A meeting of the Arizona Board of Regents was held on June 1 and 2, 1995, in the Student Union, Northern Arizona University-Yuma at Arizona Western College, Yuma, Arizona. President Chapa called the meeting to order at 9:35 a.m.

PRESENT: Regent George H. Amos, III
Regent Eddie Basha
Regent Rudy Campbell
Regent Arthur Chapa
Regent Judy Gignac
Regent Lisa Graham (Friday Only)
Regent Andrew Hurwitz
Regent John Munger
Regent David Tung
Regent Douglas Wall

ABSENT: Regent Fife Symington

Also present were: President Clara Lovett, Dr. Jeanette Baker, Dr. David Markee, Mr. Norman Hintz, Dr. Henry Hooper, and Mr. Sam Polito, Northern Arizona University; Dr. Nick Lund, NAU-Yuma; President Lattie Coor, Dr. Milton Glick (Thursday Only), Mr. Jennus Burton (Friday Only), Mr. Allan Price, and Dr. Christine Wilkinson, Arizona State University; President Manuel Pacheco, Dr. Paul Sypherd, Dr. Saundra Taylor, and Mr. Gregory Fahey, University of Arizona; Executive Director Frank Besnette, Board Counsel Joel Sideman, Secretary to the Board Judy Garza, Dr. Thomas Wickenden, Dr. Mary McKeown, Dr. Art Ashton, and Ms. Suzanne Pfister, Central Office; and Dr. Linn Montgomery, Arizona Faculties Council.

All lists, reports, summaries, background materials, and other documents referred to in these minutes can be found in the June 1 and 2, 1995, Documents File.

CALL TO THE AUDIENCE

Marilyn Young - Mayor of Yuma, welcomed everyone to Yuma. She stressed the importance of the Northern Arizona University\Arizona Western College partnership to
Alicia Valdez - Principal at Rio Salado School in San Luis, told Board members how many teachers were either taking courses currently or had received their degrees or Masters' degrees from NAU-Yuma. She stated she hoped NAU-Yuma and Arizona Western College would establish a Center for Excellence in Bi-Lingual Education and a Center for Excellence in Bi-Lingual Trade.

Russ Jones - a local realtor, thanked the Regents for bringing opportunities, through NAU-Yuma, to the growing community of Yuma.

Mr. Sam Pepper - Publisher of the Yuma Daily Sun, thanked the Regents for supporting the 2+2 concept in Yuma. He would like to see the concept expanded.

Judy Sorensen - lecturer and academic advisor in the physical education program at the University of Arizona, stated she believed the physical education program at the UofA should continue on its own merits. She believed the cancellation of the program was being made by the administration in opposition to the position taken by every review group.

Patricia Fairchild - Associate Professor of Exercise and Sport Sciences at the University of Arizona, stated she did not believe President Pacheco had a real understanding of the educational needs of Arizona's communities in relation to physical education teachers.

Mitzi Forbes - a doctoral student from the College of Nursing at the University of Arizona and the Arizona Health Sciences Center's representative to the Arizona Students' Association Board, stated she believed the proposed increase in registration for the College of Pharmacy would limit access to the program to all but wealthy students. She does not believe enough of the increase will be allotted for financial aid.

Patricia Sallen - an attorney in Phoenix, a graduate of the University of Arizona Journalism Department and a member of the "Save Journalism" Committee, asked that a decision be reached on the issue of eliminating the UofA Journalism Department. She believed the Department is now in "limbo," causing students and programs to leave. She asked for closure on the issue.

Sandra Valdez-Gerte - a reporter for the Yuma Daily Sun and a graduate of the University of Arizona Journalism Department, spoke on behalf of the UofA Journalism Department. She asked for the Department to be strengthened.

Dipankar Chakravarti - former Chair of the Faculty Senate Select Committee on Reorganizations, member of the University of Arizona Planning and Budget Committee, stated he was asked by the current Chair of the Faculty to address President Pacheco's recommendations to the Regents regarding the reorganization of the Department of Exercise and Sports Sciences. He stated the Strategic Planning and Budgeting
Advisory Committee (SPBAC) recommended further review, not non-retention as President Pacheco implied. He also stated there was no evidence of consultation between Provost Sypherd and the Dean of the College of Education on the substantive question of the State’s overall needs for physical education teachers and of Southern Arizona’s needs in particular.

Dr. Chakravarti believed Provost Sypherd's proposals were arbitrary and far removed from being a logical conclusion drawn from the available evidence. He urged the Regents to consider the presentations made by other faculty representatives, to ask President Pacheco to rethink his recommendation regarding the Physical Education Program, and to explore other more meaningful resolutions.

Dr. Claire Parsons - Chair of the Faculty Senate Special Committee on Reorganization of Exercise and Sports Sciences, stated she was present at the request of the Chair of the Faculty Senate to address President Pacheco’s proposal to phase out the Department of Exercise and Sports Sciences. She stated President Pacheco’s modified proposal reflects only a small part of the Special Committee's thinking and recommendation about the physical education teacher program. Closing the program at the end of the 1997-98 academic year will prevent part-time students from completing their degree program. Dr. Parsons said program dismantling began before the review process had been completed.

Ken Smith - Chair of the Committee of Eleven, stated he was authorized to speak for the combined leadership of the University of Arizona faculty governance. He told the Board that President Pacheco had followed agreed upon procedures in making the reorganization recommendations. The Program Assessing Institutional Priorities (PAIP) process resulted in a finding that the Physical Education Program "meets criteria" for continuation, although some other departments did not. The Strategic Planning and Budget Advisory Committee (SPBAC) found the Physical Education Program to be central to the University Mission and the Faculty Senate voted 22-8 to accept the Special Committee report recommending the continuation of the program. Therefore, although the president followed the agreed-upon procedure, his recommendation to the Board is the reverse of the recommendations made to him in all three cases.

On behalf of the faculty leadership, Dr. Smith offered these substitute recommendations:

1. We agree that the Physical Education Program should be transferred to the College of Education, preferably as a Department, but with no release of tenured faculty. The Dean of the College of Education, in cooperation with the Faculty of the Physical Education Program and the Provost of the University, should conduct a thorough study of the range of proposals concerning the Physical Education Program and should make recommendations to the President and the Faculty Senate.

2. If the President sees merit in transferring the Activity Program to the Recreation Center, we can support the proposal except that costs should not merely be transferred
to the students.

3. Given that the agreed upon process clearly was not successful, it is requested that the President and the Provost agree to cooperate with faculty governance leadership to develop a process to deal with these kinds of matters to prevent this kind of impasse being brought to the Board again.

Mr. James Ullman, President of the State Board of Community Colleges, joined the meeting.

**CONSENT AGENDA**

Regent Chapa announced that Items 32 and 33, Multi-Year Contracts for Lecturers for UofA and ASU; Item 36, Amendment to Policy 6-402; and Item 39, Annual Space Utilization Report; were removed from the Consent Agenda. All remaining items on the Consent Agenda, which were printed in blue and are marked in these minutes with an *, were considered as consent matters and all Consent Agenda items were adopted unanimously upon motion of Regent Wall, seconded by Regent Tung. There was no specific discussion of these items.

Programs Committee Consent Agenda

*Report on Academic Degree Program and Organizational Unit Changes and Deletions*

The Board received a written report from Executive Director Besnette informing them he had approved the following requests: University of Arizona - Merge the Environmental Research Laboratory with the Department of Soil and Water Science to form the Department of Soil, Water, and Environmental Sciences; Delete the program major in Mineral Economics for the M.S. and Ph.D. degrees, to become effective in Fall 1996. Arizona State University - Change the name of the Department of Civil Engineering to the Department of Civil and Environmental Engineering.

*Approval of Regents' Professors (NAU and UofA)*

The Board authorized Northern Arizona University to appoint Dr. Wallace Covington, Professor of Forest Ecology in the School of Forestry; Dr. Robert T. Trotter, II, Professor of Anthropology in the College of Social and Behavioral Sciences; and Dr. Thomas G. Whitham, Professor of Biological Sciences in the College of Arts and Sciences; as new Regents' Professors effective July 1, 1995, with salary stipends of $5,000 for each. The Board authorized the University of Arizona to appoint Dr. Julia Annas, Department of Philosophy; Dr. David Arnett, Physics and Astronomy; and Dr. Jane Hill, Anthropology; as new Regents' Professors effective July 1, 1995, with $5,000 salary stipends for each.

*Approval of Emeritus for Selected Retired Faculty Members (NAU, ASU, UofA)*

The Board approved emeritus status for retired faculty members and academic
professionals as requested by Northern Arizona University, Arizona State University, and the University of Arizona.

