVERING INSTRUCTION; THE NEED FOR OR USE OF SPECIAL EQUIPMENT, TECHNOLOGY, OR KEY PERSONNEL EXPENSES; MARKET CONDITIONS.
4-101 4-103  Authority to Set PROPOSALS FOR Tuition and Fees

A. The board is responsible for setting tuition and fees as described in this policy. Definitions used in this policy are provided in the board’s “Guidelines for Definitions Used in Setting Tuition and Fees.”

B. The Arizona constitution obligates the legislature to appropriate funds to insure the proper maintenance, development, and improvement of all state educational institutions.

C. The Arizona constitution requires that instruction furnished be as nearly free as possible. The board has the responsibility for making decisions regarding quality of instruction, including decisions regarding the quality of faculty and infrastructure necessary for instruction, as well as the resources necessary and available to support instruction.

D. Each university shall submit a tuition and fee proposal THAT MAY INCLUDE BASE, DIFFERENTIAL AND ONLINE TUITION AND AN ACADEMIC FEE PROPOSAL for board REVIEW approval. The BOARD MAY ALSO REVIEW proposal shall include:

1. The amount of state support;
2. The availability of student financial aid as outlined in the board’s financial aid policies;
3. The median of tuition and mandatory fees charged by the university’s peers;
4. Other student fees established by each university;
5. The cost of university attendance;
6. Revenues required to service bonded indebtedness;
7. Arizona’s median family income levels; and
8. Evidence of student consultation INCLUDING NOTIFICATION OF AND CONSULTATION WITH ELECTED STUDENT REPRESENTATIVES CONCERNING THE PROPOSED TUITION, MANDATORY FEES OR PROGRAM FEES. STUDENT
CONSULTATION IS NOT REQUIRED FOR CLASS FEES OTHER THAN THE PUBLIC HEARING REQUIRED BY BOARD POLICY 4-104. CLASS FEES SHOULD BE BASED ON THE REQUIREMENTS OF THE CLASS. On program fees and differential tuition, including:

a. Information and feedback from elected student representatives; and
b. Consideration of results from student fee referenda or of organized opinion-gathering from students that are likely to be assessed the tuition, mandatory fee, or program fee.

9. DIFFERENTIAL TUITION PROPOSALS SHALL INCLUDE INFORMATION RELATED TO COSTS AND MARKET CONDITIONS OF THE APPLICABLE COLLEGE OR SCHOOL TO SUPPORT THE REQUEST. REVENUES FROM DIFFERENTIAL TUITION MUST BE USED FOR BOARD APPROVED PURPOSES AND EACH MUST BE ACCOUNTED FOR SEPARATELY FROM OTHER UNIVERSITY REVENUES.

10. FEE PROPOSALS SHALL INCLUDE INFORMATION REQUIRED BY ABOR POLICY 4-105.

11. PROPOSALS WILL BE SUBMITTED IN A FORMAT ESTABLISHED BY THE BOARD’S EXECUTIVE DIRECTOR.

E. In setting colleges of medicine tuition, the board will consider:

1. The amount of state support provided to the university system;
2. The availability of student financial aid; and
3. The median of tuition and mandatory fees charged by colleges of medicine’s peers.

F. At the discretion of the university president, a university may use the resident per credit hour charge for students taking one through seven credit hours per semester.
1. A UNIVERSITY MAY CHARGE A TUITION RATE LESS THAN THE ADOPTED RATES FOR CERTAIN SESSIONS OR PROGRAMS INCLUDING PROGRAMS FOR HIGH SCHOOL STUDENTS.

2. A UNIVERSITY MAY CHARGE A TUITION RATE OR FEES DIFFERENT THAN THE ESTABLISHED RATES OR FEES FOR EDUCATION SERVICES PROVIDED THROUGH A CONTRACT WITH A THIRD PARTY.

3. A UNIVERSITY MAY CHARGE A PER UNIT TUITION RATE FOR:

   A. RESIDENT STUDENTS TAKING LESS THAN 7 CREDIT HOURS THAT IS EQUAL TO OR LESS THAN 1/7 OF BASE TUITION;

   B. NON-RESIDENT UNDERGRADUATE STUDENTS TAKING LESS THAN 12 CREDIT HOURS THAT IS EQUAL TO OR LESS THAN 1/12 OF BASE TUITION;

   C. NON-RESIDENT GRADUATE STUDENTS TAKING LESS THAN 9 CREDIT HOURS THAT IS EQUAL TO OR LESS THAN 1/9 OF BASE TUITION.

G.-F. Prior board approval is required for:

1. Base tuition

2. All other tuition, except as expressly set forth in this policy.

3. Multiple-year tuition plans

4. All new program fees and all changes to program fees.ALL NEW ACADEMIC FEES OR INCREASES TO ACADEMIC FEES.

5. All new class fees over $100, all changes to class fees over $100, and any combined lecture/laboratory fees that result in a combined fee of over $100.00

6. Mandatory fees
EXECUTIVE SUMMARY

7. Any other fee that is not a user fee

4. Residence hall rates

5. Meal plan rates

H. Board approval is not required for the following types of tuition if the proposed tuition is lower than board-approved base tuition:

1. Differential tuition, and

2. Tuition for on-line, accelerated, distributed or off-cycle programs

Universities are required to report to the board on an annual basis any tuition set by the universities in accordance with this provision and any changes to the tuition set in accordance with this provision.
EXECUTIVE SUMMARY

4-104 Procedure for Setting and Distributing Tuition and Fees

A. Procedures for setting all tuition and ACADEMIC fees that require Board approval

1. At least one week prior to any board meeting at which the Board is asked to approve any increase in tuition or ACADEMIC fees, the Board will conduct at least one public hearing on proposed increases broadcast through a multi-site video conference to at least one location at each Arizona university and other locations throughout Arizona.

2. At least ten days prior to the public hearing, a notice of the date, time and location of the hearing will be published in general circulation newspapers in Maricopa, Coconino and Pima counties as required by statute. Notice will also be posted on the Board’s website and distributed state-wide.

3. At least ten days prior to the public hearing, each university will publicly disclose recommended increases to any tuition or ACADEMIC fee.

4. Any final Board action setting tuition or ACADEMIC fees will MUST be taken by roll call vote.

5. AFTER FINAL BOARD ACTION, THE BOARD AND EACH UNIVERSITY SHALL MAKE A PUBLIC DISCLOSURE OF ANY CHANGES IN TUITION OR ACADEMIC FEES.

Prior to requesting any tuition, mandatory fee, or program fee increase, the universities will engage in student consultation, which must include:

a. Notification of and consultation with elected student representatives concerning the proposed tuition, mandatory fee or program fee increase; and

b. Consideration of student fee referenda or of organized opinion-gathering from students that are likely to be assessed the tuition, mandatory fee, or program fee.
B. Differential tuition, online tuition and fees, off-cycle program tuition, distributed program tuition, accelerated program tuition, program fees, and class fees

1. Differential tuition:

   a. Must allow access for qualified students who cannot afford the differential tuition amount;

   b. Must include a financial aid plan with a minimum of 14 percent of the differential tuition set aside for need-based aid; and

   c. Will be administered as one total sum out of which the standard deductions for the qualified tuition reduction program and need-based financial aid will be subtracted in the same way these are deducted from base tuition at each university.

   d. Any differential tuition request must be brought to the Board in accordance with the Board guidelines for requesting differential tuition and program fee additions and modifications.

2. Online, off-cycle, distributed, programs, and accelerated programs

   a. The Board may set tuition on a per credit hour basis for online, off-cycle, distributed, and accelerated programs.

   b. Based on market rates and other factors, the Board may set tuition for online, off-cycle, distributed, and accelerated programs at a higher rate than the base tuition established for each university.

3. Program fees:

   a. Each university request for a program fee will describe the relevant considerations, including market conditions, in support of the fee.
b. Any request for a program fee must be brought to the Board in accordance with the Board guidelines for requesting differential tuition and program fee additions and modifications.

e. Program fees:

   (1) Are not included as a part of the base tuition;

   (2) Program fees will be billed in the same fashion as other tuition and fees;

   (3) Must be used for Board-approved purposes.

   (4) Must allow access for qualified students who cannot afford the program fee. Each proposal for a program fee must include a financial aid plan with a minimum of 14 percent of the program fee set aside for need-based aid;

   (5) Program fees are not subject to waivers except as required by law. Each university may choose to offset the extra cost of a program fee with deductions for the qualified tuition reduction program and need-based financial aid set aside.

d. A master list of program fees shall be maintained at each university indicating the programs for which fees are paid, the fee amount, and the account where the funds are credited.

e. Each university must audit program fee expenditures to ensure that any fees are used for Board-approved purposes.

4. Class fees

   a. Class fees may be imposed only for the items included in the Board guidelines on class fees. Class fees will be charged in accordance with those guidelines.
b. Class fees may not be charged for the cost of graduate research and teaching assistants who are instructors of record.

c. Each university will maintain a master list of class fees indicating the classes for which fees are paid, the fee amount, and the account where the funds are credited.

d. Class fees are to be published on all media used as part of each semester’s schedule of classes. Classes for which fees must be paid are to be noted in the course listings.

C. Tuition and fee distribution

1. As part of its annual operating budget, each university will submit to the Board the calculated amount of tuition and fee revenue required to be retained locally and distributed for debt service on Board-authorized bonding obligations, plant funds, financial aid, local fund activities, and activities to improve the quality of educational operations as approved by the Board.

2. The operating budget submitted shall reference all of the activities and specific bond issuances for which each university anticipates using the retained funds.

3. All funds not retained locally must be deposited with the State Treasurer.
EXECUTIVE SUMMARY

4-105 FEES

A. MANDATORY FEES

1. WHEN SETTING MANDATORY FEES THE BOARD SHALL CONSIDER THE PURPOSE AND COST OF THE PROPOSED USE OF THE FEE AND STUDENT INPUT ON THE PROPOSED FEE.

2. REVENUES FROM MANDATORY FEES MUST BE USED FOR PURPOSES APPROVED BY THE BOARD AND EACH MANDATORY FEE MUST BE ACCOUNTED FOR SEPARATELY FROM OTHER UNIVERSITY REVENUES.

3. PROPOSALS FOR MANDATORY FEES SHALL INCLUDE ESTIMATED REVENUES FROM THE FEE, A DESCRIPTION OF THE PROPOSED USE OF THE FEES, AN ESTIMATED COST OF THOSE USES, AND EVIDENCE OF STUDENT CONSULTATION.

B. PROGRAM FEES

1. WHEN SETTING PROGRAM FEES THE BOARD MAY CONSIDER THE COSTS OF A PROGRAM, OTHER FEES THAT WILL IMPACT STUDENTS WITHIN THE PROGRAM, MARKET CONDITIONS, STUDENT INPUT AND THE PRICE OF SIMILAR PROGRAMS AT PEER INSTITUTIONS. PROPOSALS FOR PROGRAM FEES SHALL ADDRESS EACH OF THESE ELEMENTS.

2. REVENUES FROM PROGRAM FEES MUST BE USED FOR BOARD-APPROVED PURPOSES AND EACH PROGRAM FEE MUST BE ACCOUNTED FOR SEPARATELY FROM OTHER UNIVERSITY REVENUES.

3. EACH PROPOSAL FOR A PROGRAM FEE MUST INCLUDE A SET ASIDE FOR FINANCIAL AID WITH A MINIMUM PERCENT EQUAL TO THE REGENTS SET ASIDE RATE IN ABOR POLICY 4-321 OF THE ESTIMATED GROSS PROGRAM FEE REVENUE.

4. PROGRAM FEES ARE NOT SUBJECT TO WAIVERS EXCEPT AS REQUIRED BY LAW.
5. A MASTER LIST OF PROGRAM FEES SHALL BE MAINTAINED AT EACH UNIVERSITY.

C. CLASS FEES

1. WHEN SETTING CLASS FEES THE BOARD SHALL CONSIDER THE COSTS ASSOCIATED WITH A SPECIFIC CLASS, INCLUDING ADMINISTRATIVE COSTS.

2. CLASS FEES MAY BE USED FOR ANY PURPOSE APPROVED BY THE BOARD.

3. IF APPROVED BY THE BOARD, REVENUES FROM MULTIPLE CLASS FEES MAY BE POOLED TO FUND A SHARED RESOURCE, INCLUDING ADMINISTRATIVE RESOURCES.

4. EACH UNIVERSITY MUST MAINTAIN A MASTER LIST OF CLASS FEES AND PUBLISH CLASS FEES AS PART OF EACH SEMESTER’S SCHEDULE OF CLASSES AND COURSE LISTINGS.

5. BILLINGS AND PAYMENTS OF CLASS FEES

A. CLASS FEES SHALL BE BILLED IN THE SAME FASHION AS OTHER TUITION AND FEES, UNLESS PAYMENT OF THE FEES IS MADE DIRECTLY TO A NON-UNIVERSITY OPERATOR FOR EQUIPMENT OR FACILITIES. THE FACT THAT THE CLASS FEE WILL BE PAID DIRECTLY TO A NON-UNIVERSITY RECIPIENT MUST BE DISCLOSED PRIOR TO THE BOARD APPROVING THE FEE.

