

MINUTES OF A MEETING



February 6 and 7, 2014

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**Arizona Board of Regents
Minutes of a Regular Meeting
Thursday and Friday, February 6 and 7, 2014**

A meeting of the Arizona Board of Regents was held February 6 and 7, 2014, at Arizona State University, Memorial Union in Tempe, Arizona.

Present: Regent Myers, Regent DeConcini, Regent Heiler, Regent Killian, Regent Krishna, Regent Leonard, Regent Mariucci, Regent Patterson, Regent Thompson and Regent Hanna.

Absent: Governor Brewer and Superintendent Huppenthal.

Also present were President Crow, President Hart, President Haeger, President Klein, Faculty Senate representative Eduardo Pagan, Board Counsel Nancy Tribbensee and Secretary to the Board, Peggy Martin.

All lists, reports, summaries, background materials and other documents referred to in the minutes can be found in the February 6-7, 2014 Documents Files.

Regent Myers called the meeting to order at 8:10 a.m., and Regents DeConcini and Mariucci led the Pledge of Allegiance.

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.

Cassidy Possehl: representing USG ASU, spoke in favor of the Medical Immunity Bill and asked the board to support.

Susan Lawhead: representing NAU graduate student government, spoke about the increase in multiple-year employment contracts for faculty.

Zach Brooks: representing Graduate Professional Students, spoke about student finances.

ASU PRESIDENT'S WELCOME

President Crow welcomed everyone to Arizona State University and provided a history of ASU and previewed the Strategic Enterprise Framework update presentation that would be occurring later in the meeting.

RESEARCH REPORT

Annual Research Report (Item 1)

The board received an update and engaged in a discussion regarding the Arizona public universities' research enterprise. Information about the research enterprise, including technology transfer, is contained in the Annual Research Report.

Chad Sampson, Jennifer Barton (NAU), William Grabe (NAU), William Petusky (ASU) and Greg Linaman from the Arizona Commerce Authority joined the meeting for this presentation.

Chad Sampson introduced this item. Chad discussed the annual research report and the research metrics. Chad also previewed the research landing page that is accessible from the Regent's website.

Regent Myers asked how we are getting the information out regarding the landing page and the information it contains. Chad responded that the research report and the information regarding the landing page will be rolled out as part of a PR campaign.

President Hart stated that the case also needs to be made that the metrics will not be met without the people and facilities to conduct the research. If we don't invest in order to multiply the benefits, it will not happen.

Greg Linaman, spoke on behalf of the Arizona Commerce Authority, stating that ACA was thrilled to participate in the launch of SciVal Experts. SciVal Experts is a Research Catalog which provides the opportunity to see what research is occurring in Arizona, who the collaborators are, and allows individuals to search for experts by concept, last name, or even free text inputs such as articles or funding opportunities. It further allows users to understand the expertise of the system's researchers, to identify appropriate researchers to pursue funding opportunities, to coordinate and connect researchers in both intradisciplinary and interdisciplinary research teams, as well as to quickly on-board new faculty. It will assist students with finding direct study sponsors or research mentors and with understanding and appreciating their professors' expertise and contributions to their disciplines. This catalog will help identify our universities' research capabilities and expertise, facilitate university/business research partnerships, and increase coordination across the state. It will also identify experts in strategic fields related to economic development initiatives, social concerns and policy.

George Raudenbush, Director of Research Analytics at ASU, provided a technical overview of SciVal.

Regent Myers asked that the SciVal Experts data base be promoted as rapidly and widely as possible.

PUBLIC AFFAIRS

Report on Public Affairs and External Relations (Item 2)

The board received a report from ABOR Vice President, Katie Paquet, regarding current public affairs and external relations activities.

Katie stated that federal engagement is increasing. Katie stated that President Klein would be making a presentation on "Earn to Learn" in Washington DC. External relations activity across Arizona is also increasing.

LEGISLATIVE AFFAIRS COMMITTEE**Report on the Legislative Affairs Committee Meeting (Item 3)**

The board received a report from Regent Killian on the January 28, 2014 Legislative Affairs Committee Meeting.

Beth Lewellen, Tim Bee, and Christy Farley joined the meeting for this presentation.

Beth reported that the JLBC staff released their baseline budget, which paints a very constrained picture for the state's general fund budget. The JLBC baseline spending forecast calls for statutory and enrollment driven increases in spending of 2.7%. This includes \$15 per year for the next 3 years to complete the original schedule for parity funding. We requested \$32M in FY15 as a parity buyout and the Governor recommended \$27.5M. The JLBC baseline budget shows the state general fund back in deficit in FY16 and FY17 and in a "structural" deficit throughout the forecast period. The Governor's budget, which is based upon over \$900M more of revenue growth between FY14 and FY17, shows the state maintaining a positive balance throughout the next 3 years and achieving a structural balance in FY16 as well.

There are several bills regarding research that help the university and have assisted with getting the message out about why research matters and why the state needs to invest more heavily in research.