Resources Committee Consent Agenda

*Notices of Appointment for University Presidents and Executive Director

The Board authorized the issuance of Notices of Appointment for President Coor, President Lovett, President Pacheco, and Dr. Besnette for the appointment period beginning July 1, 1995, and extending through June 30, 1996. Each individual will continue to receive his or her current levels of salary, fringe benefits, and other compensation, subject to the completion of the performance evaluation process, except for the provision of the housing allowance to President Coor as authorized by the Board in July 1994.

*Voluntary Release of Right to Continued Employment by William L. Wolfe and Russell Gum (UofA)

The Board authorized the University of Arizona to enter into agreements with Dr. William L. Wolfe, a tenured Professor of Optical Sciences, Dr. Theo Watson, a tenured Professor of Entomology, and Dr. Russell Gum, a continuing status academic professional employed as a Specialist at the College of Agriculture, for written relinquishment of all tenure rights, all rights to continued employment, all rights to reemployment or future employment by the Board, and all other employment rights and privileges except for normal retirement benefits.

Dr. Wolfe will receive $90,361.80 in two equal installments in exchange for voluntary release of his position and resignation effective July 1, 1995. The payments of $45,180.90 each will be made on July 1, 1995, and January 1, 1996. Professor Wolfe will be offered Professor Emeritus status. Dr. Watson will receive $163,700 in two equal installments in exchange for voluntary release of his position and resignation effective December 31, 1995. The payments of $81,850 each will be made in January 1996 and July 1996. Professor Watson will be offered Professor Emeritus status. Dr. Gum will receive $128,724 in two equal installments in exchange for voluntary release of his position and resignation effective July 1, 1995. The payments of $64,362 each will be made in July 1995 and July 1996.

*Amendment to Board Policy 4-203, Requirement for Resident Status (Electronic Course Delivery) Second Reading

The Board adopted an amendment to Board Policy 4-204, Requirement for Resident Status, that will permit all students taking not more than six credit hours solely through electronic course delivery at employer-sanctioned sites in Arizona, when such employers are being charged additional site fees or transmission costs, to be assessed in-state fees.
*Amendment and Restatement of the Optional Retirement Plan to Provide for a Trust Vehicle and Incorporate Four Previous Amendments*

There have been four amendments to the ORP since it was last restated in April 1991. In April 1995 the Board approved the addition of two new ORP carriers, one of which utilizes a trust vehicle to allow for employer and employee contributions to be invested on behalf of the participant. In order for this to occur, the plan document must again be amended to retain its qualified status. The Board authorized and directed the Executive Director to execute the Second Amendment and Restatement to the Arizona Board of Regents Optional Retirement Plan (Amended and Restated).

*Quarterly Status Report on Construction Projects Over $1M for the Period Ended March 1995*

The Board received a written report on the construction projects costing $1M or more. At the end of the quarter there were 14 projects in various stages of design and construction with an approved cost of $121.1M. The University of Arizona had 9 projects at an approved cost of $94.5M. Arizona State University had 2 projects at an approved cost of $7.2M. Northern Arizona University had 3 projects at an approved cost of $19.4M. One new project was added to the report this quarter, the NAU-Yuma Academic Facility. The NAU DuBoise Conference Renovation was reported as having been substantially completed. The University of Arizona reported three projects "Fiscally Completed" - the Mt. Graham SMT, the Fine Arts Addition, and the AHSC Library Addition.

*Annual Report of Real Property Leases*

The Board received a written report on real property leases which includes the university as both the lessor and lessee. Campus leases in which the university is the lessor and the space leased is for auxiliary purposes need not be reported. The University of Arizona reports it leases a total of 395,192 square feet (excluding five leases of 55,669 acres of land) at an annual cost of $3,160,380 with 5 leases with costs in excess of $100,000 annually. Two will be terminated at the end of their term and three will be continued. Arizona State University reports it leases a total of 122,928 square feet at an annual cost of $1,134,807 with 3 leases with costs in excess of $100,000 annually. One will be terminated at the end of its term and two will be continued. Northern Arizona University reports it leases a total of 14,129 square feet at an annual cost of $108,208.

The University of Arizona reports it is lessor of 48 leases for a total of 33,038 square feet (excluding 8 leases of 1,307 acres of land) at an annual cost of $512,248. Arizona State University reports it is lessor of 43 leases for a total of 130,296 square feet (excluding 163 acre Karsten Golf Course) at an annual cost of $791,986. Northern Arizona University reports it is lessor of 3 leases for a total of 965 square feet at an annual cost of $10,485.
Audit Reports From the State Auditor General

The Board accepted written reports submitted by the State Auditor General for the three universities as follows:

ASU: Audit of Supplementary Schedule of Federal Financial Assistance; Internal Control Structure, Compliance With Laws, Regulations, Contracts and Grants

NAU: Audit of Supplementary Schedule of Federal Financial Assistance, Internal Control Structure, Compliance With Laws, Regulations, Contracts and Grants

UofA: Special report on Audit Findings, Internal Control Structure, Compliance With Laws, Regulations, Contracts and Grants

*Internal Audit Report on University of Arizona Development Office

The Board accepted the Internal Audit report on the University of Arizona Development Office as submitted. There were no findings reportable to the Board and 5 internal recommendations were submitted to the university.

PROGRAMS COMMITTEE AGENDA

Regent Basha chaired this portion of the meeting.

Report from the Study Group on Excessive Accumulation of Credit Hours and Dropped Courses

Dr. Thomas Wickenden told the Board the first proposal studied by the group was to charge non-resident tuition to students who accumulate more than 160 credit hours or to students who accumulate more than 40 credit hours over the Board approved credits required by the student's major. The first recommendation of the Study Group was to differentiate between credit hours accumulated by students when they encounter institutional barriers, as these can only be reduced by institutional efforts, and those they accumulate by being unwilling or unable to make consistent progress toward completion of a degree. Dr. Millicent Valek, Vice President for Academic Affairs at Arizona Western College, outlined the second recommendation of the group which was to reduce institutional barriers which result in excessive credit hours. Part A is to reduce barriers which impact all students by making required classes more readily available when students need them, asking advisors to monitor the progress of students towards completion of their degrees, advising students earlier about choosing a major and providing better advising support for seniors who have not yet applied for graduation. These are among the undergraduate education goals set by the Board for the universities last fall.

Part B includes remedies for transfer students who accumulate excessive credit hours. The recommendations included earlier academic advising for transfer students,
improved information and assistance for potential transfer students, improvements in the articulation task force (ATF) process, and improvements in implementation of the Transfer General Education Core Curriculum (TGECC). The group believed that only looking at remedies that address excessive accumulation of hours would disproportionately penalize community college transfer students.

Dr. Christine Wilkinson presented the third recommendation which is to reduce the accumulation of excess credits by students who are "wandering through the system." Each university would enhance the existing advising process to identify these students, analyze their transcripts, develop and monitor their graduation plans, and report to the Board the results of these efforts through an outcome measure.

Dr. Wilkinson said the fourth recommendation is to report progress on reducing the number of students who accumulate excessive credit hours to the Board as an additional outcome measure in the annual report on the Undergraduate Education Goals. The Study Group recommended the measure would be defined to exclude credit hours which were (1) related to career preparation (including credits earned in ROTC and credits due to a change in major or a second degree related to a change in job or career plans), (2) funded by non-State sources (including credits earned at private institutions and out-of-state institutions, etc.) or (3) earned in support of other educational missions (such as courses taken at a comprehensive community college).

Dr. Wickenden introduced the second issue the Study Group reviewed, students who abuse the registration process by deliberately signing up for too many courses and then dropping the extra ones. Ms. Barbara Chester, Past President of Associated Students' of NAU, described the academic disincentives currently in use which the group believed to be effective in preventing abuse of the drop-add process and informed the Board why students might be dropping courses. The Study Group recommended that the current limit of 18 or 19 credit hours for course registration without an advisor's permission be retained in order not to inconvenience the growing numbers of students who take this many courses each semester. Abuse of this privilege, if any, be reduced through improvements in advising and registration systems. They also recommended the undergraduate education goals be incorporated into the Hurwitz measures, the current academic disincentive provided by a "W" on the transcript of students who drop a course after a certain date be retained, and an increase in financial disincentives to the level used by the UofA.