B. CLASS FEES ARE COLLECTED AT THE TIME OF TUITION PAYMENT AND WILL BE DISTRIBUTED BY THE UNIVERSITY TO LOCAL DEPARTMENT ACCOUNTS. EACH CLASS FEE SHALL BE ACCOUNTED FOR SEPARATELY. FEES THAT ARE USED FOR SHARED RESOURCES MAY BE DISTRIBUTED TO A POOLED ACCOUNT. ON-SITE PAYMENTS MAY NOT BE MADE TO THE COURSE INSTRUCTOR.
C. REFUNDS OF CLASS FEES AND DEPOSITS SHALL BE IN ACCORDANCE WITH ESTABLISHED UNIVERSITY POLICY AND ACADEMIC UNITS ARE RESPONSIBLE FOR MAINTAINING STUDENT DEPOSIT RECORDS.

6. A UNIVERSITY PRESIDENT MAY REDUCE OR ELIMINATE A CLASS FEE WITHOUT BOARD APPROVAL. THE UNIVERSITY SHALL REPORT ANY CLASS FEE REDUCTIONS OR ELIMINATIONS AS PART OF THE ANNUAL REPORT OF FEES REVIEWED.

7. PROPOSALS FOR CLASS FEES SHALL INCLUDE AN ESTIMATE AND DESCRIPTION OF ESTIMATED COSTS OF THE USES OF THE FEE INCLUDING ADMINISTRATIVE COSTS AND THE ESTIMATED REVENUE FROM THE FEE.

D. OTHER ACADEMIC FEES LEVIED AS A RESULT OF ENROLLMENT
   1. WHEN SETTING OTHER ACADEMIC FEES, THE BOARD SHALL CONSIDER THE COST OF THE PROPOSED USE OF THE FEE AND STUDENT INPUT ON THE PROPOSED FEE.
   2. PROPOSALS FOR OTHER ACADEMIC FEES SHALL INCLUDE ESTIMATED REVENUES FROM THE FEE, A DESCRIPTION OF THE PROPOSED USE OF THE FEES AND AN ESTIMATED COST OF THOSE USES.
   3. REVENUES FROM OTHER ACADEMIC FEES MAY BE USED FOR ANY PURPOSE APPROVED BY THE BOARD AND MUST BE ACCOUNTED FOR SEPARATELY FROM OTHER UNIVERSITY REVENUES.

E. NON-ACADEMIC FEES
   1. UNIVERSITY PRESIDENTS MAY CREATE INTERNAL PROCESSES TO SET NON-ACADEMIC FEES AS NECESSARY.

F. SUNSET REVIEW OF FEES
1. EACH UNIVERSITY WILL DEVELOP AND IMPLEMENT A PLAN TO SYSTEMATICALLY REVIEW ALL FEES AS PART OF A SUNSET PROCESS. UNLESS OTHERWISE SPECIFIED BY THE BOARD, THE BOARD MUST REVIEW AND APPROVE EACH FEE AT LEAST ONCE EVERY 10 YEARS.

2. BY FEBRUARY 1 OF EACH YEAR, EACH UNIVERSITY WILL REPORT THE FEES REVIEWED IN THE PRIOR CALENDAR YEAR, THE RESULT OF THE REVIEW AND PROVIDE A RECOMMENDATION ON THE CONTINUATION OF THE FEE. CLASS FEES THAT HAVE BEEN DECREASED OR ELIMINATED IN THE PRIOR YEAR WILL BE LISTED IN THIS REPORT.

3. REPORTS WILL BE SUBMITTED ON A TEMPLATE PROVIDED BY THE BOARD OFFICE.

4. AS PART OF THE SUNSET REVIEW, EACH UNIVERSITY SHALL CONSIDER WHETHER MULTIPLE CLASS FEES WITHIN A PROGRAM SHOULD BE CONSOLIDATED INTO A PROGRAM FEE OR IF MULTIPLE PROGRAM FEES WITHIN A COLLEGE SHOULD BE CONSOLIDATED INTO A DIFFERENTIAL TUITION.

G. TRANSITION FROM PRIOR POLICY

1. ALL FEES IN EFFECT ON JULY 1, 2018 REMAIN IN EFFECT UNTIL THE ESTABLISHED SUNSET DATE.

2. BY JUNE 30, 2019, EACH UNIVERSITY WILL PROPOSE A PLAN TO REVIEW EXISTING ACADEMIC FEES OVER THE NEXT TEN YEARS. THE BOARD WILL ESTABLISH A SUNSET DATE FOR EACH FEE AS PART OF THE REVIEW.

3. OTHER THAN CLASS FEES, ACADEMIC FEES THAT DID NOT RECEIVE BOARD APPROVAL WILL SUNSET ON JULY 1, 2019 UNLESS A CONTINUANCE IS APPROVED BY THE BOARD.
EXECUTIVE SUMMARY

4-103 4-106 Collection of OUTSTANDING OBLIGATIONS Fees

A. The universities shall collect at the time of registration, the payment or promise of payment of only those fees which are required for the proper operation of the universities and which are subject to the control of and disbursement by the universities.

BA. Each university shall establish procedures to collect outstanding obligations owed by students and former students.

GB. Each university shall maintain a system to record all delinquent financial obligations owed to that university by students and former students.

C. A university may take any or all of the following actions for delinquent student accounts:

1.a. Deny or cancel registration;

2.b. Withhold cash refunds (to the extent permitted by law) and the provision of services, grade reports, transcripts, diplomas, and graduation;

3.c. Terminate agreements for student or family housing and/or take other action when financial obligations relate to housing;

4.d. Use outside collection agencies, report to credit bureaus, and assess related fees;

5.e. Follow accepted accounting principles and business practices to determine when to write-off delinquent financial obligations; and

6.f. Other measures as permitted by law.
4-107 OPERATING BUDGETS

A. AS PART OF ITS ANNUAL OPERATING BUDGET, EACH UNIVERSITY WILL SUBMIT TO THE BOARD THE CALCULATED AMOUNT OF TUITION AND FEE REVENUE REQUIRED TO BE RETAINED LOCALLY AND DISTRIBUTED FOR DEBT SERVICE ON BOARD-AUTHORIZED BONDING OBLIGATIONS, PLANT FUNDS, FINANCIAL AID, LOCAL FUND ACTIVITIES, AND ACTIVITIES TO IMPROVE THE QUALITY OF EDUCATIONAL OPERATIONS AS APPROVED BY THE BOARD.

B. THE OPERATING BUDGET SUBMITTED SHALL REFERENCE ALL OF THE ACTIVITIES AND SPECIFIC BOND ISSUANCES FOR WHICH EACH UNIVERSITY ANTICIPATES USING THE RETAINED FUNDS.
Guidelines for Class Fees REPEAL

Class fees may be charged, in accordance with Board policy 4-104 only for the following:

A. Group travel costs such as gas and mileage reimbursements not including food.

B. Admission and rental fees to off-campus educational facilities.

C. Rental or use fees for specialized equipment used exclusively for instruction.

D. Rental or use fees for on campus facilities where a usage fee is normally charged.

E. Off-campus field trips or specialized equipment and facilities use.

F. Private instruction such as one-on-one study with an instructor for music performance.

G. Expendable materials such as:

   1. Materials of a specialized nature not readily available in retail stores.

   2. Materials that can be purchased by the department in large quantities at significant cost savings to the students.

   3. Materials that must conform to certain specifications and be identical for all students.

   4. Expensive materials needed by each student in such small quantities that they could not normally be purchased economically in such quantities.
EXECUTIVE SUMMARY

H. Technology expense fees that are beyond the expected basic technology services as defined by each university.

I. Selected expenses such as:
   1. Art class models for hire, musical accompanists, and mock patients for clinical practice classes.
   2. Supervisory instruction (including travel) for in-context training classes such as onsite student teaching, social work practicum, and nursing clinical experience.
   3. Special instructional support such as technological support for multimedia learning digital and graphic design, enhanced audio-visual development, and small breakout group assistants, recitation sections, materials preparation, chemicals, supplies essential for classroom instruction, and group learning facilitators.

J. Refundable deposits for expensive equipment or apparatus that is temporarily entrusted to the students’ care.

Charges for class fees:

A. Class fees shall be billed in the same fashion as other tuition and fees, unless payment of the fees is made directly to a non-university operator for equipment or facilities. The fact that the class fee will be paid directly to a non-university recipient must be disclosed prior to the Board approving the fee.

B. Class fees are collected at the time of tuition payment and will be distributed by the university to local department accounts. On site payments may not be made to the course instructor.

Refunds of class fees and deposits shall be in accordance with established university policy and academic units are responsible for maintaining student deposit records.

Approved 04/2011
EXECUTIVE SUMMARY

Guidelines for Definitions Used in Setting Tuition and Fees - REPEAL

Throughout Board policy, unless the context otherwise provides or requires:

A. “Accelerated program tuition” means tuition set for a program that allows a student to achieve an academic degree on an accelerated schedule.

B. “Base tuition” means the amount of tuition set for Arizona State University’s Tempe, West, Polytechnic, and Downtown locations; Northern Arizona University’s Flagstaff location; and the University of Arizona’s primary Tucson location.

C. “Class fees” means additional charges for specific classes or courses that have demonstrably higher costs of delivering instruction overall because of the need for or use of special equipment, supplies, technology, key personnel expenses, or field trips.

D. “Differential tuition” means tuition that is higher or lower than the base tuition established for each university and applies to all graduate or undergraduate academic programs in a college, school or campus.

E. “Distributed program tuition” means tuition charged for a program that is delivered at locations other than Arizona State University’s Tempe, West, Polytechnic, and Downtown locations; Northern Arizona University’s Flagstaff location; and the University of Arizona’s primary Tucson location.

F. “Elected student representatives” means the students elected to the college councils and associated student government.

G. “Mandatory fees” means Board-approved fees charged to all students at an Arizona university, unless specifically excluded by a university.

H. “Off-cycle tuition” means tuition set for a session that begins or ends at times other than the Board approved fall or spring academic calendar.
I. “Online tuition” means the tuition charged to students who are participating in programs fully delivered in an online format.

J. “Peer institutions” means a Board approved list of higher education institutions for each Arizona university. In approving the list of peer institutions, the Board may consider characteristics such as enrollment, research capability, academic programs, stated mission, and an institution’s overall size.

K. “Multiple-year tuition plan” means a Board approved tuition plan offered to freshmen for a four-year enrollment period that either remains fixed (flat rate) or increases at a set rate for students continuously enrolled over a four-year period. The multiple-year tuition program may allow for new or transfer students to participate based on cohort year.

L. “Program fees” means additional amounts charged to students in select degree programs within colleges, schools or departments, including honors colleges or programs, that have demonstrably higher costs of delivering instruction overall, or because of the need for or use of special equipment, technology, or key personnel expenses, or market conditions.
Guidelines for Requesting Differential Tuition and Program Fee Additions or Modifications - REPEAL

The following protocol is intended to guide submission to the full Board to consider additions or modifications to differential tuition and program fees.

A. Any request for a change or modification to differential tuition or program fees must address the following:

1. Whether the additional tuition or fee adds to the quality of the student experience.

2. How student access and affordability will be addressed.

3. The variance in cost of instruction for the college or school or campus requesting the tuition or fee increase. In determining the cost of instruction, the Board shall review whether the instruction requires markedly higher than university average expenditures, or market conditions warrant the additional tuition or fee.

4. Similar tuition, class fees, or program fees at peer institutions, the elasticity of demand for the class/program offered, and the probability the class/program will lead to employment possibilities that are demonstrably worth the higher price.

5. The extent to which the university requesting the differential tuition or program fee consulted with students likely to be assessed the tuition or fee. This consultation must include:

   a. Information and feedback from elected student representatives; and

   b. Consideration of student fee referenda or of organized opinion-gathering from students that are likely to be assessed the differential tuition or program fee.
B. The likelihood of the college or program to enhance potential earnings for graduates.

C. Not all of these items will be applicable to all proposals.
EXECUTIVE SUMMARY

Item Name: Proposed Revisions to ABOR Policy 7-203 “Purchase of Real Property” (First Reading)

☐ Action Item

Requested Action: The board office asks the board to review on first reading the proposed revisions to ABOR Policy 7-203 “Purchase of Real Property”, as described in this Executive Summary.

Background/History of Previous Board Action

- At the November 2017 meeting, the board approved a comprehensive elimination of committee authority to make any final decisions; however, the change to ABOR Policy 7-203 regarding purchase of real property between $500,000 and $1,000,000 created a redundant committee review requirement.

Discussion

- The proposed revision eliminates a redundant committee review requirement and aligns policy on real property purchases with the board intent to have final approvals come to the full board for a vote.

Committee Review and Recommendation

The Finance, Capital and Resources Committee reviewed this item at its September 13, 2018 meeting and recommended forwarding to the full board for first reading and subsequent approval.

Statutory/Policy Requirements

- A.R.S. §15-1626(A)(1) General Administrative Powers and Duties of Board
- Board Policy 1-202 Procedures for Adoption of Rules by the Board

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EXECUTIVE SUMMARY

7-203 Purchase of Real Property

Except as noted below, purchases of real property by a university require prior review by the Finance, Capital and Resources Committee and approval of the Board, and compliance with all requirements of this section not explicitly waived by the Board.