The Committee agreed to ask the board to take a position on three bills.

Regent Killian asked if there was a motion to take a position on SB1032 Special License Plates; Standard Design. Upon motion by Regent Krishna, seconded by Regent Heiler, the board unanimously agreed to take a neutral position on this bill.

Regent Killian asked if there was a motion to take a position on HB 2186 Guns on Campus. Upon motion by Regent DeConcini, seconded by Regent Krishna, the board unanimously agreed to oppose this proposed bill.

Regent Killian asked if there was a motion to take a position on Arizona College and Career Readiness Standards. Upon motion by Regent DeConcini, seconded by Regent Thompson, the board unanimously stated that ABOR supports high standards for K-12 education that assure Arizona's students are prepared to succeed in college and in their careers, a quality assessment to measure these standards, and a data system that can provide accurate and timely information to measure student progress.

REGENTS EXECUTIVE COMMITTEE**Report on the Regents Executive Committee Meeting (Item 4)**

The board received a report from Regent Myers on the January 15, 2014 Regents Executive Committee Meeting.

Regent Myers stated that the Committee reviewed two policy revision proposals. The first one was an exception to Board Policy 6-201 which allows NAU, for a limited time, to increase the number of multiple-year contracts for faculty. The second policy revision dealt with appointments that require Board or Executive Committee approval. The revision adds a section to the Policy to describe the process for providing prior notice to the board on appointments of head coaches and athletic directors.

The committee also reviewed the Academic Affairs Committee new charter. The revisions are intended to specifically align the Committee's purpose and responsibilities with the board's enterprise plan objectives. In addition, the charter revision included a title change from Academic Affairs to Academic and Student Affairs Committee, to reflect those areas that are student related, such as financial aid and intercollegiate athletics.

Lastly, the committee reviewed multiple-year employment contracts for NAU's Head Football Coach and ASU's Head Soccer Coach.

AUDIT COMMITTEE

Report on the Audit Committee Meeting (Item 5)

The board received a report from Regent Patterson on the December 11, 2013 Audit Committee meeting.

The committee reviewed and accepted 6 audit reports from the Auditor General, 8 from internal auditors and 3 from external auditors. The reports were related to various areas including financial, academics, athletics, and construction and student services.

The Financial Audit Director from the Arizona Office of the Auditor General attending the committee meeting to provide the final briefing on the fiscal year 2013 annual financial audits of the universities. All three audits went smoothly.

One of the internal audits involved cash handling, which did lead to a general discussion about training and practices. Over the years, cash handling, and the attendant risk, has been significantly reduced through the acceptance of credit cards and checks.

The committee received a presentation on the subject of IT security from Ernst & Young CPA firm. The committee was informed that the recently reported breach in the Arizona community college system is estimated to be in the \$14-17 million range, and includes costs of credit remediation, credit monitoring, changes to the system and legal counsel. Many organizations have started seeking cyber insurance to deal with many of these issues and costs.

BUSINESS AND FINANCE COMMITTEE

Report on the Business and Finance Committee Meetings (Item 6)

The board received a report from Regent Mariucci on the January 2, 2014 and February 5, 2014 Business and Finance Committee Meetings.

The committee reviewed the universities' Quarterly Financial Status Updates. The second quarter update compares the original FHY 2014 budget with each university's current projections as of December 31.

All three universities are on track to achieve an increase in net assets. Additional formatting will be added to these reports to include peer comparison report on days cash on hand and continuing to link the enterprise metrics goals to the ongoing reporting.

Each university was projecting an increase to budget in tuition and fee revenues from what was originally projected in June due to higher enrollment and a change in the mix of students. The committee discussed the challenges to each university business plan given the current status of state budget recommendations.

Contingent on the board approving the revised NAU Capital Development Plan, the committee also provided project approval and recommends the bond issuance for the NAU Aquatics and Tennis Center and the resident halls code compliance projects.

The committee also decided not to forward Item 9 on gift funded capital project guidelines on this agenda. Its discussion led to requesting staff to add additional items related to requiring identification and a formal commitment from someone or an entity associated with the university to secure the gift funding and to state that it is the intent to have these projects submitted for project approval when the current status of fundraising for the project is significant and meaningful.

Approval to Sublease Real Property at 701 E. Apache Boulevard, Tempe, Arizona from American Campus Communities or its Subsidiaries (ASU) (Item 7)

Arizona State University is requesting approval to enter into a Sublease with American Campus Communities or its subsidiaries for apartment-style housing, of which the annual cost to the University exceeds \$500,000.

Morgan Olsen joined the meeting for this presentation. This project will create a residential community for Barrett Honors College upper-classmen by subleasing facilities within Vista Del Sol and will accommodate an additional 600 students at Barrett in the fall. Additionally, the University intends to facilitate the housing needs of registered fraternity/Greek organization members within the Villas at Vista. Additional students may also be accommodated within these two areas.

Regent Patterson suggested that ASU look at loosening up the requirement that sophomores live on campus.