Regent Munger stated his disappointment with the recommendations offered by the Study Group. He stated he had raised these issues because approximately 75%-80% of the cost of educating resident students is being paid by the taxpayers of the State of Arizona and students who abuse the system are taking advantage of this as well as taking the place of other students who might want into the system. His proposal was to add 40 units to whatever units were required by the degree program, then add another ten units which are waivable; and, not count any units that were acquired at non-taxpayer expense (private colleges or out-of-state colleges) or any units previously acquired by anyone who had been out of the system for five years or longer. He
believed approximately 12% of each year's graduating class had in excess of 160 units. Regent Munger said he was supportive of including this in the "Hurwitz" measures, but would like to know what the measure and the baseline data would be.

Regent Gignac stated she would rather reward students for graduating on time or early instead of penalizing them for taking extra hours. Regent Hurwitz stated the discussions and presentation had not convinced him there was a need to penalize students who graduate with over 160 hours.

Regent Munger stated he believed the drop/add issue is also driven by the need to make efficient use of our limited resources. He advocated allowing students to sign up for only 15 to 16 hours when they register by computer. If a student would like to take more than 16 hours, he or she should have their request approved by a counselor. President Pacheco told the Board there was a problem several years ago with students over-registering and thus keeping other students out of classes they needed. However, he believes this problem had been cut by 50% at the University of Arizona and continues to improve as the universities are able to predict how many students will drop classes and plan accordingly. Regent Hurwitz asked that the Study Group, if they are asked to re-examine these issues, look at the issue of how well the universities are able to forecast demand so classes do not stand empty after the drop/add date.

President Lovett told the Regents the universities, during the registration process, use waiting lists as well as actual registrations to determine how many students need to be accommodated in the various classes each semester. President Coor suggested the issues to be considered are: Are there classrooms that aren't filled? Are there students that can't get into the classes they need? Are there mechanisms to modulate what is happening so needs are fulfilled? Dr. Montgomery informed the Regents that NAU, and he assumed the other two universities as well, had an over-ride system that allowed professors to allow individuals into a particular class above the capacity of the class if they see a need. The end result of this is classes that end up with the correct number of students.

Regent Munger moved that, in regard to the excess units issue, this matter be referred back to the Study Group to come before the Regents at the next meeting, or no later than the August meeting, with information that advises the Regents what the Hurwitz baseline measurements would be and how the measuring system is going to work on the excess units. This would allow a baseline and measurement system to be established and to come back to the Board within a year, as do all Hurwitz measures, to determine whether progress has been made. If progress has not been made within that year's period, then Regent Munger will revisit the issue. The motion was seconded by Regent Chapa. Regent Munger also asked to be furnished a financial analysis, because he believes the universities are graduating about 1,000 students a year with an excess of 160 units; and he believes this costs the university system money. The motion passed with all Regents voting aye.

With regard to the drop units provision, Regent Munger moved that the universities be
instructed to limit their computerized registration system to 16 units and that students who want to register for more than 16 units consult with and obtain the signature of their advisor. The motion was seconded by Regent Amos. Regent Gignac asked the presidents if this suggested system would cause a problem. President Coor answered ASU had been encouraging students to take heavier loads to complete their degrees on time and he believed the motion would require the university to provide advisors/faculty members to assist 1200 students to register each semester in order to access a more substantial course load. It was suggested this motion be deferred until the Study Group comes back, either at the July or August meeting. Regent Munger and Regent Amos agreed with the suggestion and withdrew the motion.

**Merging the Department of Nuclear and Energy Engineering into the Department of Aerospace and Mechanical Engineering and Eliminating the B.S. in Nuclear Engineering (UofA)**

President Pacheco explained the University's request to merge the Department of Nuclear and Energy Engineering into the Department of Aerospace and Mechanical Engineering and to eliminate the B.S. in Nuclear Engineering. Upon motion of Regent Wall, seconded by Regent Chapa, the Board authorized the University of Arizona to merge the Department of Nuclear and Energy Engineering into the Department of Aerospace and Mechanical Engineering and to eliminate, after May 1999, the Bachelor of Science in Nuclear Engineering.

**Discontinuing the Department of Statistics (UofA)**

President Pacheco explained the University's request to discontinue the department of statistics. Upon motion of Regent Wall, seconded by Regent Chapa, the Board authorized the University of Arizona to eliminate the Statistics Department within the College of Science, effective at the end of the Spring 1996 semester.

**Reorganization of the Department of Exercise and Sports Science**

President Pacheco explained the University's request to reorganize the Department of Exercise and Sports Science. He told the Regents the university will make its best effort to place faculty members from the Department of Exercise and Sports Science elsewhere, but no promises can be made. Regent Chapa moved to authorize the University of Arizona to reorganize the Department of Exercise and Sports Science in accordance with the president's proposal as set forth below. The motion was seconded by Regent Amos.

A. In accordance with the recommendations of the Special Committee, the tenured faculty members in the Physical Education Teacher Preparation program, together with their faculty lines and appropriate staff support, should be moved to the College of Education. However, they should continue to offer their program only until the end of academic year 1997-98, by which time all currently enrolled majors and currently declared Pre-Physical Education majors will have had the opportunity to complete their
programs. Similarly, the University should honor an existing commitment to students presently registered as Pre-Physical Education majors at Pima Community College. Under an articulation agreement, they were promised acceptance into the program in Physical Education Teacher Preparation if their academic record met requirements. They should be admitted provided they can complete their program by the end of academic year 1997-98.

After academic year 1997-98, one tenured faculty member should be retained to meet the needs of the Elementary Education majors. In accordance with ABOR policy, the university should make its best effort to find alternative positions for all remaining tenured faculty members, but if these efforts are not successful, those faculty members should be released. In the long term, as the faculty lines currently occupied by Physical Education faculty members are vacated by release, retirement, or departure, they should revert to the Provost for use as the needs of the University dictate.

B. In accordance with the recommendations of the Special Committee, the faculty member central to the graduate program in Sports Psychology should be transferred to the Department of Psychology in the College of Social and Behavioral Sciences. Psychology is prepared to accept this arrangement.

C. The graduate program in Sports Administration should be permitted to admit one further class of students in Fall, 1995, with the understanding that they are expected to complete their program by 1998. The program then should be discontinued.

D. Given that the central faculty member is moving to another institution, the graduate program in Athletic Training should be discontinued after currently enrolled students have had the opportunity to complete their programs.

E. The for-credit Sport Activity Program should be discontinued as soon as is practicable. Arrangements should be made for selected activities to continue under the auspices of the Recreation Center on a non-credit for-fee basis, as demand dictates and facilities permit. These activities can provide internship opportunities for Physical Education majors as they complete their programs.

F. Non-tenured faculty members should be released as their contracts expire, but they should be given a first opportunity to staff Activity Program courses taken over by the Recreation Center. They would not retain their faculty status. In accordance with the usual practice when reorganization occurs, the University expects to be able to place support staff members in alternative positions for which they are qualified elsewhere in the University.

Dr. Montgomery told the Regents the Arizona Faculties Council (AFC) did not support the portion of the reorganization plan that terminated the physical education teacher education program because the administration's assessment of this program is at odds with all the committees that have reviewed this proposal and this program was not one of the units listed that did not meet expectations of a quality program when reviewed by
the Program for Assessing Institutional Priorities. It appears to the AFC that what drives the University's assessment of centrality of mission and importance is research and extra-mural competitive funding and the AFC believe this runs counter to several recent Regent stated strategic directives.

Regent Campbell stated this is a painful exercise; but with declining university financing, there may be more program cuts in the future. Regent Gignac agreed, and said the elimination of any program should not be taken as any form of degradation of degrees previously awarded. The motion passed by unanimous voice vote.

Regent Amos challenged the faculty to find areas in the institutions where cuts could be made. Regent Hurwitz stated he carefully read all the comments made by the faculty, but he did, and will continue to, place great weight on the recommendation made by the President and the Provost. Regent Munger said he respected the efforts made on this issue by President Pacheco and Provost Sypherd as it was a controversial decision which would necessarily displease a number of people. Dr. Montgomery said the faculty needed to be given a clear statement of the financial constraints the universities are under and they would respond in the way they were challenged. Regent Amos believed the three universities should work together in their cost-cutting efforts.

**Study Session on Admission Policies**

Dr. Tom Wickenden reminded the Board of the mandate included in the Board's Goals and Objectives to review the impact and projected impact of recent changes in admissions policy. A second issue for discussion is how to implement the proposals regarding guaranteed admission of transfer program graduates communicated to the Board by the Community College Task Force on Enrollment Growth Planning and adopted by the Board last summer. A third issue is the strong interest in having a serious discussion of conditional admission policies, including the "shall to may" proposal which moves from mandatory conditional admission of resident students to discretionary admission as well as a review of all exceptions and all special admission policies. The last issue is the request by Regents to implement the recommendation to review and reconsider the current exemption from competency requirements for students transferring in 36 or more credit hours. Dr. Wickenden told the Board the staff work on these requests was carried out by the Transfer Requirements Task force and the Admissions Policy Task Force which were later combined to form the Joint Task Force on Admission Policies.