A. A request for authorization to purchase property shall be accompanied by:
   1. the legal description of the property,
   2. the name of the sellers or other person having an interest in the property,
   3. a statement detailing the reason for such purchase,
   4. the amount and source of funds for the purchase,
   5. any other pertinent information,
   6. a notice to Board Counsel of the results of any appraisals(s) required which shall remain confidential until the purchase is either completed or canceled.

B. Board approval is not required for a purchase if:
   1. the property is located within the university planning boundary as defined in the master plan; and
   2. the purchase price is less than Five Hundred Thousand Dollars ($500,000)

C. The Finance, Capital and Resources Committee shall review and forward to the full board for approval purchases of real property when the purchase price is Five Hundred Thousand Dollars ($500,000) or greater but does not exceed One Million Dollars ($1,000,000). At the Committee's discretion, any request to purchase property may be presented directly to the board as circumstances warrant.

D. The board office shall be notified of all purchases regardless of purchase price in accordance with procedures developed by the President of the Board.
EXECUTIVE SUMMARY

Item Name: Proposed Revisions to ABOR Policies 3-808 “Intergovernmental Procurement,” 3-809 “Legal Remedies” and 3-811 “Significant Procurement Roles” of Chapter III, Article H--University Procurement Code (First Reading)

☐ Action Item

Requested Action: The board office asks the board to review on first reading the proposed revisions to ABOR Policies 3-808 “Intergovernmental Procurement,” 3-809 “Legal Remedies” and 3-811 “Significant Procurement Roles” of Chapter III, Article H--University Procurement Code.

Background/History of Previous Board Action

- The board approved substantial revisions to the University Procurement Code at its November 2016 meeting.

- The revisions proposed in this Executive Summary are intended to align certain definitions and policy language with university practices, to implement statutory changes, and maintain the Code’s substantial equivalence to the State Procurement Code.

Discussion

- Section 3-808(B)(7) is revised as follows (see Exhibit A for full text of Section 3-808, as revised):

  "Nonprofit Corporation” means any STATE RECOGNIZED NONPROFIT OR NOT FOR PROFIT CORPORATION OR A nonprofit corporation as designated by the Internal Revenue Service under section 501(C)(3) through 501 (C)(6) or under section 115, if created by two or more Local Public Procurement Units and includes certified nonprofit agencies that serve individuals with disabilities.

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Heather Gaines, UA 520-621-3175 hgaines@email.arizona.edu
Section 3-809(A)(8), the definition of “Receipt” or “Received” is revised as follows (see Exhibit B for full text of Section 3-809, as revised):

"Receipt" or "Received" means delivery to the last known PHYSICAL OR ELECTRONIC MAILING address of the addressee to whom the document OR COMMUNICATION is sent. EVERY NOTICE, REQUEST, DOCUMENT OR OTHER COMMUNICATION SENT UNDER THIS ARTICLE SHALL BE DEEMED TO HAVE BEEN RECEIVED: i) IN THE CASE OF PERSONAL DELIVERY ON THE DATE DELIVERED; ii) IN THE CASE OF DELIVERY BY FAX OR DELIVERY BY E-MAIL ON THE DATE SENT, IF SENT TO THE ADDRESSEE’S LAST KNOWN ADDRESS AND NOT RETURNED; iii) IN THE CASE OF U.S. MAIL, UPS, FEDEX OR OTHER COMMON CARRIER FIVE DAYS FROM THE DATE OF MAILING, IF SENT TO THE ADDRESSEE’S LAST KNOWN ADDRESS AND NOT RETURNED. A document is deemed to have been received by the addressee if properly sent to the addressee’s last known address and not returned. The delivery date will be five (5) Days from the date of mailing unless the addressee can show otherwise.

Section 3-811 is revised to add a new section 3-811(A)(8), as follows (see Exhibit C for full text of Section 3-811, as revised):

SIGNIFICANT PROCUREMENT ROLE DOES NOT INCLUDE MAKING DECISIONS ON DEVELOPING SPECIFICATIONS AND THE SCOPE OF WORK FOR A PROCUREMENT IF THE DECISION IS BASED ON THE APPLICATION OF COMMONLY ACCEPTED INDUSTRY STANDARDS OR KNOWN PUBLISHED STANDARDS OF THE AGENCY AS APPLIED TO THE PROJECT, SERVICES, GOODS OR MATERIALS.

Committee Review and Recommendation

The Finance, Capital and Resources Committee reviewed this item at its September 13, 2018 meeting and recommended forwarding to the full board for first reading and subsequent approval.

Statutory/Policy Requirements

- ARS § 41-2501, et. seq.- Arizona State Procurement Code. ARS § 41-2501 requires the board to adopt procurement policies and procedures for the state’s universities and the board that are “substantially equivalent” to the State Procurement Code.

- ABOR Policy 3-801, et seq.- The University Procurement Code. ABOR Policies 3-801 through 3-811 establish the procedures that apply to university and board procurements.
• Arizona Administrative Code (A.A.C), Title 2, Chapter 7 – Department of Administration State Procurement Office. The state procurement process is governed by the statutes discussed above and regulations, which are codified in the Arizona Administrative Code, Title 2, Chapter 7 and administered by the Arizona Department of Administration.
Exhibit A

Section 3-808, as revised

3-808 Intergovernmental Procurement

A. Authorization to Participate. Any University is authorized to participate in Intergovernmental Procurement pursuant to ARS 41-2631, et seq. and the implementing regulations as set forth in Arizona Administrative Code.

B. Definitions

1. In this ABOR Policy 3-808, unless the context otherwise requires:

2. "Certified Nonprofit Agency that Serves Individuals with Disabilities" means a nonprofit activity center that serves individuals with significant disabilities and that satisfies all of the following:

   a. Is organized under the laws of this state or another state, is operated in the interest of disabled individuals and the net income of which does not inure in whole or in part to the benefit of any shareholder or other individual.

   b. Complies with any applicable occupational health and safety standard required by the laws of the United States and this State.

3. "Disabled Individual" means an individual who, because of the nature of the individual's disabilities, is not able to fully participate in competitive employment and for whom specialized employment and training is necessary by a qualified nonprofit organization through the department of economic security or the department of health services.

4. "Cooperative Purchasing" means procurement conducted by, or on behalf of, one or more Public Procurement Units. This term does not mean any internal cooperative agreement or consortium agreement existing only between and among the Board and/or one or more Universities.

5. “External Procurement Activity” means any buying organization not
located in this state that would qualify as a Public Procurement Unit.

6. "Local Public Procurement Unit" means any political subdivision, any agency, board, department or other instrumentality of such political subdivision, and any nonprofit corporation created solely for the purpose of administering a cooperative purchase under state law.

7. "Nonprofit Corporation" means any STATE RECOGNIZED NONPROFIT OR NOT FOR PROFIT CORPORATION OR A nonprofit corporation as designated by the Internal Revenue Service under section 501(C)(3) through 501(C)(6) or under section 115, if created by two or more Local Public Procurement Units and includes certified nonprofit agencies that serve individuals with disabilities.

8. "Public Procurement Unit" means either a Local Public Procurement Unit, the Arizona Department of Administration, any other state, or any agency of the United States.

C. Cooperative Purchasing Authorized

1. Any University may either participate in, sponsor, conduct or administer a Cooperative Purchasing agreement for the Procurement of any Materials, Services, Professional Services, Construction, or Construction Services with one or more Public Procurement Units, or External Procurement Activities, in accordance with an agreement entered into between the participants. The Cooperative Purchasing may include joint or multi-party contracts between Public Procurement Units and open-ended Public Procurement Unit contracts that shall be available to Local Public Procurement Units. A Nonprofit Corporation may enter into an agreement pursuant to this section if one or more of the parties involved is a Public Procurement Unit. An agreement entered into as provided in this ABOR Policy 3-808 is exempt from A.R.S. §11-952, subsection D.

2. If the Public Procurement Unit or University administering a Cooperative Purchase complies with the requirements of state law or this Code, any Public Procurement Unit or University participating in such a purchase is deemed to have complied with state law or this Code. A University may not participate in a Cooperative Purchasing agreement for the purpose of circumventing this Code.
D. A University may purchase approved Materials and Services directly from Arizona Industries for the Blind and Arizona Correctional Enterprises without competitive bidding.

E. If a Procurement involves the expenditure of federal assistance or contract monies, the University involved in the Procurement shall comply with federal law and authorized regulations which are mandatorily applicable and which are not presently reflected in this Code.
A. Definitions. In this Article, unless the context otherwise requires:

1. "Affiliate" means any Person whose governing instruments require it to be bound by the decision of another Person or whose governing board includes enough voting representatives of the other Person to cause or prevent action, whether or not the power is exercised. It may also include Persons doing business under a variety of names, or where there is a parent-subsidiary relationship between Persons.

2. “Contract Claim or Controversy” means a dispute arising under a Contract governed by this Code between a University and a Contractor, including but not limited to a dispute regarding or pertaining to the obligations of parties to the Contract, a dispute regarding or pertaining to the performance of those obligations, or a claim that one party owes the other a payment of some kind.

3. "Debarment" means an action taken by the President, or his or her Designee, under subsection D below to prohibit a Person participating in Procurements with a University for a period of not less than one (1) year nor more than five (5) years.

4. "Filed" means delivery to the CPO, to the University President, or to the President of the Board, whichever is applicable. A time/date stamp affixed to a document by the office of the CPO, the University President or the President of the Board, whichever is applicable, will establish the time of delivery for purposes of filing.

5. “Governing Instruments” means those legal documents that establish the existence of a Business and define its powers, including articles of incorporation, organization or association, constitution, charter, bylaws and other similar documents.

6. “Protest” means a challenge, as authorized by the Code, of any University Procurement, Award, or proposed Award of a Contract.

7. “Protester” means a Person who files a Protest.
8. "Receipt" or "Received" means delivery to the last known PHYSICAL OR ELECTRONIC MAILING address of the addressee to whom the document OR COMMUNICATION is sent. EVERY NOTICE, REQUEST, DOCUMENT OR OTHER COMMUNICATION SENT UNDER THIS ARTICLE SHALL BE DEEMED TO HAVE BEEN RECEIVED: i) IN THE CASE OF PERSONAL DELIVERY ON THE DATE DELIVERED; ii) IN THE CASE OF DELIVERY BY FAX OR DELIVERY BY E-MAIL ON THE DATE SENT, IF SENT TO THE ADDRESSEE’S LAST KNOWN ADDRESS AND NOT RETURNED; iii) IN THE CASE OF U.S. MAIL, UPS, FEDEX OR OTHER COMMON CARRIER FIVE DAYS FROM THE DATE OF MAILING, IF SENT TO THE ADDRESSEE’S LAST KNOWN ADDRESS AND NOT RETURNED. A document is deemed to have been received by the addressee if properly sent to the addressee’s last known address and not returned. The delivery date will be five (5) Days from the date of mailing unless the addressee can show otherwise.

9. "Suspension" means an action taken by a University President or Designee to prohibit a Person from participating in Procurements with any University, for a period not to exceed one (1) year.

B. Protests

1. Delegation of Authority

   a. Initial review and resolution of Protests shall be conducted by the CPO or Designee for a University.

   b. Final decision on appeal of Protests shall be made by the University President or a Designee other than the CPO.

2. Filing of Protests

   a. Any Interested Party may Protest a Solicitation or the proposed Award or the Award of a Contract by filing a Protest.

   b. Time for Filing Protest

      (1) Protests concerning improprieties in a Solicitation

         (a) In Procurements inviting Bids, Protests based upon alleged errors, irregularities or
improprieties in a Solicitation that are apparent before the Bid Opening shall be filed before the Bid Opening.

(b) In all other Procurements, Protests based upon alleged errors, irregularities or improprieties in a Solicitation that are apparent before the closing date for receipt of initial Proposals shall be filed before the closing date for receipt of initial Proposals. Protests concerning improprieties that do not exist in the initial Solicitation, but that are subsequently incorporated into the Solicitation, shall be filed by the next closing date for receipt of Proposals following the date the improprieties were incorporated into the Solicitation.

(2) In cases other than those covered in subsection (1) above, Protests shall be filed no later than ten (10) Days after the earlier of a) the issuance of a Notice of Intent to Award or b) Award of a Contract in connection with the Procurement action.

(3) Failure to timely file a Protest shall be deemed a waiver of all rights under this Code.

c. Content of a Protest

(1) The Protest shall be in writing and shall include the following information:

(2) The name, address and telephone number of the Protester;

(3) The signature of the Protester or its representative;

(4) Identification of the University and the Solicitation or Contract number;

(5) A detailed statement of the legal and factual grounds of the Protest including copies of relevant documents; and

(6) The form of relief requested.
d. Upon receipt of the Protest, the CPO shall, within ten (10) business Days, give notice of the Protest to all Interested Parties.

e. Stay of Procurements During the Protest

(1) If a Protest is filed before the Award of a Contract, no Award shall be made until the Protest has been resolved, unless the CPO makes a written determination that there is not a reasonable probability that the Protest will be upheld or that Award of the Contract without delay is necessary to protect substantial interests of the University.

f. Protected Information

(1) Materials submitted by a Protester shall not be withheld from any Interested Party except to the extent that the withholding of information is required by law or is permitted by law and specifically requested by the Protester.

(2) If the Protester believes the Protest contains material that should be withheld, a statement advising the CPO of this fact shall accompany the notice of Protest and the information shall be so identified wherever it appears. The CPO shall review the statement and information and shall determine whether the information shall be withheld, as set forth in ABOR Policy 3-801D.

3. Decision by the Chief Procurement Officer or Designee

a. The CPO or Designee shall issue a written decision within twenty (20) Days of receipt of the Protest. The decision shall be sent to the Protester and to all Interested Parties by any method that provides evidence of receipt.

b. The decision shall contain an explanation of the basis of the decision and a statement explaining the Protester’s appeal rights.

c. The time limit for a decision may be extended by the CPO
for a reasonable time not to exceed thirty (30) Days. The CPO shall notify the Protester in writing that the time for the issuance of a decision has been extended and the date by which a decision will be issued.

d. If the CPO or Designee fails to issue a decision within the time limits set forth above, the Protester may proceed as if the CPO or Designee had issued an adverse decision.

e. Remedies

(1) If the CPO or Designee sustains the Protest in whole or in part and determines that a Solicitation, proposed Contract Award, or Contract Award does not comply with this Code or the University Policies and Procedures, the CPO shall implement an appropriate remedy.

(2) In determining an appropriate remedy, the CPO must consider all of the circumstances surrounding the Solicitation, the Procurement or the proposed Procurement, including, but not limited to:

(a) The seriousness of the Procurement deficiency;

(b) The degree of prejudice to Interested Parties or to the integrity of the procurement system;

(c) The good faith of the parties;

(d) The extent of performance;

(e) The costs to the University;

(f) The urgency of the Procurement;

(g) The impact on the University's mission; and

(h) Other relevant issues.

(3) An appropriate remedy may include one or more of the following:
EXECUTIVE SUMMARY

(a) Decline to exercise an option to renew under the Contract;

(b) Terminate the Contract;

(c) Amend or reissue the Solicitation;

(d) Issue a new Solicitation;

(e) Award a Contract consistent with this Code and the University Policies and Procedures;

(f) Reject all Bids or Proposals without further action; or

(g) Render such other relief as is determined necessary to ensure compliance with this Code or University Policies and Procedures.

4. Appeal to the President

a. In the event that a Protest is denied, the Protester may appeal from the decision entered or deemed to be entered by the CPO to the University President within ten (10) Days from the date the decision is received.

b. Final decision on an appeal to the President shall be made by the President or a Designee other than the CPO. Any hearing on appeal shall be conducted by the President or Designee who has the authority to make a final decision, or by a hearing officer appointed by the President or Designee.

c. The notice of appeal shall contain:

   (1) The information set forth in ABOR Policy 3-809B.2.c, including the identification of any confidential information in the manner set forth in ABOR Policy 3-809B.2.f.

   (2) A copy of the decision of the CPO; and

   (3) The precise legal or factual error in the decision that forms the basis for the appeal.
d. The Person conducting the appeal shall immediately give written notice of the pending appeal to the apparent successful Contractor if Award has been made or, if no Award has been made, to all Interested Parties. Any Person so notified shall, upon request, be furnished with a copy of the notice of appeal filed in the matter.

e. Stay of Procurement during Appeal

(1) If an appeal is filed before an Award of Contract and the Award of the Contract was stayed by the CPO pursuant to ABOR Policy 3-809.B.2.e, the filing of an appeal shall automatically continue the stay unless the Person conducting the appeal makes a written determination that the Award of the Contract without delay is necessary to protect substantial interests of the University.

(2) Following a review of the CPO’s decision and the notice of appeal, the Person conducting the hearing may stay the Procurement if the Person determines that there is a reasonable probability the Protest will be upheld or that a stay is in the best interests of the University.

f. Dismissal before Hearing

The Person conducting the appeal may enter a written determination dismissing an appeal in whole or in part, if:

(1) The appeal does not state a valid basis for Protest; or

(2) The appeal is untimely.

(3) The appeal attempts to raise issues not raised in the Protest.

g. Hearing on Bid Protest Decision

If a hearing on an appeal of a Solicitation, Contract Award or proposed Contract Award decision is required, it shall be conducted pursuant to the provisions of ABOR Policy 3-809E and F, except that a Protester may waive his right to a hearing in favor of a review by the hearing officer based
solely on the documentation available to the CPO.

h. Remedies

If the appeal is sustained in whole or in part, and a determination is made that a Solicitation, proposed Award, or Award does not comply with this Code or University Policies or Procedures, an appropriate remedy shall be implemented pursuant to the provisions of ABOR Policy 3-809.B.3.e.

C. Contract Claims and Controversies

1. Application. This ABOR Policy 3-809 governs all contract claims and controversies arising out of a Contract or Procurement, regardless of whether they are initiated by a University or a Contractor.

2. Delegation of Authority

a. Initial review and efforts to resolve or settle a Contract Claim or Controversy shall be conducted by the CPO, except that any settlement of a Contract Claim or Controversy in excess of one hundred thousand ($100,000) requires the prior written approval of the President or a Designee other than the CPO.

b. Final decision on an appeal to the President shall be made by the President or a Designee other than the CPO. Any hearing on appeal shall be conducted by the official with authority to make a final decision, or by a hearing officer appointed by the official with authority to make a final decision.

3. Initiation of a Contract Claim or Controversy

a. A Contract Claim or Controversy initiated by a University shall be made in writing to the Contractor by the University’s CPO.

b. A Contract Claim or Controversy initiated by a Contractor shall be filed in writing with the CPO within the time period set forth in the Contract, but in no event later than one (1) year after the date on which the facts leading to the Contract
claim or Controversy occurred.

c. The CPO may require that the work or performance under the Contract proceed under a reservation of rights so as not to waive the right of any party in the matter.

d. The Contract Claim or Controversy shall include the following information:

(1) The name, address and telephone number of the Contractor;

(2) The signature of the Contractor or its representative, or the University’s representative if the Claim or Controversy is initiated by the University;

(3) Identification of the University and the Contract number;

(4) A detailed statement of the legal and factual grounds of the Contract Claim or Controversy including copies of relevant documents; and

(5) The form of relief requested.

4. Attempt to Resolve by Mutual Agreement

a. If a Contract Claim or Controversy initiated by the University is not resolved by mutual agreement, the CPO shall promptly refer the matter to the President for a hearing following the procedure for appeal of CPO decisions specified in ABOR Policy 3-809C.6, below.

b. If a Contract Claim or Controversy initiated by a Contractor cannot be resolved by mutual agreement, the CPO shall issue a final decision pursuant to ABOR Policy 3-809C.5, below.

5. CPO’s Decision

If a Contract Claim or Controversy cannot be resolved by mutual agreement the CPO shall issue a decision no more than one hundred and twenty (120) Days after receipt of the Contract Claim or Controversy by the non-initiating party. Before issuing a final decision, the CPO shall
review the facts pertinent to the Contract Claim or Controversy and secure any necessary assistance from legal, fiscal, and other advisors.

a. Where the Contract Claim or Controversy exceeds one hundred thousand dollars ($100,000), the time limit for a final decision may be extended for a reasonable time not to exceed thirty (30) Days. The CPO shall notify the Contractor in writing that the time for the issuance of a decision has been extended and the date by which a decision shall be issued.

b. The time limit for a decision involving a Contract Claim or Controversy amounting to one hundred thousand dollars ($100,000) or less may not be extended.

c. If the CPO fails to issue a decision within the permitted time period, the Contractor may proceed as if the CPO had issued an adverse decision and may appeal pursuant to ABOR Policy 3-809C.6.

d. The CPO shall furnish a copy of the decision to the Contractor by certified mail, return receipt requested, or by any other method that provides evidence of receipt. The decision shall include:

(1) A description of the Contract Claim or Controversy;

(2) A reference to the pertinent Contract provisions;

(3) A statement of the factual areas of agreement or disagreement;

(4) A statement of the CPO's decision, with supporting rationale;

(5) A paragraph substantially as follows:

This is the final decision of the CPO. This decision may be appealed to the President of the University or Board, as applicable. A Contractor shall mail or otherwise furnish written notice of appeal to the President within fifteen (15) Days from the date of receipt of this decision.
6. Hearing on Appeal to the President

a. A written notice of appeal from a final decision of a CPO on a Contract Claim or Controversy must be filed with the University President within fifteen (15) Days of the receipt of the decision.

b. Final decision on an appeal to the President shall be made by the President or a Designee appointed by the President. The President may not designate the CPO or any Procurement Officer to make the final decision, but may designate that the hearing officer do so.

c. Hearings on appeals of decisions related to Contract Claims or Controversies shall be conducted in accordance with the provisions of ABOR Policy 3-809E and F. Any hearing on appeal shall be conducted by the official with authority to make a final decision, or by a hearing officer appointed by that official.

D. Debarment or Suspension

1. Delegation of Authority

a. A CPO or other Designee of the University President has authority pursuant to ABOR Policy 3-809D.2 to propose action to suspend or debar a Person, or affected Affiliate, from Procurement activity with any University.

b. A final decision to debar or suspend a Person or an affected Affiliate from participating in Procurements shall be made by the President or Designee.

2. Grounds for Suspension or Debarment. A Person or Affiliate may be suspended or debarred where reasonable grounds are found to exist. A Suspension shall not exceed six (6) months, and a Debarment shall not exceed three (3) years.

a. Reasonable grounds for Suspension or Debarment include the following:

(1) Conviction of any Person or Affiliate for commission of a criminal offense arising out of obtaining or attempting to obtain a public or private contract or
subcontract, or in the performance of such contract or subcontract.

(2) Conviction of any Person or Affiliate under any statute of the federal government, this state or any other state for embezzlement, theft, fraudulent schemes and artifices, fraudulent schemes and practices, bid rigging, perjury, forgery, bribery, falsification or destruction of records, receiving stolen property or any other offense indicating a lack of business integrity or business honesty which affects responsibility as a public contractor.

(3) Conviction or civil judgment finding a violation by any Person or Affiliate under state or federal antitrust statutes.

(4) Violations of Contract provisions of a character which are deemed to be so serious as to justify Debarment action, such as any of the following:

(a) Knowingly fails without good cause to perform in accordance with the specifications or within the time limit provided in the Contract.

(b) Failure to perform or unsatisfactory performance in accordance with the terms of one or more Contracts, except that failure to perform or unsatisfactory performance caused by acts beyond the control of the Contractor shall not be considered to be a basis for Debarment.

(c) Any other cause deemed to affect responsibility as a public contractor, including Suspension or Debarment of such Person or Affiliate by another governmental entity.

3. Imputed Knowledge

a. Improper conduct, as set forth in ABOR Policy 3-809D.42 above, may be imputed to an Affiliate for purposes of Suspension or Debarment where the impropriety occurred in connection with the Affiliate's duties for or on behalf of, or
with the knowledge, approval, or acquiescence of, the Person.

b. Improper conduct, as set forth in ABOR Policy 3-809D.42 above, of a Person or Affiliate having a contract with a Contractor may be imputed to the Contractor for purposes of Debarment where the impropriety occurred in connection with the Person’s duties for or on behalf of, or with the knowledge, approval, or acquiescence of, the Contractor.

4. Debarment

a. Initiation of Debarment action. Upon receipt of information concerning a possible cause for Debarment, the CPO shall investigate or have investigated the possible cause. If the CPO has a reasonable basis to believe that a cause for Debarment exists, the CPO may propose Debarment proceedings by filing a proposal for Debarment with the President or Designee.

b. Notice. If Debarment is proposed, the CPO shall notify the Person and affected Affiliates in writing within seven (7) Days by certified mail, return receipt requested, or any other method that provides evidence of receipt. The notice shall state that the person and affected Affiliates have the right to a hearing to contest the proposed Debarment.

c. Request for Hearing. The Person proposed for Debarment and any affected affiliates shall file a written request for a hearing within ten (10) Days of receipt of the CPO’s notice of proposed Debarment.

d. Hearing. The hearing shall be conducted as set forth in ABOR Policy 3-809E and F.

5. Suspension and Debarment. Except as provided in ABOR Policy 3-809D.5.b below, if Suspension or Debarment is proposed, the CPO shall notify the Person and affected Affiliates in writing within seven (7) Days by certified mail, return receipt requested, of the proposed Suspension or Debarment. The notice of Suspension or Debarment shall state:

(1) The basis for Suspension or Debarment;
(2) The period, including dates, of the Suspension or Debarment;

(3) That Offers received from the person will not be considered; and

(4) That the Person is entitled to a hearing on the Suspension or Debarment if the person files a written request for a hearing with the CPO within thirty (30) Days after receipt of the notice.

a. Except as provided in ABOR Policy 3-809D.5.b below, if Suspension or Debarment of an Affiliate is also proposed in the notice of Suspension or Debarment, the Affiliate shall have a right to appear in any hearing on the proposed Suspension or Debarment to show mitigating circumstances. The Affiliate must advise the CPO in writing, within thirty (30) Days of receipt of the notice, of its intention to participate in the Suspension or Debarment process. Failure to provide written notice of participation within this period shall be a waiver of the right to participate.

b. The CPO, upon notice, may suspend or debar a Person or Affiliate under Suspension or Debarment by the State or any federal procurement agency who has had a prior opportunity for hearing in connection with the Suspension or Debarment by the State or any federal procurement agency. The period of such Suspension or Debarment from Procurement with the University shall run concurrently with the Suspension or Debarment by the State or federal procurement agency.