Dr. Wickenden discussed the current admission criteria for first-time freshmen and transfer students, both unconditional and conditional. Residents who meet the conditional criteria shall be admitted, whereas, non-residents who meet the conditional criteria are eligible for admission at the discretion of the University. Mr. Jerry Lucido, Assistant Vice President for Enrollment Services at UofA, presented the recommendations of the Joint Task Force on Admissions Policy. Dr. Sarah Bickell, Interim Vice President for Student Services at NAU, Dr. Christine Wilkinson, Vice President of Student Services at ASU, and Ms. Lynne Tronsdal, Assistant Dean of Arts
and Sciences at the UofA also represented the Task Force.

The Task Force recommends implementing the proposals of the Community College Task Force regarding transfer students who have completed lower division work, transfer program graduates, equitable treatment of community college transfer students and the community college/university articulation process under current Board policies and university practices, and that the Academic Program Articulation Steering Committee (APASC) be directed to consider ways in which the efficiency of the transfer process might be further enhanced through improvements in academic program articulation.

The Task Force has four recommendations dealing with conditional admissions. The first is to eliminate conditional admission as a category of admission for first-time freshmen. The second is to eliminate the exemption from competency requirements for students with 36 or more transferrable credit hours. Mr. James Ullman, when asked, stated he was concerned about the recommendations, primarily because he believed they may not be consistent with the direction being taken by the State Board of Education.

The third recommendation is to eliminate conditional admission as a category of admission for all new transfer students by admitting all Arizona residents meeting unconditional criteria, exercising discretion in admitting students who did not meet the unconditional criteria, and submitting a report to the Board on those principles which would guide discretionary admissions. Regents asked how this change would affect rural and minority admissions. Mr. Lucido stated he did not know the geographic breakdown, but discussed the ethnic breakdown. Of the unconditional admissions who are residents, approximately 1,179 are minority students or 26% of the unconditional admits. He stated it was still in the universities’ interest to maintain a diverse student population.

The fourth is to raise the eligibility threshold for admission as a transfer student from 12 to 24 transferrable credit hours. The Task Force had presented a recommendation to make the general educational development examination with a score equivalent to a 3.0 high school GPA an alternative criterion for admission rather than an exception to the admissions policy, but on further discussion, the Task Force now wishes to withdraw the recommendation as they believe it is already in Board policy.

The meeting recessed at 1:10 p.m. and reconvened at 2:00 p.m. President Carruthers was asked if he had any problems with removing the conditional admissions and he replied he did and would like to discuss it at some future time. Regent Wall asked for a comparison of graduation rates between community college transfers and students who start at the universities in the freshman class and was told the transfer rate was probably higher. It was suggested that might be part of the next discussion of this issue. Regent Chapa stated he would like to know what more the universities could be doing and at what cost to improve their ability to retain students. Regent Amos said he believed the better prepared the students are when they come to the universities, the
better their chance for success. The Board authorized the Joint Task Force to share these recommendations with Arizona's high schools, community colleges, and other groups, note their comments, and place the recommendations on a future Board meeting agenda for a first reading.

**Review of University of Arizona’s Report on Compliance With Board Policy on Non-Resident Enrollment**

Dr. Paul Sypherd introduced Professor Michael Gottfredson, Vice Provost for Undergraduate Education, who informed the Regents that 30% of the undergraduates at the University of Arizona are non-resident, 42% of the graduate students are non-residents, and the over-all percentage of non-residents is 33.2% while the Board policy calls for a non-resident rate of no higher than 25% over-all. He stated the high graduate non-resident enrollment is a reflection of the high national regard for the University of Arizona. He told the Board the method of calculating non-resident students was changed in 1989 and this caused the higher percentage, especially in the graduate student category. He said there also was a time when the policy was enforced statewide rather than for each individual university.

Dr. Gottfredson stated the non-residents help keep the costs lower for the resident students and cutting the non-resident students back to 25% would be a financial hardship for the university. He also told the Board that, according to the revised Arizona Demand Model, if the non-resident students are capped at 25%, the university may not be able to find enough resident students to replace the non-residents. Regent Campbell asked for data from the University of Arizona concerning the number of non-residents that apply for and receive resident status. Regent Amos moved that the non-resident enrollment policy be enforced statewide rather than for each individual university as long as all qualified Arizona students are being admitted to the Arizona universities. The motion was seconded by Regent Munger.

Regent Wall said one of the reasons there may not be enough Arizona students to qualify for admission is that the admissions standards and requirements have been raised. Regent Hurwitz stated it would be hard to manage the 25% non-resident enrollment cap system-wide if the cap were to be exceeded. However, he questioned whether the graduate and undergraduate rates should be the same and whether, in the short run, the figures being discussed show there is a need for another campus in Pima County. Regent Chapa stated that even though the non-residents add more money in tuition and fees, it costs the state money to provide buildings and services for those students. Regent Gignac said she supported looking at the possibility of having different non-resident rates for graduate and undergraduate students. The point was made that the system is over the 25% resident cap right now so changing to a system-wide cap would require changes now. Also, a system-wide cap could require some revenue sharing from non-resident tuition and fees. Regent Tung noted that the trend at the University of Arizona has been for the resident student rate to decline and the non-resident rate to increase and he did not think this was proper. The motion to adopt a system-wide cap for non-resident students failed with Regents Amos and Munger voting
yes and Regents Hurwitz, Gignac, Campbell, Wall, Basha, Chapa, and Tung voting no.

Regent Amos moved to adopt the proposal the University of Arizona brought forward to the Board to return to the previous counting method (i.e., placing all part-time students enrolled for only 1-6 hours in the denominator when calculating non-resident enrollment figures) and to continue to study the system-wide enrollment projections as the UofA seeks to lower the proportion of non-resident students, protect its academic and fiscal well being, and achieve compliance with ABOR policy. Regent Munger seconded the motion. The Board expects the University, within a reasonable time, to come back with a plan explaining how and over what time frame it intends to reach compliance with the 25% limitation. The motion passed with Regents Munger, Amos, Hurwitz, Gignac, Basha, and Tung voting for and Regents Wall, Campbell, and Chapa voting no. The Board asked that the presidents and the Executive Director look at the question of having different caps for under-graduate and graduate non-resident students.

Regent Basha asked that the consideration of whether a second campus is currently needed in Pima County be an agenda item on an upcoming meeting.

COMMISSION ON THE STATUS OF WOMEN

Dr. Judy Mitchell, Professor of Language, Reading and Culture at the University of Arizona, who served as Chair of the Commission on the Status of Women Task Force and is Chair of the UofA Commission on the Status of Women, presented the report from the Commission. She was accompanied by Ms. Barbara Hoks, Senior Systems Analysis in Human Resources at Arizona State University, who is Chair of the ASU Commission on the Status of Women.

The Task Force was given 5 specific charges. The first was to identify those recommendations which have been completed. The Task Force agreed that the following seven recommendations have been completed on all three campuses: #1, Permanent Campus Commissions; #2, Presidents’ Annual Reports; #7, Central Office Equity Study; #36, Delayed Tenure Clock; #42, Sexual Harassment Policy; #45, Safety and Security Program; and #49, Gender Discrimination and Safe Work Environment. In addition, each university has individually moved toward implementing Vision 2000 in different ways with support from their respective campus administration and university officers. The second charge was to make recommendations to the Board to delete recommendations which no longer are pertinent and the Task Force recommended the deletion of #41, Building Accessibility; #32 and #34, Equitable/Progressive Leave Policies; and #47 and #48, Safe Physical Environment.

The third charge was to comment on and make recommendations to clarify, where necessary, the unimplemented recommendations. The Task Force found that, at all three universities, to some extent there is a lack of clearly assigned responsibility, authority and accountability for implementing the recommendations, clearer lines of communication are needed between the Commission on the Status of Women (CSW) and administration so that CSW recommendations can be better facilitated, and CSW
efforts are performed by volunteer commissioners and committee members most of whom serve without released time. The changing campus climate requires new or updated university policies, many of which have recently been implemented; however, changing campus climates require changes in individual attitudes and behaviors. Career development needs to be elevated as an institutional priority. A difficulty exists in integrating career development within present employment practices under the traditional university culture as funds have not been systematically allocated and supervisors have not been encouraged to support career development practices to any significant extent. There has not been sufficient funding from the legislature to correct gender-based salary inequities and data bases and/or analyses of data to identify needed adjustments are incomplete.