6. Reinstatement After Debarment

a. A request for reinstatement shall not be considered until at least one (1) year after the effective date of the Debarment. At that time, the CPO may reinstate a debarred Person or Affiliate or rescind the Debarment upon a determination that the cause upon which the Debarment is based no longer exists or has been substantially mitigated.

b. Any debarred Person or Affiliate may request reinstatement by submitting a petition to the CPO supported by documentary evidence showing that the cause for Debarment no longer exists or has been substantially
mitigated.

c. The CPO may require a hearing on the request for reinstatement.

d. The CPO shall make a written decision on reinstatement within thirty (30) Days after the request is filed and specify the factors on which it is based.

e. Decisions on reinstatement requests are not subject to appeal.

7. Limited Participation

(1) A University may allow a debarred Person or Affiliate to participate in Contracts with the University on a limited basis during the Debarment period upon a written determination that participation is advantageous to the University. The determination shall specify the factors on which it is based and define the extent of the limits imposed.

8. Hearing Procedure

(1) Hearings required or permitted under this ABOR Policy 3-809 shall be conducted pursuant to the provisions of ABOR Policy 3-809.E below.

E. Authority of Hearing Officer or Official Conducting Hearing

1. Any hearing required or permitted under this ABOR Policy 3-809 shall be conducted by the official with authority to make a final decision, or by a hearing officer appointed by that official.

2. A decision by a hearing officer or by the official with authority to make a final decision shall be based on the evidence presented at hearing and shall include findings of fact and conclusions of law. If the hearing officer does not have authority to make a final decision, the hearing officer’s decision and findings of fact and conclusions of law will be in the form of a recommendation to the official with authority to make the final decision.

3. A decision by a hearing officer shall only constitute a recommendation to be submitted to the official with authority to
make a final decision unless the President, when appointing the hearing officer, also authorizes the hearing officer to make a final decision.

4. A hearing officer or other official conducting any hearing under this Code shall have such powers and duties as are set forth in this ABOR Policy 3-809 and shall have all other powers and authority that an administrative law judge possesses under A.R.S. 41-1092.07

F. General Hearing Procedures

1. All hearings required or permitted under these rules shall be conducted as contested cases pursuant to these rules and the provisions of A.R.S. 41-1092 et seq.

2. It is the intention of this ABOR Policy 3-809.F to implement a hearing process substantially equivalent to that provided in A.R.S. 41-1092, et seq., and the regulations adopted thereunder, for hearings conducted by the Office of Administrative Hearings. If a procedure or process is not provided by this ABOR Policy 3-809F, the Prehearing and Hearing Procedures used by the Office of Administrative Hearings may be consulted for guidance and the hearing officer shall have the authority to use those Prehearing or Hearing Procedures in the hearing on the Contract Claim or Controversy.

3. Proper and adequate written notice of the time, date and place of hearings shall be made by the hearing officer.

4. All hearings shall be recorded manually or by a recording device. A transcribed record of the hearing shall be made available at cost to the requesting party.

5. The hearings shall be conducted in an informal manner without formal rules of evidence or procedure.

6. The hearing officer may:
   a. Hold pre-hearing conferences to settle, simplify, or identify the issues in the proceeding, or to consider other matters that may aid in the expeditious disposition of the proceeding;
   b. Require parties to state their positions concerning the
various issues in the proceedings;

c. Require parties to produce for examination those relevant witnesses and documents under their control.

d. Issue subpoenas to compel the production of testimony and documents.

e. Rule on motions, and other procedural items pending before such officer;

f. Regulate the course of the hearing and conduct of participants;

g. Establish time limits for submission of motions or memoranda;

h. Impose appropriate sanctions against any Person failing to obey an order under these procedures, which may include:

(1) Refusing to allow the Person to assert or oppose designated claims or defenses, or prohibiting that person from introducing designated matters in evidence.

(2) Excluding all testimony of an unresponsive or evasive witness; and

(3) Expelling any person from further participation in the hearing.

i. Take official notice of any material fact not appearing in evidence in the record, if the fact is among the traditional matters of judicial notice;

j. Administer oaths or affirmations; and

k. Take such other actions and exercise such other powers and authority as may be necessary for a fair, expeditious, and complete hearing.

7. Unless the hearing officer has been authorized to make a final decision, in accordance with this Code, the recommendation of the hearing officer shall be transmitted to the official with authority to
make a final decision. The official may affirm, modify or reject the recommendation and order further appropriate proceedings. The recommendation, when affirmed or modified, signed by the official with authority to make a final decision, and filed, shall constitute the decision on the matter, which shall be final.

8. The decision shall be sent to all parties by certified mail, return receipt requested. The decision shall state that a party aggrieved by the decision may within ten (10) Days of mailing request a rehearing.

G. Rehearing or Review of Final Decision

1. Any party who is aggrieved by a final decision of the official with authority to make a final decision may file with the official, not later than ten (10) Days after mailing of the decision, a written request for rehearing of the decision specifying the particular grounds. A supporting affidavit shall accompany the request and shall provide the factual basis of the cause on which rehearing exists.

2. Parties to the hearing shall be notified of the request. A response may be filed by any Party to the hearing within five (5) Days after receipt of the notice. The official with authority to make a final decision may require the filing of written briefs and may provide for oral argument.

3. A rehearing of the decision may be granted for any of the following causes, when such causes have materially affected the requesting party's rights:
   a. Irregularity in the proceedings or any order or abuse of discretion, whereby the requesting party was deprived of a fair hearing;
   b. Misconduct of the official with authority to make a final decision, the hearing officer, or any party;
   c. Accident or surprise that could not have been prevented by ordinary prudence;
   d. Newly discovered material evidence that could not with reasonable diligence have been discovered and produced at the original hearing;
e. Excessive or insufficient penalties or remedies;

f. Abuse of discretion in the admission or rejection of evidence or other error of law occurring;

g. A showing that the decision is not justified by the evidence or is contrary to law.

4. A decision concerning a request for rehearing shall be in writing and state the basis for the decision. A decision granting a rehearing shall specify with particularity the basis on which the rehearing is granted, and the rehearing shall cover only those matters so specified.

5. The official with authority to make a final decision, within the time for filing a motion for rehearing under this ABOR Policy 3-809.G, may on his own initiative order a rehearing or review of the decision for any reason for which he might have granted a rehearing on motion of a party.

H. Master List

1. The Board shall maintain a master list of Debarments and Suspensions under this ABOR Policy 3-809. The master list shall show the following:

2. The names of those Persons and Affiliates whom the Universities or the Board have debarred or suspended under this ABOR Policy 3-809.

3. The period of Debarment or Suspension, including the expiration date;

4. The basis for the Debarment or Suspension; and

5. A separate section listing Persons or Affiliates voluntarily excluded from participation in University Procurements.

I. Miscellaneous

1. Notwithstanding any law to the contrary, including the provisions of A.R.S. §§ 12-820, et seq., this ABOR Policy 3-809 and the procedures provided by this section shall be the exclusive procedures for asserting a claim against a University arising out of
or in relation to any Procurement conducted or Contract awarded under this Code.

2. Any final decision of an official with authority to make a final decision in a matter referred to in this ABOR Policy 3-809 is subject to judicial review pursuant to A.R.S.§ 12-904 by any party to the proceedings before that official, including the University or Procurement Officer.

3. Any complaint seeking judicial review of a final decision shall be served upon the Board within the time prescribed pursuant to A.R.S. 12-904.

4. The applicable procedures set forth in this ABOR Policy 3-809, including the procedure on rehearing set forth in ABOR Policy 3-809G, if grounds for a rehearing exist, is a jurisdictional prerequisite to obtaining a final decision for which judicial review may be sought. The failure to complete any applicable procedure shall constitute a failure to exhaust administrative remedies.
Exhibit C

Section 3-811, as revised

Significant Procurement Role

A. “Significant Procurement Role” means any role that includes any of the following duties:

1. Participating in the development of a Procurement.
2. Participating in the development of an evaluation tool.
3. Approving a Procurement or new evaluation tool.
4. Soliciting quotes greater than ten thousand dollars ($10,000) for the provisions of Materials, Services, Construction, or Construction Services.
5. Serving as a technical advisor or an evaluator who evaluates a Procurement.
6. Recommending or selecting a Person that will provide Materials, Services, Construction, or Construction Services.
7. Serving as a decision maker or designee on a Protest or an appeal by a party regarding a Procurement selection or decision.

8. **SIGNIFICANT PROCUREMENT ROLE DOES NOT INCLUDE MAKING DECISIONS ON DEVELOPING SPECIFICATIONS AND THE SCOPE OF WORK FOR A PROCUREMENT IF THE DECISION IS BASED ON THE APPLICATION OF COMMONLY ACCEPTED INDUSTRY STANDARDS OR KNOWN PUBLISHED STANDARDS OF THE AGENCY AS APPLIED TO THE PROJECT, SERVICES, GOODS OR MATERIALS.**

B. Prohibited Activity.

1. It is unlawful for a Procurement Officer or an employee having a Significant Procurement Role to accept any position or have employment discussions with a Person lobbying or potentially responding to the Solicitation beginning on signature of the first nondisclosure agreement pertaining to a particular Solicitation or at the time of request for a Sole Source Procurement or any other
Procurement for which competition is impracticable and ending at the time of Contract Award. It is unlawful for a Procurement Officer or an employee having a Significant Procurement Role to accept any position or have employment discussions with the successful Offeror or Offerors and their lobbyists beginning on signature of the first nondisclosure agreement pertaining to a particular Solicitation or at the time of request for a Sole Source Procurement or any other Procurement for which competition is impracticable, and ending one (1) year after the purchased materials are delivered or the purchase of Services or Construction begins, if the Procurement Officer or employee had a Significant Procurement Role in the particular Procurement.

2. It is unlawful for a Procurement Officer or an employee having a Significant Procurement Role to solicit an employment opportunity, regardless of who would receive such an opportunity, from any Person lobbying or potentially responding to a Solicitation for the Procurement of Materials, Services or Construction beginning on signature of the first nondisclosure agreement pertaining to a particular Solicitation or at the time of request for a Sole Source Procurement or any other Procurement for which competition is impracticable and ending at the time of Contract Award. It is unlawful for a Procurement Officer or an employee having a Significant Procurement Role to solicit an employment opportunity, regardless of who would receive such an opportunity, from the successful Offeror or Offerors and their lobbyists beginning on signature of the first nondisclosure agreement pertaining to a particular Solicitation or at the time of request for a Sole Source Procurement or any other Procurement for which competition is impracticable and ending one (1) year after the purchased Materials are delivered or the purchase of Services or Construction begins, if the Procurement Officer or employee had a significant role in the particular Procurement.

3. It is unlawful for a Person lobbying or potentially responding to a Solicitation for the Procurement of Materials, Services or Construction to offer employment to a Procurement Officer or an employee having a Significant Procurement Role beginning on signature of the first nondisclosure agreement pertaining to a particular Solicitation or at the time of request for a Sole Source Procurement or any other Procurement for which competition is impracticable and ending at the time of Contract Award. It is unlawful for the successful Offeror or Offerors and their lobbyists to offer employment to a Procurement Officer or an employee having
a Significant Procurement Role beginning on signature of the first nondisclosure agreement pertaining to a particular Solicitation or at the time of request for a Sole Source Procurement or any other Procurement for which competition is impracticable and ending one (1) year after the purchased Materials are delivered or the purchase of Services or Construction begins, if the Procurement Officer or employee had a significant role in the particular Procurement.

C. Waiver. The CPO may waive any or all of the waiting period required pursuant to this ABOR Policy 3-811B.1, B.2, or B.3 in excess of twenty-four (24) months for a Procurement Officer or an employee with a Significant Procurement Role if the period of time that follows the signature of the nondisclosure agreement exceeds twenty-four (24) months. A Procurement Officer or an employee seeking a waiver shall make a written request to the CPO. The CPO shall provide a written decision and justification within fifteen (15) business Days after the receipt of the complete request. The CPO may not approve waiver requests for matters still in evaluation or within six (6) months following the Contract Award. If the requesting party is the CPO, the request for a waiver and all written materials must be forwarded to the University President for a final decision.

D. In response to a written request from an employee seeking clarification on whether the employee has played a significant role in a Procurement, the CPO shall issue a determination in writing within fifteen (15) Days after receiving the request. The CPO may make a determination in writing that this section does not apply if a particular Solicitation, Sole Source Procurement or any other Procurement for which competition is impracticable has been canceled.

E. It is unlawful for a Procurement Officer or an employee who was previously employed by a Person responding to a Solicitation to serve in a Significant Procurement Role for a period of one (1) year following the person’s previous employment.

F. If a University uses a qualified list of Persons that are eligible to be selected to design, develop, implement or construct any form of project associated with the list, any Procurement Officer who was assigned to work evaluating or approving the list of eligible Persons or any employee having a Significant Procurement Role in developing the list shall not accept an offer of employment from or have employment discussions with a Person on the list within one (1) year after the initial publication of the list or accept an offer of employment from or have employment discussions with a newly added Person on the list within one (1) year after the Person
is added to the original list. If a Person from an approved list of qualified Persons is awarded a Contract that is associated with the list, a Procurement Officer involved in selecting the Person or an employee having a Significant Procurement Role in selecting the Person shall not accept an offer of employment from or have employment discussions with that Person within one (1) year after that Person is awarded the Contract.

G. On signature of a nondisclosure agreement pertaining to a particular Solicitation, or at the time of a request for a Sole Source Procurement or any other Procurement for which competition is impracticable, a Procurement Officer or an employee having a significant role in the Procurement shall provide written disclosure of any financial interest the officer or employee, or the spouse of the officer or employee, may hold.

H. This section does not apply to a Procurement Officer or employee who in good faith relies on a determination issued by the CPO pursuant to subsection D of this section that the Procurement Officer or employee has not had a Significant Procurement Role.
EXECUTIVE SUMMARY

Item Name: Proposed Revision to ABOR Policy 7-106 “Annual Capital Improvement Plans” (Second Reading)

☑ Action Item

Requested Action: The board office asks the board to approve a proposed revision to ABOR Policy 7-106 “Annual Capital Improvement Plans” to reflect a new statutory requirement to include in the annual university capital improvement plans the status of capital projects that have been reviewed or approved by, or reported to the Joint Committee on Capital Review.

Background/History of Previous Board Action

- The State Legislature passed and the Governor signed Senate Bill 1527 (Laws 2018, Chapter 281) which added a requirement that the universities annually report in their capital improvement plans on the status of all projects that have been reviewed, approved by, or reported to the Joint Committee on Capital Review and that are not yet completed.

- The board reviewed this item on first reading at its June 2018 meeting.

Discussion

- The proposed change will add the new reporting requirement to conform board policy to state statute.

Committee Review and Recommendation

The Business and Finance Committee reviewed this item at its May 31, 2018 meeting and recommended forwarding to the full board for first reading and subsequent approval.

Statutory/Policy Requirements

- Arizona Revised Statutes § 41-793 lists the components and information that should be included in capital improvement plans.

- ABOR Policy 7-106 mirrors statute in outlining the requirement of the annual capital improvement plans.

Contact Information:
Lorenzo Martinez Lorenzo.Martinez@azregents.edu 602-229-2525
7-106 Annual Capital Improvement Plans

A. Each university will complete an annual Capital Improvement Plan as required by state statute.

B. The annual Capital Improvement Plan serves three main functions:

1. To serve as a reference document for current facilities inventory and related financial management information;

2. To request general fund monies, including building renewal, from the state; and

3. To identify capital projects the university intends to implement during the next fiscal year along with a forecast of proposed activities in the following two (2) fiscal years.

C. Process:

1. Guidance shall include, but not be limited to:
   a. Limitations on the general fund request;
   b. Systemwide prioritization of the general fund request;
   c. Requirements for necessary board approvals or requisite documents for project placement in the Annual Capital Improvement Plans; and
   d. Limitations on the amount of outstanding debt as demonstrated by the debt capacity reports.

D. Each university will submit to the board a fully developed Capital Improvement Plan in accordance with the calendar approved by the chair of the Business and Finance Committee. The Plan shall include the following elements:

1. All Funds Summary
2. Building Renewal Report
3. Deferred Maintenance Report
4. Building Inventory
5. Lease Report
6. Land Report
7. Capital Project Status Report
8. CAPITAL PROJECT STATUS REPORT FOR PROJECTS THAT HAVE BEEN SUBMITTED TO THE JOINT COMMITTEE ON CAPITAL REVIEW AND HAVE NOT BEEN COMPLETED
89. One-Year Capital Plan plus a Two-Year Forecast
910. Project Descriptions, Justifications, Scope, Delivery Method and Budgets, including alignment with university-specific and system-wide strategic plans and goals.
4011. Debt Capacity

E. In preparing for the Capital Development Plan Submittal, the universities are authorized to expend up to 10% of the total project cost for outside professional and consultant services
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EXECUTIVE SUMMARY

Item Name: Report on the Academic Affairs and Educational Attainment Committee Meeting

☐ Action Item

Requested Action: The board office asks the board to review the report of the September 13, 2018 Academic Affairs and Educational Attainment Committee Meeting.

Agenda Highlights
Academic and Student Affairs Committee Meeting
September 13, 2018

1. Request for Disestablishment of Academic Units in the College of Health Solutions at Arizona State University

Outcomes and Assignments:

- Regents expressed support for the disestablishment of the following academic units: School of Nutrition and Health Promotion, Department of Speech and Hearing Science, School for the Science of Health Care Delivery, Department of Biomedical Informatics, International School of Biomedical Diagnostics, and the reorganization of the College of Health Solutions.

- The committee recommended forwarding to the full board for approval the disestablishment of five departments or schools in the College of Health Solutions.
Request for Disestablishment of Academic Units in the College of Health Solutions at Arizona State University (ASU)

☑ Action Item

Requested Action: Arizona State University asks the board to review and approve the disestablishment of five departments or schools in the College of Health Solutions.

Background/History of Previous Board Action

- The College of Health Solutions was established in May 2012 and brought together 10 disciplines that each focused on a separate area of health. Each makes a distinct and important contribution to improving health in our communities.

- Current academic units housed in the College of Health Solutions include: School of Nutrition and Health Promotion, Department of Speech and Hearing Science, School for the Science of Health Care Delivery, Department of Biomedical Informatics, and International School of Biomedical Diagnostics.

Discussion

- The College of Health Solutions will function as a single organizational unit focused on the system of health rather than individual components. The college will consist of translational faculty teams and academic groups which will continue to offer current degrees.

- Faculty will be associated with one or more disciplinary groups, which will correspond to the academic programs: Biomedical Diagnostics and Informatics, Integrated Behavioral Health, Exercise Science and Kinesiology, Nutrition, Population Health, Science of Health Care Delivery, and Speech and Hearing Science.

- Translational teams and academic hubs will be dedicated to the research and development of system-based solutions to major population health problems.

- A cohesive, collaborative College of Health Solutions will provide students with

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Chad Sampson, ABOR  (602) 229-2512  chad.sampson@azregents.edu
EXECUTIVE SUMMARY

new opportunities for experiential learning that address transdisciplinary solutions to major population health problems. Students will be taught to use systems-thinking to design new approaches to address determinants of health, including policy, health services and individual behavior.

- The following academic units will be disestablished: School of Nutrition and Health Promotion, Department of Speech and Hearing Science, School for the Science of Health Care Delivery, Department of Biomedical Informatics, and International School of Biomedical Diagnostics.

- All existing degree programs, graduate and undergraduate, will continue to be offered by the college and there will be no negative impact on students in the degree programs.

- No new funding is required, and existing fiscal resources can be used in more efficient and effective ways.

Committee Review and Recommendation

The Academic Affairs and Educational Attainment Committee reviewed this item at its September 13, 2018 meeting, and recommended forwarding the item to the full board for approval.

Statutory/Policy Requirements

ABOR Policy 2-223.C, “The Academic Strategic Plan”
## Table 1 – Proposed Mergers or Elimination Units

<table>
<thead>
<tr>
<th>Unit</th>
<th>Requested Action</th>
<th>Justification/Brief Description of the Proposed Action (max 100 words)</th>
<th>Impact on Current Students (max 50 words)</th>
<th>Expected Fiscal Impact</th>
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<tr>
<td>COLLEGE OF HEALTH SOLUTIONS</td>
<td>Disestablish five academic units:</td>
<td>The College of Health Solutions seeks to function as a single organizational unit composed of faculty groups. Under the current structure, the faculty are departmentalized, isolated, and unable to realize their full interdisciplinary potential. Departmentalization artificially separates one type of health intervention from another (e.g., nutrition and behavioral health), suggesting that people’s health can be improved by one without the other. Faculty and students benefit when they are engaged in interdisciplinary education and research. The intent is to reorganize to better achieve ASU’s design aspirations and goals for health solutions. The new structure will help fuse intellectual disciplines, facilitate use-inspired research and discovery, and enable student success. Students will have new opportunities for experiential learning that address transdisciplinary and systems-based solutions to major population health problems. The college will consist of translational faculty teams and multidisciplinary academic hubs. Traditional school and department structures will be disestablished and administrative structures will be centralized to maximize collaboration and productivity. The new structure will be fully implemented by the 2019-2020 academic year.</td>
<td>There will be a positive impact on students; all degree programs, undergraduate and graduate, will continue to be offered. A cohesive, collaborative College of Health Solutions will provide students with opportunities to study across disciplines; current degree programs will provide students with transdisciplinary, systems-oriented approaches to solving major population health problems.</td>
<td>The reorganization of the College of Health Solutions will result in more efficient and effective use of fiscal resources through reduction in administrative bureaucracy, collaborative course offerings, agile faculty appointments, and centralized support staff. The new structure will eliminate duplication. For example, instead of having four different courses addressing the same general topic, one faculty member can teach a single course that is applicable to all disciplines in the college. The college will have highly trained staff working for multiple faculty and students, rather than many people doing the same task at less efficiency.</td>
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<tr>
<td>-School of Nutrition and Health Promotion</td>
<td>-Department of Speech and Hearing Science</td>
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<td>-School for the Science of Health Care Delivery</td>
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<td>-International School of Biomedical Diagnostics</td>
<td>2019-2020</td>
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EXECUTIVE SUMMARY

Item Name: Proposed Revisions to ABOR Policy 6-310 “Conditions of Postdoctoral Service” (Second Reading)

☑ Action Item

Requested Action: The board office asks the board to approve the proposed revisions to ABOR Policy 6-310 “Conditions of Postdoctoral Service.”

Background/History of Previous Board Action

- The board adopted ABOR Policy 6-310 “Conditions of Postdoctoral Service” in March 2007. This policy governs university appointments of postdoctoral scholars.

- The board reviewed this item on first reading at its June 2018 meeting.

Discussion

- ABOR Policy 6-310(B)(9) defines a “Postdoctoral scholar” as “an individual who has recently completed his/her doctoral studies and who holds short-term university appointments working under the guidance and direction of a faculty mentor as the individual prepares for a career as an independent scientist and researcher.”

- ABOR Policy 6-310(D) states that vacation leave for postdoctoral scholars does not carry over from year-to-year. The proposed revisions to Policy 6-310(D) will eliminate this provision and replace it with a provision allowing each university to set its own policy or procedure on vacation time usage for postdoctoral scholars.

Committee Review and Recommendation

- The Academic and Student Affairs Committee reviewed this item at its May 31, 2018 meeting and recommended forwarding the item to the full board for first reading and subsequent approval.

Statutory/Policy Requirements

- A.R.S. § 15-1626 “General Administrative Powers and Duties of the Board”

- ABOR Policy 6-310 “Conditions of Postdoctoral Service”

Contact Information:
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D. Compensation

1. The president may set individual salaries. Salary rates for reappointments will depend upon available funding. Merit raises may be allocated by the president within the limitation of available funds.

2. Certain fringe benefits are made available to postdoctoral scholars and are subject to change by the legislature, the board, or the university.

3. Postdoctoral scholars are entitled to twelve (12) days of sick leave accrual per year, ten (10) days of vacation leave during the first year of appointment and fifteen (15) days per year for subsequent appointments. Vacation leave does not carry over from year to year and is not paid out upon termination. EACH UNIVERSITY WILL SET ITS OWN POLICY OR PROCEDURE ON VACATION TIME USAGE.

4. Policies governing outside activities and supplementary compensation are administered by each university.
EXECUTIVE SUMMARY

Item Name: Proposed ABOR Policy 1-123 “Student Regent Protocols.” (Second Reading)

☐ Action Item

Requested Action: The board office asks the board to approve proposed ABOR Policy 1-123 “Student Regent Protocols.”

Background/History of Previous Board Action

- A non-voting student regent position was first established on the Board of Regents in 1978. The Legislature established voting privileges for the student regent beginning with the 1989-90 legislative session.
- In 2000, the Legislature added a second, non-voting student regent member to the board.
- Student regents are now appointed to two-year terms. Student regents serve their first year as a non-voting member and their second year as a voting member of the board.
- The governor appoints student regents pursuant to the process delineated in A.R.S. § 15-1621.
- The board reviewed this item on first reading at its June 2018 meeting.

Discussion

- Proposed ABOR Policy 1-123 is a new policy that will require the board office to create and maintain a student regent handbook that will assist student regents by providing guidance regarding processes and protocols that pertain to the student regent position.

Committee Review and Recommendation

- The Academic and Student Affairs Committee reviewed this item at its May 31, 2018 meeting and recommended forwarding the item to the full board for first reading.

Statutory/Policy Requirements

- A.R.S. § 15-1621

Contact Information:
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EXECUTIVE SUMMARY

1-123 STUDENT REGENT PROTOCOLS

THE BOARD OFFICE WILL CREATE AND MAINTAIN A STUDENT REGENT HANDBOOK TO PROVIDE GUIDANCE REGARDING THE PROCESSES AND PROTOCOLS THAT PERTAIN TO STUDENT REGENTS.
EXECUTIVE SUMMARY

Item Name: Proposed Revisions to ABOR Bylaws and Board Policies to Update Title to “Executive Director”

☐ Action Item

Recommended Action: The board office asks the board to approve the proposed revisions to the ABOR Bylaws and to authorize changes to board policies to reflect the change in title of the leader of the board administrative office to Executive Director.