The fourth charge was to recommend to the Board adjustments to timetables and resources to reflect current conditions. The Task Force recommended the continuation of the targeting of the year 2000 as the goal for achieving the vision of the original 1991 ABOR Report. The Commissions on the Status of Women and the university administrators on each campus should continue to work together to allocate resources for the implementation of the ABOR/CSW recommendations. There should be at least one tri-university meeting annually, including all CSW members of the three campuses, to share progress and plans. Each university president, in conjunction with the campus Commission on the Status of Women, should revisit the original timetable set forth in the ABOR/CSW Implementation Plan and make the necessary revisions to achieve the goals of Vision 2000 for that campus in a timely manner.

The last charge was to identify "critical need" issues which may encompass one or more of the Regents' Commission’s recommendations and recommend priorities for Board action where required. The Task Force identified the following three "critical need" issues: (1) The universities should give greater support to creating and maintaining a more positive culture and working-learning environment and monitor progress at the unit level related to these efforts; (2) They should give greater emphasis and support to career development opportunities for every employee, and (3) They should support a systemwide compensation program that recognizes and corrects gender inequities for all categories of employees and institutionalizes the regular periodic reporting of employee compensation data for monitoring purposes.

The Task Force recommended that actions be initiated to emphasize the importance of the identified three critical needs, including the establishment of institutional accountability through the setting of measurable goals as prioritized on each campus in the areas of campus climate, career development, and compensation/equity. Data bases for all employee categories should be institutionalized to arrive at meaningful information on employee status and compensation. Responsibility should be assigned, at the appropriate administrative level, for the continual monitoring of progress for achieving the ABOR/CSW recommendations. The pace of implementation of the ABOR/CSW recommendations on each campus should be accelerated and the ABOR commitment to achieving the vision as presented in the Reaching the Vision, 1991, should be reaffirmed.
Regent Gignac stated this mid-term review has been helpful in determining where emphasis should be placed. She noted the total percentage of women in all categories (administrators, faculty, professional staff, and classified staff) increased at NAU and UofA and stayed the same at ASU with a total increase of .4 of 1% over 4 years. She requested that the presidents and the Executive Director work with the Task Force on the three critical needs and come back with recommendations with regard to baseline measurements and timelines in 90 days. Upon motion of Regent Gignac, seconded by Regent Basha, the Board accepted the report of the Commission on the Status of Women Task Force.

STRATEGIC PLANNING COMMITTEE

Regent Munger chaired this portion of the meeting.

Preliminary Drafts of Universities' 5-Year Strategic Plans

Dr. Art Ashton reviewed the process that had been followed to develop the plans. He stated the universities' strategic plans mesh with the Board's strategic directions and part of the state budget reform act requirements.

President Lovett told the Board NAU's Five-Year Strategic Plan is in the beginning stages. NAU's vision is composed of five areas: 1) To be recognized as a premier undergraduate residential campus in the western region of the United States; 2) To become recognized as a leader in partnerships with community colleges and K-12 education; 3) To become recognized as a national leader in the use of technology for distance learning; 4) To be a national leader in providing educational opportunities for Native American students, in providing service to Native American tribes, and in research in contemporary Native American policy issues; and 5) To be recognized nationally and internationally for research and graduate programs that build from our regional base on the Colorado Plateau and our work with communities throughout rural Arizona. She described to the Board the process NAU is using to develop its plan which will be concluded by the end of calendar year 1995.

President Pacheco summarized the planning efforts at the University of Arizona which have been in process for 3 years. The University of Arizona's vision is to achieve recognition as the leading land-grant university in the United States by: 1) Educating the learner of tomorrow; 2) Research and creative scholarship that expand the knowledge base and contribute to economic development and public policy; and 3) Outreach that enriches the lives and contributes to the self-sufficiency of Arizona residents and businesses. He described to the Board the transformations required to achieve this vision. He stated the draft plan is essentially an agenda for change beyond the year 2000.

Regent Gignac stated she could find no mention of the Sierra Vista Campus (UASV) or the new Pima County Campus (PCC) in the UofA plan and could find no mention of
NAU-Yuma in the NAU plan. President Pacheco answered the Health Sciences Center, PCC, and UASV would be developed independently and would be addressed independently, but the plans would be merged with the U/A plan when completed. President Lovett answered the plan for NAU-Yuma is contained within the NAU document. Regent Munger said certain members of the Board had stated they wanted to develop this year’s budget based on the universities’ strategic plans; and even though they were aware the planning documents will not be finished, they would like enough direction developed by August to be able to do that. Regent Amos expressed his hope that the universities would maintain their own identities and not become homogeneous.

President Coor stated the concept of Arizona State University is a major metropolitan research university functioning in multiple sites. ASU’s vision is to assume a national leadership role in defining through words and action the prototype metropolitan research university of the 21st century by: 1) Preparing students to be life-long learners and hence, productive and satisfied citizens in a rapidly changing technological society; 2) Incorporating various approaches to teaching and learning that more actively involve the teacher and the learner in the learning process with a substantial continuing effort placed on research innovation and the appropriate use of technology to enhance teaching and learning; 3) Making quality public baccalaureate and post-baccalaureate higher education accessible to all qualified citizens of Arizona; 4) Developing internationally competitive research capacities on issues of particular interest to dynamic metropolitan areas with particular effort directed to engaging in large-scale team-based, multi-disciplinary research; 5) Creating new kinds of partnerships to more fully share and integrate the rich cultural, artistic, technological and intellectual life of the University with the surrounding community; and 6) Creating an atmosphere that is attractive to the nation’s top scholar-teachers, the states’ most outstanding students, and a dedicated work-force that understands and supports the vision of the University. Dr. Coor stated this planning document integrates budgeting with planning and summarized the process which developed the plan and how the University is using the plan.

Residence Hall Additions and Modifications: Project Initiation (NAU)

Mr. Norman Hintz, Vice President for Business Affairs and Facilities, presented NAU’s request for project initiation for additions and modifications for the Residence Hall Project. President Lovett stated NAU is looking at developers that might be interested in working with the University and building on University land but using private capital as well as trying to establish more bonding authority. Upon motion of Regent Wall, seconded by Regent Basha, the Board granted Project Initiation approval for the Residence Hall Project and thereby authorized Northern Arizona University to include the project in its Capital Improvement Plan for fiscal year 1998.

Biology/Biochemistry Laboratory Addition: Project Initiation (NAU)

Mr. Norman Hintz presented NAU’s request for project initiation for a laboratory addition to its existing facilities for instruction in the biological and biochemical sciences. Upon
motion of Regent Wall, seconded by Regent Hurwitz, the Board granted Project
Initiation approval for the Biology/Biochemistry Facility Project and thereby authorized
NAU to include the project in its Capital Improvement Plan for fiscal year 1998.

REPORT FROM THE ARIZONA FACULTIES COUNCIL

Dr. Linn Montgomery informed the Board the new Arizona Faculties Council (AFC)
representative would be Dr. Thomas McGovern from ASU West. Dr. Montgomery stated
he had enjoyed his time as AFC representative to the Board and appreciated the
dedication shown by all Board members, especially the Board president. The Regents
expressed their admiration for Dr. Montgomery.

Regent Gignac told the Board she had nothing to report as the State Board of Directors
for Community Colleges had not met since the last Regents meeting.

The meeting recessed at 5:12 p.m. and reconvened at 9:00 a.m. on Friday, June 2,
1995, with the Pledge of Allegiance led by Colonel Hansen of the Yuma Marine Corps
Base.

REPORTS FROM THE PRESIDENTS AND THE EXECUTIVE DIRECTOR

Report From the President of Northern Arizona University

Appointment of New Provost

Upon motion of Regent Wall, seconded by Regent Gignac, the Board approved the
appointment of Dr. Charles W. Connell as Provost of NAU, effective August 1, 1995.