Discussion

- The board has returned to using “Executive Director” as the title for the leader of the board administrative office.

- The proposed revisions will reflect that change.

- As required in Article VIII of the bylaws, the Board Secretary shared the proposed bylaws changes with members of the board thirty days before the board vote. Those changes are attached.

- The board office asks for approval to update board policies to change all references from “Board President” to “Executive Director” immediately following the board approval, pursuant to board policy 1-202 (J). The proposed updates are not attached as they are extensive.
ARTICLE I - ORGANIZATION, AUTHORITY AND LOCATION

Section 1. Arizona's state universities are under the jurisdiction and control of the Arizona Board of Regents ("the Board"). The Board is a body corporate with perpetual succession. The state universities are operationally independent from each other, but together with the Board, they comprise the principal components of the system of coordinated governance of Arizona's public universities.

Section 2. The purpose, authority, powers and duties of the Board are derived from the Constitution, statutes and laws of the State of Arizona. The Board is assisted in the performance of its duties by employees who collectively are known as the Board Administration. The Board President EXECUTIVE DIRECTOR and the Secretary to the Board are members of the Board Administration.

Section 3. The principal office of the Board shall be in Phoenix, Arizona, at a location separate from the campus of any state university. The office shall be maintained by the Board President EXECUTIVE DIRECTOR.

ARTICLE II - MEETINGS OF THE BOARD

Section 1. The Board shall adopt a calendar of regular meetings of the Board prior to the beginning of each fiscal year. The responsibility for determining the Board calendar of regular meetings may be delegated to the Board President EXECUTIVE DIRECTOR. At least one regular meeting each year shall be held at each state university. The Board Chair or any four members of the Board may at any time call a special meeting of the Board.

Section 2. A majority of the membership of the Board will constitute a quorum for the transaction of business at any meeting of the Board, but a number less than a quorum may adjourn from time to time.

Section 3. Public notice of all meetings of the Board will be provided in accordance with the requirements of law. In addition, notice will be provided to each member of the Board under Section 4 or 5 of this Article. All notices required by this Article will specify the time, date and place of the meeting.
Section 4. Notice of any regular meeting of the Board, plus the agenda (including university agendas) and all material relating to agenda items, will be transmitted to each member of the Board at each member's last known place of residence or other designated address by the quickest and most reliable method, which may be electronic, at least ten days prior to the date of the meeting. Amendments to the agenda and additional supporting materials, not previously available, will be transmitted at least 24 hours prior to the scheduled meeting when possible. Except with the approval of three-fourths of the voting members in attendance at a meeting, and if permitted by law, no action shall be taken by the Board on any matter where material is not timely submitted in accordance with this section.

Section 5. Special meetings may be held with notice to the members of the Board as appropriate to the circumstances and with public notice as required by law. Special meetings may be held by telephone conference or any method permitted by law. All material relating to special meeting agenda items will be transmitted to each member of the Board as far in advance of the meeting as possible and reasonable under the circumstances.

ARTICLE III - MEETING PROCEDURES

Section 1. The rules contained in the current edition of Robert's Rules of Order Newly Revised will govern the deliberations of the Board subject to these bylaws, any special rules of order the Board may adopt, and applicable law.

Section 2. The order of business for any regular meeting of the Board will be in accordance with the agenda prepared for the meeting. The agenda will provide for both an executive session and open session in accordance with requirements of law. The open session portion of the agenda will provide at least for the following:

a. Call to the audience;
b. Approval of minutes of prior regular or special meetings not previously approved;
c. Matters presented by the chairs of standing committees of the Board;
d. Reports, if any, from ad hoc or special committees appointed by the Board;
e. Matters presented by each University President;
f. Matters presented by the Board President EXECUTIVE DIRECTOR; and
g. Announcements and adjournment.
Section 3. Routine matters listed in the open session portion of the agenda for a regular meeting of the Board may be grouped together and decided by the Board without discussion or debate. These matters will be designated as "Consent Agenda Items." Any member of the Board may request discussion or debate on any individual item listed as a Consent Agenda Item, and the matter will be considered and decided separately during the meeting as may be directed by the Board Chair.

Section 4. During the course of any regular meeting of the Board, the Board Chair will act as presiding officer and all motions will be directed to the Board Chair. The Board Chair may delegate to the chair of each respective standing committee the responsibility for chairing discussion of items presented to the Board by the committee chair. Whenever a matter before the Board is deferred for further discussion, the Board Chair may assign the matter to an appropriate committee or subcommittee, schedule the matter for further consideration at a future meeting of the Board, or take other appropriate action, and may otherwise direct the Presidents, THE EXECUTIVE DIRECTOR, or Board Administration with respect to the matter.

Section 5. All meetings of the Board are open to the public except for executive sessions. The Board reserves the right, however, to maintain order to prevent interference by any member or members of the public with the conduct of its meetings.

ARTICLE IV - MINUTES OF MEETINGS OF THE BOARD

Section 1. Minutes of all meetings of the Board will be maintained in accordance with the requirements of law. The Board may incorporate by reference into its minutes lists of faculty and staff changes, reports, lists of budget transfers, formal written resolutions and other material of similar import, and those materials will be maintained in a permanent file designated as the "Arizona Board of Regents' Documents File," which will be kept in the custody of the Secretary to the Board and available for ready reference.

Section 2. Each member of the Board, each University President, and the Board President EXECUTIVE DIRECTOR will be furnished with copies of the minutes of the open session portion of each regular and special meeting of the Board. Members of the Board will be furnished with copies of the minutes of the executive session portion of any meeting of the Board for the purpose of approving those minutes, after which all copies will be returned to the Secretary to the Board.
Section 3. All minutes of the open session portion of any meeting of the Board will be open to public inspection during regular business hours at the principal office of the Board. Minutes of executive sessions will be kept confidential except from members of the Board or as otherwise required by law. Certified copies of minutes or excerpts from any minutes of the open session portion of any Board meeting or from any executive session if the law permits disclosure may be furnished by the Secretary to the Board.

ARTICLE V - COMMITTEES AND SUBCOMMITTEES

Section 1. The Board may establish and maintain standing committees composed of members of the Board appointed by the Board Chair. The Board Chair may participate in and may vote on items at any committee meeting the chair attends but will not count toward a quorum unless the chair is also appointed as a member of the committee. Every standing committee will include either the first-year student regent or the second-year student regent as an appointed member. Other committees and task forces also may include one student regent as a voting member. The second-year student regent has full voting rights at the full board level and on any committee or task force to which he or she is assigned. The first-year student regent may not vote at the full board or on final decisions by any committee or task force. The first-year student regent may vote on recommendations to the full board for any committee or task force to which he or she is assigned. Only one student regent will be permitted to be a voting member of any committee or task force.

Section 2. The Board Chair may establish other ad hoc or special committees as the Board Chair deems necessary or advisable. The Board Chair will appoint the membership of these committees, which may, but need not, include members of the Board, and will designate the matters to be considered by each committee. These committees will act as advisory bodies to the Board and report their recommendations to the Board.

Section 3. All standing, ad hoc or special committees will hold and conduct their meetings in accordance with requirements of law. The chair of each committee will be its presiding officer and set the time, date and place of its meetings.

ARTICLE VI - BOARD OFFICERS AND THEIR DUTIES

Section 1. At a meeting of the Board at least 60 days prior to June 30, the Board shall elect a Board Chair, Chair-Elect, Secretary and Treasurer for the
ensuing fiscal year beginning July 1. The voting Student Regent will serve as the Assistant Treasurer. Each officer will hold office for twelve months and until a successor is duly elected. A majority of the votes cast is required to elect.

Section 2. The Board Chair will preside over the meetings of the Board, call meetings, serve as an ex officio member of all committees of the Board, and perform other duties set forth in these bylaws, Board Policy, or applicable law. A member may stand for election for up to two consecutive one-year terms as Board Chair, and after at least one year away from being Board Chair, the member may stand for re-election as Board Chair.

Section 3. The Chair-Elect will assist the Board Chair in performing the duties of Board Chair and will preside at Board meetings in the absence of the Board Chair. To facilitate continuity in governance through participation on the executive committee, and subject to availability, the expectation is that the Chair-Elect will succeed automatically to the Chair in the next election cycle. If the Chair is re-elected for an additional consecutive year as Chair, the Chair-Elect will remain as Chair-Elect and become the Chair in the next cycle. If the Chair-Elect is unable or unwilling to become the Chair, the Board will elect a Chair from among its members.

Section 4. The Treasurer will certify to a true and faithful account of all monies received and paid out, and will give any bond for the faithful performance of the duties of the office as the Board may require. To facilitate continuity in governance through participation on the Executive Committee, and subject to availability, the immediate past Chair will serve as Treasurer. If the immediate past Chair is not available to serve as Treasurer, then the most senior member of the Board who has previously served as Chair and who is available and willing to serve will become the Treasurer. If no one with experience as the Board Chair is available to serve, the Board will elect a Treasurer from among its members. A member may stand for election as Treasurer for multiple one-year terms, without limit.

Section 5. The Secretary of the Board will record all proceedings of the Board, carefully preserve all of its records, and perform such other duties as the Board may require.

Section 6. Vacancies occurring in any office of the Board will be filled by the Board at any regular or special meeting for the unexpired term of the office.
ARTICLE VII – GOVERNANCE AND MANAGEMENT

Section 1. The Board is responsible for governing the public universities and institutions under its jurisdiction, as set forth in the Arizona Constitution and in Arizona statutes. It employs and determines the terms of employment and expectations for the Presidents of the universities and the EXECUTIVE DIRECTOR OF THE Board. The Board is responsible for setting tuition and fees.

Section 2. The Presidents of the universities and the EXECUTIVE DIRECTOR OF THE Board are responsible for the management of the institutions under the jurisdiction of the Board, as set forth in Board Policy, and subject to applicable law. The Presidents of the universities and the Board President together comprise the Enterprise Executive Committee. The Enterprise Executive Committee is not a committee of the Board and is not a committee advisory to the Board, but is the collective vehicle for management of the institutions under the governance of the Board.

ARTICLE VIII – AMENDMENTS

Section 1. These bylaws will not be added to, amended, or repealed except at a meeting of the Board and by public vote of a majority of all voting members of the Board. Any proposed addition, deletion, or amendment must be filed with the Secretary to the Board, in writing, at least thirty days before the meeting, and the Secretary to the Board will promptly provide a copy to each member of the Board.
EXECUTIVE SUMMARY

Item Name: Proposed Revisions to ABOR Policy 6-1101 “Appointments of Presidents” (First Reading)

☐ Action Item

Requested Action: The board office asks the board to review on first reading the proposed revisions to ABOR Policy 6-1101 “Appointments of Presidents.”

Background/History of Previous Board Action/Discussion

ABOR Policy 6-1101 addresses the appointments of presidents. The proposed revisions add references in the policy to the board’s executive director and a letter of appointment.

Statutory/Policy Requirements

A.R.S. § 15-1626 “General Administrative Powers and Duties of the Board.”

Contact Information:
Jennifer Pollock 602-229-2546 Jennifer.Pollock@azregents.edu
ARTICLE K. APPOINTMENTS OF PRESIDENTS AND EXECUTIVE DIRECTOR

6-1101 Appointments of Presidents AND EXECUTIVE DIRECTOR

A. Applicability

1. This Policy governs the appointment and employment of a university president OR THE EXECUTIVE DIRECTOR OF THE BOARD OFFICE or the Board president.

B. Conditions of Employment

1. All terms and conditions for the employment of a president OR EXECUTIVE DIRECTOR will be set forth in a written contract OR A LETTER OF APPOINTMENT.

2. As President, the University or Board President THE PRESIDENTS AND EXECUTIVE DIRECTOR shall not be subject to the Conditions of Service Policies for Administrators (6-101), Faculty (6-201), Professional (6-301), Classified Staff (6-401), or University Staff (6-510) IN THEIR ROLES AS PRESIDENT OR EXECUTIVE DIRECTOR UNLESS THE CONTRACT OR LETTER OF APPOINTMENT STATES OTHERWISE. A President OR EXECUTIVE DIRECTOR may however, WITH THE EXPRESS PERMISSION OF THE BOARD, concurrently hold an appointment to another Board employment position which is subject to one of these policies.

C. Board approval

Board approval is required for any appointment for a President OR EXECUTIVE DIRECTOR OF THE BOARD OFFICE. The Board may delegate its authority to execute the contract OR LETTER OF APPOINTMENT to the Board Chair, following a review of the contract OR LETTER OF APPOINTMENT by Board Counsel.

D. Contract Provisions

Each contract with a President OR LETTER OF APPOINTMENT will include the following terms, in addition to other terms negotiated by the parties.
1. Effective date, which may not be earlier than the date of approval by the Board and the execution of the Contract OR LETTER OF APPOINTMENT;

2. Period of appointment, which MAY BE AT-WILL AND WHICH is not to exceed 3 years FOR THE INITIAL APPOINTMENT. Following the initial appointment term, the Board may authorize an exception to provide an appointment of no more than 5 years;

3. Duties and responsibilities of the President OR EXECUTIVE DIRECTOR;

4. Requirement to provide an annual disclosure statement to the Board describing all organizations with which the President OR EXECUTIVE DIRECTOR is affiliated;

5. Requirement to disclose all outside compensation including any consideration provided by a university foundation or university affiliated entity related to the role of university president OR EXECUTIVE DIRECTOR (this section does not require the president OR EXECUTIVE DIRECTOR to report personal and passive investment income to the board);

6. Statement that compensation beyond the current fiscal year is subject to legislative non-appropriation;

7. An explicit condition that the role of president OR EXECUTIVE DIRECTOR is primary, and although outside activities are permitted, they must not conflict with or interfere with the individual’s successful accomplishment of the responsibilities as president OR EXECUTIVE DIRECTOR.

8. Any employment benefits provided by the university and board.

9. IF THE PARTIES ENTER A CONTRACT FOR THE APPOINTMENT:
9. A. A provision permitting the Board, at its sole discretion, to terminate the contract at any time without cause by paying, as liquidated damages in lieu of all other remedies available to the president OR EXECUTIVE DIRECTOR, a specified sum not greater than that which the president OR EXECUTIVE DIRECTOR should have received as salary to the end of the then-existing contract term, and the extent to which the sum to be paid will be reduced by
the amount of compensation received by the president OR EXECUTIVE DIRECTOR if subsequently employed in a comparable position at another institution of higher education during the period covered by the multiple-year appointment with the Board, and

10. B. The basis on which the contract can be terminated for cause and the procedures to be followed.
EXECUTIVE SUMMARY

Item Name: Assignment of Goals for At-Risk Compensation

☑ Action Item

Requested Action: The board office asks the board to assign goals to the board executive director, the university presidents and the Enterprise Executive Committee for at-risk compensation and to authorize the board chair to sign restatements of contracts for the presidents and the letter of appointment for the executive director to reflect these assignments.

Background and Discussion

- Compensation designated as “at-risk” will not be paid if the assigned goals are not achieved.

- Payment for achievement of at-risk goals will be made no later than December 31 of the year in which the achievement is measured.

- The board will also authorize the Chair to sign a restated contract or letter of appointment for each university president and the executive director to reflect the new assignment. The new assignments will be provided at the September board meeting.

Contact Information:
Nancy Tribbensee, ABOR  602-229-2510   nancy.tribbensee@azregents.edu
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2018-2019 Annual At-Risk Compensation Goals for the EEC
(Total possible: $20,000)

1. The members of the EEC will work collaboratively with regents, and ABOR and university staff to develop and articulate the value proposition for higher education in Arizona. This will include support for the continued development of and engagement with the enterprise communication plan to demonstrate the strength of the collaboration among the universities to drive the Arizona economy. ($10,000)

2. Develop a single coordinated plan by April 30, 2019 for state-wide affordable options for raising educational attainment in Arizona. This plan should address satellite campuses and various other options and pathways that increase access, especially for which family incomes are not a factor in access. It should address strategies for public outreach and communication and it should include a process for rationalizing issues of competitive location among the three universities. The plan should identify implementation opportunities for board action as early as the June 2019 meeting. ($10,000)
2018-2019 Annual At-Risk Compensation Goals for Executive Director Arnold

1. Executive Director Arnold will prepare a report addressing the appropriate mission of and goals for the academic affairs function at the board level. With respect to the board’s increased focus on educational attainment, the report will evaluate current board policies and office staffing and organization and recommend changes as appropriate. The report will also make recommendations regarding board oversight of university academic programs. ($15,000)

2. Executive Director Arnold will work with the board to develop 3-5 strategic imperatives for ABOR. The report on this goal will include any associated recommendations for staffing, budgets, and regent engagement. ($15,000)
2018-2019 Annual At-Risk Compensation Goals for President Cheng

1. President Cheng will provide a plan to evaluate the market for and develop targeted non-degree credentialing, certification and badging in furtherance of NAU’s workforce development strengths. The plan may also address development of targeted professional master’s degree offerings. ($20,000)

2. For Phase I of this assignment, President Cheng will develop a model for projecting market and demographic changes that will affect enrollment at the Flagstaff campus and other satellite and remote options over the next 10 years. The report should identify variables and relationships among those variables. The plan should also identify significant risks, implications for tuition and financial aid strategies, and preliminary analysis of sustainable financial models to address those risks.

The board anticipates a future “Phase II” assignment in which the president will be asked to develop a plan to address these projected changes. ($20,000)
2018-2019 Annual At-Risk Compensation Goals for President Robbins

1. Dr. Robbins will direct the creation of a unified university office reporting directly to the president with primary responsibility for addressing education, prevention, adjudication and survivor support related to sexual assault, relationship violence and discrimination on the UA campus. The goal will be to develop approaches that reflect or model best practices nationally and that promote a consistent, fair and transparent process regarding all alleged incidents.

   The report will describe the identification and role of the Title IX Coordinator, the organization and responsibilities of the office, protocols developed between the campus and municipal police departments and campus investigators, training for all employees and campus health care providers, and provision of services at sites remote from the Tucson campus. The report will also address effective communication strategies regarding the services and responsibilities of this new office to the campus community. ($20,000)

2. By April 1, 2019, Dr. Robbins will provide a report on his assessment of the need for changes to the ABOR approved metric goals for the University of Arizona as a result of the new strategic plan and its anticipated outcomes. Dr. Robbins should engage the campus community in developing a proposal for recommended changes. ($20,000)
Proposed 2018-2019 Annual At-Risk Compensation Goals for President Crow

1. President Crow will provide a report outlining the feasibility of a focused strategy to significantly raise the research profile and evolve the organizational structure associated with the Fulton Schools of Engineering and all related technology units, consistent with launching an institute of technology on the scale of Georgia Tech or MIT. The report should identify expectations related to organizational changes consistent with being a national institute including technology transfer, sponsored research, a platform for emerging technology and a structure for the training of a technical and professional workforce. The report should also address the relationship of this increased research profile to the overall research goals in the strategic plan and describe the benefits to Arizona and ASU. ($30,000)

2. President Crow will develop and present a design for ASU’s positioning as a prototype for a university of “national service” scale that brings significant benefits to Arizona through its national and international reach, its service and its programs that serve the interests of Arizona, and its outcomes that position Arizona as one of the U.S. states that leads in developing and realizing America’s potential. ($30,000)
2018-2021 Multiple-Year At-Risk Compensation Goals
For President Crow

To be measured as of June 30, 2021. The University President may receive compensation for each of the individual performance goals. Generally, payments are not pro-rated for partial achievement of a goal.

If all of the multiple-year at-risk compensation goals (i.e., the enterprise metric and university initiatives goals) are achieved, the University President will be eligible for an additional at-risk payment of $50,000.

Enterprise Performance At-Risk Compensation Goals
1. Freshman Retention. University President will be entitled to a payment of $10,000 for achievement of the 2021 fiscal year strategic plan metric goal in the Freshman Retention Rate of 88% with an additional payment of $10,000 for exceeding the goal by attaining a FreshmanRetention Rate of 88.5%. (Total possible = $20,000)

2. Research Expenditures. University President will be entitled to a payment of $20,000 for University attaining the projected 2021 fiscal year strategic plan metric goal for total research expenditures of $720 million with an additional payment of $20,000 for exceeding the goal by attaining total research expenditures of $745 million for the 2021 fiscal year. (Total possible = $40,000)

3. Bachelor’s Degrees. University President will be entitled to a payment of $10,000 for achievement of the projected 2021 fiscal year strategic plan metric goal in Bachelor’s Degrees Awarded of 19,150. (Total possible = $10,000)

4. Total Students. University President will be entitled to a payment of $10,000 for achievement of the projected 2021 fiscal year strategic plan metric goal of 113,425 total students enrolling in the University. (Total possible = $10,000)

5. Number of Degrees in High Demand Fields. University President will be entitled to a payment of $10,000 for achievement of the projected 2021 fiscal year strategic plan metric goal number of degrees in high demand fields of 11,966. (Total possible = $10,000)

University Initiatives At-Risk Compensation Goal

President Crow will increase the student athlete Graduation Success Rate, measured as of June 30, 2021, as follows:
• Football, which is currently at 76% will be increased to 85%, and
• Men’s basketball, which is currently at 93% will be increased to 95%
(Total possible = $20,000)
NOTES

- The enterprise metric at-risk compensation goals will be evaluated based on university data.
- In addition to any elements described in the goals, the president’s report should describe the following for each university initiative goal:
  - The strategic importance of the goal to the university or enterprise strategic plan;
  - Achievement of the goal as assigned, progress toward achievement, or challenges that prevented achievement and a strategy for overcoming those challenges;
  - Data or other evidence demonstrating achievement;
  - Any administrative, personnel, resource allocation or policy changes associated with achievement of the goal;
  - The plan or proposed strategy for maintaining the achieved goal or the momentum put in place in support of the strategic initiative(s) described in the goal; and
  - Any additional issues the president believes may be relevant to the evaluation of the goal or to the continued success of the initiative described in the goal.
- Reports may include sections that describe confidential personnel or proprietary information. Those sections should be marked appropriately and those elements may be limited to executive session review by the Board.
- The report for each goal should include an Executive Summary of a maximum of two pages in length. The report and any additional supporting data and comments should not exceed an additional 15 pages.
Item Name: Purchase of 1st Street & Warren Avenue Property on UA Main Campus

Action Item

Requested Action: The University of Arizona asks the board to approve the purchase of real property and improvements located at 1051-1055 N. Warren Avenue, Tucson, AZ, for a purchase price of $1.7 Million.

Background/History of Previous Board Action

- The UA seeks to acquire the real property and improvements located at 1051-1055 N. Warren Ave. and 1633-1639 E. 1st Street (the “Property”), as depicted in Exhibit A and legally described in Exhibit B, for a purchase price of $1.7 Million.

- The Property is located within the UA’s campus planning boundary, and is in the heart of the UA’s campus, in an area designated for future development of core research or educational facilities.

- The Property was previously in escrow, at the same purchase price, to a private developer who planned to build high-rise student housing, a use that would be inconsistent with the UA’s campus master plan. That developer is still seeking to purchase the property, but has been unable to secure financing.

Discussion

- The Property is currently owned by a trust, represented by Elaine Richardson.

- Ms. Richardson has executed a Letter of Interest with the UA, agreeing to negotiate exclusively with the UA for a period of 90 days from September 17, 2018, and has offered to sell the Property to the UA for $1.7 million, the price at which it was previously in escrow.

- The Property is in a critical location on the UA’s main campus, south of Speedway and immediately adjacent to the Warren Avenue underpass with excellent connectivity to the UA Health Sciences Center. The UA wishes to acquire this Property for future development aligned with the UA’s strategic plan and campus master plan.

Contact Information:
Gregg Goldman, Senior Vice President for Business Affairs and CFO,
ggoldman@email.arizona.edu, (520) 621-5977
EXECUTIVE SUMMARY

• The Property consists of 13,310 square feet of land with a 7-unit, 3,633 square foot apartment complex. The existing buildings will be used for office space until the property’s long-term use is determined. The Property purchase will be funded by Local Funds.

• The UA is acquiring two appraisals, as required by ABOR Policy 7-206(B), and will provide a confidential notice of those appraisals to board counsel when they are received.

• The UA anticipates that the purchase price may be above the appraised value of the Property, and requests board approval to move forward with the acquisition if the appraised value is within 30% of the proposed purchase price. The rationale for purchasing the property above appraised value is the critical location of the Property within the UA’s campus planning boundary, and likelihood that the proposed private development of the Property as high-rise student housing would result in a significant increase in the value and ultimate cost to acquire the Property.

Committee Review and Recommendation

• The UA seeks a waiver of the requirement in ABOR Policy 7-203 that all property acquisitions be reviewed by the Finance, Capital & Resources Committee, and is submitting this directly to the board for action.

Statutory/Policy Requirements

• ABOR Policy 7-203 requires that all property purchases be submitted to the Finance, Capital and Resources Committee for review, and to the board for approval.

• ABOR Policy 7-206(B) requires that two appraisals be secured for any property purchases anticipated to have a purchase price in excess of $1 Million.

• ABOR Policy 7-203(A)(6) requires that the UA provide a confidential notice of the appraisals to board counsel.

• UA seeks a waiver of the requirement in 7-203 that the appraisals be completed prior to submitting the matter to the board for approval, on the conditions set forth above.
EXHIBIT “A”

Site Aerial
EXHIBIT “B”

(Legal Description)

NOB HILL S121’ OF LOTS 13 & 14 BLK 3 1051 N WARREN AVE (1051-57) TUC
(QCD: DKT 7614 PG 1095 9-9-85)
Student Regent Report

Aundrea DeGravina
Student Regent

September 27, 2018
**Mission:** To be an effective advocate of the student experience as members of the Arizona Board of Regents.

**Defining our role:** Our voice has a unique perspective as a link between students and the board.
How do we do share that perspective?

- Monthly phone calls with student body presidents
- Student leadership dinner at each board meeting
- Updating the student leadership meeting format
- By being students!
Goals for the Fall Semester

- Engage with policymakers for higher education advocacy
- Hold “office hours” that are advertised through each universities’ student government
- Continue fee discussions
- Present to each university student government about the board and how we interact
Current Project and Issue for Discussion

Project:
• Updating the student regent application across the universities

Discussion:
• Food insecurity on campus