Update on Academic Facility Project at NAU-Yuma

Dr. Nick Lund, Director of NAU-Yuma, at President Lovett's request, introduced local
community leaders who had come to express their support of the project. Mr. Norm
Hintz and Mr. Ronald Fields, Associate Director of Facilities Planning, updated the
Board on the Academic Facilities Project at NAU-Yuma. They told the Board the project
is in the final review of the design process and they expect to go to bid within the next
three weeks. Mr. Larry Hartman and Mr. Seth Twitchell from the architectural firm of
D.M.J.M. showed the Regents the design for the new building. President Lovett
reminded the Board that $7.5M had been requested for this project and the legislature
has funded $4M this fiscal year and promised $2M more next fiscal year. She told the
Regents she intended to go to the legislature this year and ask for additional
appropriations which will be used for equipment as the building will not be functional
without computers. If the legislature does not grant additional funding, she will change
NAU's priority for extending the NAU Net to include Lake Havasu, Bullhead City,
Prescott, Central Arizona, and other communities and will, instead, divert existing funds
to complete the Yuma project.
Report From the President of Arizona State University

President Coor reported to the Board Arizona State University Research magazine won the first-place Award of Distinguished Technical Communication in the Society for Technical Communication's 1995 International Publications Competition. The magazine, edited by Conrad Storad, has won 101 awards for writing, editing, illustration, photography and design since 1987. He also told the Board the ASU forensics team captured its third international title in the last four years by winning the fifth International Forensic Association Tournament in Madrid, Spain. Dr. Coor expressed his pride in the fact ASU students from the two campuses won 32 national scholarships and fellowships this past year.

President Coor told the Regents about the Venice Biennale, one of the world's most prestigious art events, now celebrating its 100th anniversary. Marilyn A. Zeitlin, director of the ASU Art Museum, curated an exhibit titled "Bill Viola: Buried Secrets" for the U.S. Pavilion at the exhibition. ASU Art Museum staff installed the exhibit, which moves to the ASU Art Museum in February 1996.

Report From the President of the University of Arizona

President Pacheco reported the award of honorary doctorate degrees to Lester L. Smith, who established the Smith Substance Abuse Education Project in the College of Education, and Artie Shaw, the noted musician who is helping the University with the projected Electronic Jazz Encyclopedia, at the May 13 commencement. Dr. Pacheco told the Board about the three professors from the UofA who had received the title Regents' Professor on Thursday. He reminded the Regents the total number of Regents' Professors cannot exceed 3% of the total number of tenured and tenure-track faculty members at the university which translates to a maximum of 47 appointments. This means the UofA has only 6 remaining openings.

He also reported the University recently was selected to receive the 1995 Exemplary Model of Administrative Leadership Award from the American Association of University Administrators. The award, one of only two going to four-year institutions, recognized the University's progress in introducing Total Quality Management through the Continuous Organizational Renewal (CORe) program.

Report From the Executive Director

Dr. Besnette called the Board's attention to the upcoming schedule. President Chapa reported on a roundtable discussion held with key Arizona business leaders regarding how the state's public universities might work more effectively with business leaders and industry to enhance Arizona's economic development. The meeting was held on May 10 with seventeen executive officers of Arizona businesses, the three presidents, the Executive Director, and Regents Chapa, Basha, and Campbell participating. Regent Wall said he had received some very favorable feedback from some of the meeting participants.
RESOURCES COMMITTEE AGENDA

Regent Campbell chaired this portion of the meeting.

Guidelines for Preparation of 1996-97 Operating Budget Request

Regent Graham entered the meeting during this presentation.

Dr. Mary McKeown explained the process that would be followed to adopt the 1996-97 Operating Budget request. She informed the Regents the preliminary guidelines issued by the Office of Strategic Planning and Budgeting (OSPB) direct the universities and the central office to maintain current budgets with adjustments in: 1) Annualization of the January 1 salary adjustments; 2) 22-1 or other demographic changes; 3) Newly mandated programs, and 4) Adjustments to Employee Related Expenses (ERE) and risk management. She said the guidelines presented today for approval differ somewhat from the OSPB guidelines by permitting the universities to display for Board consideration a more complete picture of needs and priorities. They include five categories for adjustments to the base and permit the universities to request decision packages and funding for enrollment growth management plans.

The guideline for annualization, the first adjustment to the base, permits changes for the salary adjustments effective January 1, 1996. This guideline is identical to OSPB's. The guideline for demographic workload increases relates to the 22 to 1 funding formula, operational support for new facilities, changes in the Arizona Financial Aid Trust and WICHE, and continued academic program development at ASU West. This guideline is consistent with OSPB except for the allowance for new facilities. The guideline on mandates allows for items like ADA, conversion of state motor fleets to alternate fuels, budget reform, and cost study equity study. OSPB would allow only costs related to changes in the retirement provisions in state law. The guideline on inflation relates to anticipated increases in major cost categories like utilities and library acquisitions. OSPB has no inflation allowance. The adjustment to the base guideline is identical to OSPB's and permits changes for ERE and risk management or other items as prescribed by OSPB. Beyond the base budget, the Board's guidelines in the past have permitted the universities and the central office to request decision packages to highlight high priority needs. In addition, the Board's guidelines have allowed the universities to request funding for carrying out the Board's enrollment growth management plan. The OSPB guidelines this year do not have any allowance for decision packages above the base or for any enrollment growth management activities.

Regent Gignac stated she believed it would be beneficial to the Regents to look at everything the universities present at the August meeting and determine then which items should go forward; so she could support setting guidelines now that allow for deviation from the OSPB guidelines. She stated she did not find the budget for the University of Arizona at Sierra Vista Campus (UASV) referred to in the documents presented and asked where UASV would be presented in the August documents. She
was told UASV would have a budget request in the August presentation similar to the Health Sciences Center.

There was a discussion as to whether decision packages are the same thing as critical issues. It was decided the universities should be allowed to submit decision packages to the Board in August and it would then be determined if or how they would be added to the budget request. Upon motion of Regent Basha, seconded by Regent Tung, the Board approved the guidelines for the FY State Operating Budget requests as presented, with the understanding the Board will decide in August whether to submit the requests in this format or in the format requested by OSPB.

**State Operating Budget Expenditure Authority for 1995-96**

Dr. Mary McKeown stated that under A.R.S. 15-1626 the Board adopts annually an operating budget for each university and the central office equal to the sum of appropriated general fund monies and the amount of tuition, registration fees, and other revenues approved by the Board and allocated to each operating budget. For FY 1995-96, the universities and central office are requesting a total expenditure authority of $779.8M which includes $609M of state general funds and $170.8M of tuition and fees which is referred to as state collections. These numbers include appropriations for the salary increases effective January 1, 1996. The balance of $72.5M in tuition and fee collections is retained locally for those items mentioned before. The fiscal year 1996 state expenditure authority represents an increase of $39.6M or 5% over fiscal year 1995 and is comprised of a $29.5M increase in state general fund appropriations and a $10M increase in state collections.

Regent Gignac asked for an explanation of the $430,000 increase listed under UofA Financial Aid. President Pacheco and Charles Ingram, UofA Associate Budget Officer, answered that the increase was part of the UofA commitment to provide a permanent fund source for this high priority item. In the past several years, this component of financial aid had been funded only if institutional dollars were available from other sources. The "as available" method of funding did not permit adequate planning and did not reflect the university’s commitment to these financial aid programs. The University Strategic Planning and Budget Advisory Committee (SPBAC) recommended that financial aid be the number one priority for the next year. Included in the $430,000 are monies to fully fund the "Top 5% High School Graduates" aid program, and funds to bring the minority scholarship program to its full 10 percent level. By including the request in the local retentions, UofA now will have funding for these programs on a continuing basis so that annual requests will not be needed.

Regent Campbell asked about the difference in Student Health funds and was told by President Pacheco and Vice President Saundra Taylor that UofA has more resident students than ASU, has a different health plan, has counseling and psychological services consolidated into health services, and has a higher administrative surcharge.
Regent Gignac reminded the Regents that the Arizona Area Health Education Centers (AAHEC) were not funded for the coming year. There has been a great deal of effort put forth to find a way to help AAHEC survive, at least for one more year, in order to go through the performance assessment review (PAR) process. The legislative leadership has stated they do not see any potential for a special session to try for legislative funding. The use of tobacco tax funds has been raised as a possible funding source. Regent Gignac stated AAHEC may ask the Board to send a letter of support to the Department of Health Services (DHS) if tobacco funds are requested and she read and requested feedback on a draft letter the Board President could send on behalf of the Board. Regent Munger stated he was not comfortable with the Board of Regents being in charge of AAHEC; he thought it might be more appropriately placed under the Arizona Department of Health Services. Regent Hurwitz agreed AAHEC might fit better under the DHS structure, but he would like to see AAHEC survive long enough to go through the PAR process so the necessary information would be available to make a determination of its future. Regent Graham suggested the letter say the Board recognizes it may not be the appropriate oversight entity, but this is a good infrastructure for health needs in greater Arizona and the Board would like to see it survive during this transition. Regent Basha stated he believed AAHEC belongs under the Arizona Health Sciences Center at the University of Arizona. Dr. Besnette agreed to carefully craft a letter, if one was requested, and to seek Regents review before sending it.

Upon motion of Regent Basha, seconded by Regent Wall, the Board approved the Arizona University System’s 1995-96 state operating budget expenditure authority.

**Arizona Students' Association Budget for 1995-96**

Dr. Mary McKeown told the Regents the Arizona Students' Association (ASA) was requesting a total budget of $116,083, an increase of $508, or less than 1% over the 1994-95 approved budget. Revenues to cover the increase in expenditures will come from an anticipated carry-forward balance of $15,500. Upon motion of Regent Wall, seconded by Regent Basha, the Board approved ASA's budget request of $116,083, with the universities subsidizing $105,000 and the remainder coming from the carry-forward balance.

**Alternative Funding for the Arizona Students' Association**

The Arizona Students' Association (ASA) informed the Board it is exploring an option to fund itself by a direct, voluntary fee on students, which would replace the current subsidy from the universities. They are proposing to forward this option to the students for a referendum during the 1995-96 academic year but have not yet determined the exact proposal. There are many issues that need to be considered by the universities and ASA before the referendum, such as funding stability for ASA and as anticipated cost to the universities for staff time and computer systems.

**Incremental fee for the Doctor of Pharmacy Degree (UofA)**
Dr. Paul Sypherd and Associate Dean of Pharmacy Theodore Tong told the Board there has been a change in the behavior of hospitals and other intern sites as they have begun to charge for the placement of pharmacy interns. It was also pointed out that Arizona's resident tuition and fees for pharmacy are low in comparison with other public institutions with Pharm.D. programs. Regent Hurwitz stated he was concerned that this increase comes so late in the year that students coming next year will be surprised with this addition. The Regents were told registration information sent to those in the pre-pharmacy category who had applied for admission into the pharmacy years (after the second year) had been sent notice this increase was under consideration. Regent Gignac asked if part of the increase would be set aside for tuition assistance and was told 10% of the additional fees would be set aside. Regent Wall stated he could not support this without a plan from all three universities showing how they intend to deal with fees for all programs in the future as he believes the adding of fees negates keeping tuition low. Dr. Sypherd stated one of the important items considered before proposing a fee increase of this type is the salary a graduate is expected to command. Regent Chapa moved that, beginning in the 1995-96 academic year for students entering the program in fall 1995, the annual registration fee for resident and non-resident University of Arizona Doctor of Pharmacy students be increased by $1,500 over and above the base registration fee assessed on all University students and that the fee be collected and allocated as follows: The University will retain discretion over the allocation of the funds generated by this fee; however, a significant fraction of the available new revenue will be allocated to the College of Pharmacy. The College of Pharmacy will dedicate at least 10% of the annual revenue from the fee increment for financial aid for students, including under-represented students. The balance of the registration fees allocated to the College of Pharmacy will be dedicated to supporting and enhancing operations. Regents Wall and Tung voted no and Regents Amos, Basha, Campbell, Gignac, Graham, Hurwitz and Munger voted yes.

Update on Environment and Natural Resources, Phase II; and Parking Structure No. 4 (UofA)

Mr. Bob Hatch updated the Board with respect to the University of Arizona's intention to issue Request for Proposals for the purpose of selecting interested development groups for the possible financing, design, and construction of a 130,000-140,000 gross square feet building as the next phase in the development of a proposed Environment and Natural Resources Complex and a 1,300 space parking structure. The Western Archaeological and Conservation Center of the National Park Service has expressed interest in leasing an additional 90,000 gross square feet which would be added to the original building.

Sale of 289 Acres at Kinney and Bopp Roads and Waiver of Board Policy 7-304, Public Auction (UofA)

Mr. Bob Hatch informed the Board this was a request to sell approximately 289 acres of undeveloped land west of Tucson to Tucson Mountain Development, L.L.C., by
negotiated agreement. The land has been owned by the University since 1961 but has never been used and there is no proposed alternative use of this acreage. The terms of the agreement are for $4,500 per acre, or $1,300,500 based upon an estimated area of 289 acres; closing nine months after contact; non-refundable earnest money of $10,000 upon execution of purchase agreement, an additional non-refundable $10,000 90 days after execution, and a further non-refundable $10,000 150 days after execution with the earnest money to be applied to the purchase price; buyer has the option to extend closing for up to eight additional months by making extension payments of $10,000 per month to the University with the extension payments not to be applied to the purchase price; buyer may elect to close only upon the approximately 67 acres located east of Kinney Road, at a 20% premium (i.e. $5,400 per acre) and retain an option to close on the balance for up to three years at an option consideration of $10,000 per month with the option consideration not to be applied to the purchase price; and as long as the University continues to own a portion of the property, it will have a right of approval of development plans for the balance of the property.

The University believes that waiver of the auction sale requirement of ABOR Policy 7-304 is appropriate because in the private sector property is not normally sold for commercial development through public auction, the property has a unique value to these purchasers because of their other holdings in the area, and the University’s interest in realizing the value of its property is protected by the requirement for an appraisal, which has already been received.

Regent Wall asked what would happen if the buyer chose to purchase part of the property now and exercise its option in 24 months on the rest and the land increased in value during this time. Board Counsel Sideman stated he did not believe this would be a problem because the time for the option is relatively short and the agreed upon price is for more than the appraised value of the land. Also, the University will have the $10,000 per month which has been paid to keep the option open and that should more than offset any increase in value that might occur. Mr. Sideman suggested it would be a good idea to have in writing that the property currently and for the past 30 years has not been used for anything.

Regent Graham asked for explanation of the request for a waiver of the policy requiring public auction. Regent Hurwitz answered the Board has waived the policy in the past based on good cause. The fact this property has stood unused for 30 years and the only reason these buyers are interested is because it abuts property they already own leads one to believe they are the only interested buyers and an auction would cost the University money. However, he said this is the reason the Board makes the judgement on each individual transaction. The Tucson real estate community has been aware of this sale and no one else has expressed any interest in the property.

Upon motion of Regent Basha, seconded by Regent Graham, the Board granted approval to the University of Arizona to sell approximately 289 acres of undeveloped land at Kinney and Bopp Roads, west of Tucson, Arizona, to Tucson Mountain Development, L.L.C., at a price of $4,500 per acre, net area as determined by survey,
on terms substantially as presented in the letter of intent dated April 13, 1996, and summarized above. The Board also granted a waiver to ABOR Policy 7-304 to permit the sale without public auction.

Rate Increase for 1995-96 Christopher City Apartments (UofA)

Vice President Saundra Taylor explained to the Board the University was not ready with this rate increase when the residence hall rates were set earlier because they have been engaged in a great deal of examination and planning to decide the future of Christopher City, with the final report being due at the end of June. There is a new governance structure in place now with a finance committee that includes Christopher City residents as members. The rate increase is requested to cover inflation and averages 5.0%.

Regent Amos stated he was glad to hear there will be a report on Christopher City as he believes there are better uses for that property and suggested this might be a good time to look into privatization. Upon motion of Regent Basha, seconded by Regent Tung, the Board approved the proposed 1995-96 Christopher City Apartment rates as proposed.

1995-96 Compensation Plan for ASU

President Coor stated ASU has tried to derive a compensation plan that is consistent through the years, with a merit-based reward system drawn from the Faculty Senate discussion of this issue. The plan will be imbedded in the budget coming through ASU's strategic plan. ASU hopes to supplement the state appropriation, with the amount of the supplement depending on several factors, including the effectiveness of the next phase of reallocation within the institution and tuition income. Dr. Coor told the Board ASU intends to use the 1/2% classification maintenance review portion of the January 1996 salary increase voted by the legislature more heavily for staff. Regent Munger asked if this was merit money or across-the-board money and Dr. Coor said merit money.

Upon motion of Regent Basha, seconded by Regent Hurwitz, the Board approved the ASU 1995-96 Compensation Plan as proposed.

Department of Public Safety Building: Conceptual Approval (ASU)

Mr. Jennus Burton, Director of Facilities Management Val Peterson, and Director of Public Safety Bill Bess explained this item to the Board. The project is a reduction in scope from the original request when presented for project initiation. This is now a 3-phase project of approximately 9,200 gross square feet of construction and the budget has been reduced to $1,850,000. Plant funds will be the capital construction funding source. Regent Amos stated he appreciated the fact the University had reduced the cost of this project, but he still believes the focus should be on deferred maintenance rather than new construction. Upon motion of Regent Basha, seconded by Regent Tung, the Board granted Conceptual Approval for the Public Safety Complex with Regent Amos voting no.
College of Law Facility Improvement: Conceptual Approval (UofA)

Mr. Robert Hatch explained the University of Arizona’s request for Conceptual Approval for the College of Law facility improvement. He stated the University did not come to the Board with a Project Initiation (PI) because it was believed the project did not raise significant enough strategic implications to warrant a formal PI submission. However, there were significant explanations of strategic linkages in the Conceptual Approval document that are consistent with those generally submitted in a PI request. Regent Hurwitz asked for the policy concerning Project Initiation to be reviewed to see if this was an exceptional case or whether the policy should be changed to state no Project Initiation is necessary when buildings are being renovated with no mission or strategic change. Upon motion of Regent Munger, seconded by Regent Amos, the Board waived Project Initiation and granted Conceptual Approval to the University of Arizona for the College of Law Facility improvement.

Consolidated Employee Diversity Reports for 1994-95

Dr. Besnette called the Board’s attention to the information in the introductory page of the Consolidated Employee Diversity Progress Report. Regent Gignac noted the information provided stated there had been an increase in the percentage of minority and female faculty from 1991 through 1994; however, in non-tenure track areas, from 1994 to 1995, there is now a downward trend of 2%. She wondered if this was an anomaly or a trend. President Lovett said this was true at NAU because of the increase of women and minorities in tenure-track positions which decreases the number in non-tenure track positions.

Addition of Board Policy 6-1101, Multiple-Year Appointments for University Presidents and Executive Director (First Reading)

Mr. Sideman reminded the Board there had been a policy authorizing multiple-year contracts for coaches and athletic directors for several years. At Board direction, staff had developed a proposed policy that would permit multiple-year contracts, not to exceed 3 years, for the presidents and the Executive Director. Regent Wall stated this proposal had been brought forward by the Board as it is an increasing trend across the nation. He wanted it made clear none of the presidents or the Executive Director had requested this policy revision. The proposed policy was submitted for first reading.

Contract for Head Football Coach (UofA)

Upon motion of Regent Munger, seconded by Regent Amos, the Board authorized the University of Arizona to enter into a multiple-year employment contract with Richard H. Tomey for the period January 1, 1995, through January 2, 1998, replacing in part and extending his current multiple-year contract, and granting an exception to ABOR Policy 6-1003(A) to allow the effective date to be retroactive, subject to review of ABOR Counsel. Changes to Mr. Tomey’s contract include an increase in his salary for duties
related specifically to coaching football to $175,000 per year. The salary may be increased in each subsequent year by an amount not to exceed the percentage increase available annually for other administrative employees of the University. For duties not specifically involving coaching football, such as media activities, his salary will be increased to $205,000 per year. Payment of this amount will be contingent on the availability of funds derived from radio and television revenue, advertising revenue generated by Tomey, nonscholarship donations to the University related to athletics including priority seating revenue, or other revenues derived from or related to Tomey's activities.

Multi-Year Contracts for Lecturers (UofA and ASU)

Upon motion of Regent Hurwitz, seconded by Regent Wall, the Board approved multiple-year appointments for lecturers as requested by the University of Arizona and Arizona State University.

Amendment to Board Policy 6-402, Compensation Administration Policies, (Classified Staff Hiring Policy) (Second Reading)

Upon motion of Regent Tung, seconded by Regent Basha, the Board approved the amendment to Board Policy 6-402, Compensation Administration Policies, to delegate to the hiring supervisor the authority to hire up to the mid-point (job rate) of the salary range and to authorize new classified employees to be hired above the mid-point of the salary range. Any hires above the mid-point (job-rate) would require the approval of the Director of Human Resources or designee.

Annual Space Utilization Report

Regent Munger asked about the statement that the daytime instruction week is defined as 50 hours per week, with 60% availability which results in 30 hours per week standard per CEFPI. Dr. McKeown answered that typically a classroom is used 60% of the time because there is lost time getting people in and out and above 30 hours is considered excessive wear and tear on the classroom and requires additional maintenance. She said the universities use their classrooms more than 60% of the time, but the standard against which additional space is needed is set at 60% usage as a guideline. President Coor said it was hard to fit ASU West into these guidelines since they were established with a traditional daytime campus in mind and the usage at ASU West is non-traditional evening students. President Pacheco offered to have some of his staff brief Regents on the Council of Educational Facility Planners International (CEFPI) guidelines. Regent Munger stated he would be happy to have a briefing but would also like a copy of the standards.

The meeting recessed at 11:55 a.m. and reconvened at 12:10 p.m.

ALLOCATION AND USE OF TARGETED FINANCIAL ASSISTANCE
Dr. Besnette called the Board's attention to the chart in the Board materials that listed the number and percentage of students receiving scholarships and waivers for each university and for the system. President Coor informed the Board the designated programs have never been designed to be programs that exclude others, rather they are part of a larger financial aid portfolio.

Regent Munger stated he believed the universities should represent equal opportunity and a diverse student population. However, he questions the use of public money for scholarships, waivers, and financial aid specifically designated on the basis of race. He believes public money should be given to needy students who merit going to the universities. Regent Hurwitz reminded the Regents that scholarships are given for merit, not just need, and merit may be based on academic achievement or abilities such as athletic and musical. He believed Dr. Coor's point that any one student might receive scholarships from several sources makes it hard to separate public and private money. Regent Gignac stated it would be helpful for her to know what kind of people make up the minority students who receive the scholarships and waivers listed in the information—are they single parents, athletes, musicians—in other words, a cross-section of the recipients. Regent Munger said he agreed non-needy students could qualify for scholarships because of their abilities; what troubles him is giving scholarships to students who have no financial need and don't qualify for merit-based scholarships but are given aid strictly because of ethnicity. He suggested this discussion be continued, either through a task force, or until the Board decides if it wants changes made.

Regent Wall complimented the presidents on their handling of this area of their responsibility. He did not believe the Board should make changes in this area unless the presidents say there is a need for change as he believes it has worked. Regent Tung stated the scholarships he was involved in required meeting academic standards and community service standards; they were not awarded based solely on ethnicity. He stated scholarships are given based on majors, gender, and age as well as ethnicity; so he was not concerned with scholarships based on ethnicity as they are only a part of the offerings of the universities.

Regent Amos said he had a problem with denying financial aid to someone with need because the aid had been given to someone with no need for ethnicity reasons. Regent Graham stated she believes award of aid for need is not always a clear-cut decision. She recognized earlier affirmative action decisions based on gender made possible her achievements of today and that would be hard for her to ignore. Regent Basha asked the Board to remember the Common Commitment made by an earlier Board, under the leadership of Regents Capin and Auslander, and its accomplishments. He believed the cultural diversity enjoyed today by the universities would not exist if the need had been narrowly defined.

Regent Munger said he believes diversity can be maintained by serious recruiting, especially at the grade school level. President Coor stated the current discussion is using a two-part structure—need and merit, both of which can be measured. He believed a three-part structure—need, merit and performance, and enhancements to the nature
and character of the universities—would be helpful. Regent Hurwitz told the Board he believed the same discussion could take place concerning admissions as is taking place concerning financial aid and scholarships.

President Chapa stated the charts show there is a very small amount of money set aside for minorities. This has been his understanding all along, but the perception has been that anyone who is a member of the minority population can get a "free ride" to the universities. He said he would ask the new president to decide how to proceed with this subject.

**MINUTES**

Upon motion of Regent Amos, seconded by Regent Munger, the Board approved the April 27 and 28, 1995, Regular Meeting; April 27, 1995, Executive Session; April 28, 1995, Special Executive Session; and April 28, 1995, Special Meeting minutes.

**ELECTION OF BOARD 1995-96 OFFICERS**

Regent Wall, Chair of the Nominating Committee, moved the following slate of officers for the period July 1, 1995, through June 30, 1996:

- **President** - Eddie Basha
- **President Elect** - John Munger
- **Treasurer** - Rudy Campbell
- **Secretary** - Judy Gignac
- **Assistant Secretary** - George H. Amos, III
- **Assistant Treasurer** - Mark Davis

The motion was seconded by Regent Gignac and passed by unanimous voice vote.

President Chapa presented Student Regent David Tung with an engraved tray and thanked him for his year of service on the Board. Regent Tung expressed his appreciation for the support he received from the Regents and the students. Regent Basha gave President Chapa several mementos of his term as President. On behalf of the Board, he also gave him a statue of a Native American sentinel, stating President Chapa had been like a sentinel for the Arizona universities. President Chapa thanked the staff, the Executive Director, and the presidents for their help during his year as president. Dr. Linn Montgomery thanked the Board for including the Arizona Faculties Council in Board activities and meetings.

**ADJOURNMENT**
The meeting adjourned at 1:35 p.m.
SUBMITTED BY:

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Judy E. Garza
Secretary to the Board

APPROVED BY:

__________________________
Arthur A. Chapa
President

ATTEST:

__________________________
John F. Munger