Upon motion by Regent Mariucci, seconded by Regent Krishna, the board unanimously approved ASU request to enter into a sublease with American Campus Communities or its subsidiaries, for apartment-style housing located at 701 E. Apache Boulevard, as described in the Executive Summary.

Approval of a Lease Agreement with the Transition Zone Horticultural Institute, Inc., d/b/a the Arboretum at Flagstaff (NAU) (Item 8)

Northern Arizona University is requesting approval to enter into a no-cost lease, as lessee, with the Transition Zone Horticultural Institute, Inc., d/b/a Arboretum at Flagstaff, as lessor, for an initial term of fifty years with options to renew for additional ten year periods.

Jennus Burton joined the meeting for this presentation presented this item.

Upon motion by Regent Mariucci, seconded by Regent Leonard, the board unanimously approved Northern Arizona University's request to enter into a no-cost lease with Transition Zone Horticultural Institute, as described in the Executive Summary.

Gift Funded Capital Project Approval and Oversight Process Guidelines (Item 9)

This item was withdrawn from the agenda.

RECESS

The board recessed at 10:45 a.m. and resumed at 10:52 a.m.

On behalf of the board, Regent Myers thanked Regent DeConcini and Regent Mariucci for their outstanding accomplishments and contributions and told them how much they are appreciated for their public service.

ACADEMIC AFFAIRS COMMITTEE

Report on the Academic Affairs Committee Meeting (Item 10)

The board received a report from Regent Leonard on the February 5, 2013 Academic Affairs Committee Meeting.

The committee reviewed the Annual Research Metrics Report.

The committee looked at the 2014-2015 University of Arizona Academic Strategic Plan.

The committee reviewed and discussed new program fees. The Committee needs to take a more in-depth look at how fees are considered, and the process that each university goes through to determine fees. Regent Hanna stated that there needs to be a broader discussion

on fees and making certain there is a policy for determining a fee and possibly a policy to revisit fees that have been established. Regent Thompson said that transparency and accountability need to be addressed.

The committee received a financial aid incentive program update.

ASU provided a presentation on Reforming Science Education for Teachers and Students. The Graduate Student Organizations also made a presentation to the Committee. The Vice President of Student Affairs at each university will meet with these organizations and hear the results of the surveys that they conducted with graduate students.

FY 2013 Student Financial Aid Report and FY 2014 and FY 2015 Financial Aid Plans (Item 11)

The board received a report from the universities regarding the FY 2013 Student Financial Aid Report and FY 2014 and FY 2015 Financial Aid Plans.

Mark Denke, Melissa Pizzo, Jane Kuhn and Melissa Vito joined the meeting for this presentation.

Regent Leonard stated that when this report was received at the November Academic Affairs Committee meeting, the universities were asked about changes to existing federal financial aid programs that could affect students and how the universities will provide financial aid in the coming year.

Melissa Pizzo provided an overview of the changes to the federal changes to financial aid. She stated that the interest rates for Direct Subsidized loans, Direct Unsubsidized loans and Direct PLUS loans is now tied to the 10-year T-bill rate and interest for Direct Consolidated loans will be calculated by the weighted average of underlying loans.

As of October 1, 2013 the origination fees charged to Direct Loan borrowers will increase slightly.

For Federal Pell Grant eligibility the income threshold decreased. It is further restricted to only those who qualify for at least 10 percent of the maximum award and is reduced from 18 semesters to 12 semesters. Further the interest subsidy during the grace period on subsidized Stafford loans was eliminated.

President Crow stated that tuition has dramatically increased from 2008 until the present, but the average debt has not dramatically increased, the graduation rate has gone up, the freshman retention rate has gone up, because ASU has re-engineered the way that it works. ASU is investing a huge amount of internal capital in financial aid, working to expand employment opportunities, etc. President Crow reminded everyone that just because a student got \$40,000 in loans, does not mean they spent that money for their education; they could have bought a car, etc., and the university would like to see students required to use financial aid they receive for their education. President Hart agreed.

President Haeger stated that Arizona universities also have provided access in multiple sites in which tuition is substantially lower and have provided personalized learning at a much cheaper rate as well.

Regent DeConcini stated that nationally we are 41st for state funded financial aid and that isn't anything to be proud of. This board and State still faces a tremendous problem regarding debt and lack of financial aid.

Regent Killian stated that as a state, we have an obligation to graduate as many students as possible. Regent Killian asked if there was a report on the number of low income students who come into the system; end up using their degrees, and how many are getting above the median salary. He stated that he believed this could be important information to give to the legislature. If you take a student from a low-income, non-tax paying family, and the student graduates and becomes a tax-paying resident, it shows the value of an education and helps the state.

Regent Krishna stated that he believed that one of the things that might help is having guaranteed tuition at all the universities similar to what NAU does. He agrees with Regent Killian, the state needs to fund more education.

President Crow stated that he believes that the board should work on getting more financial aid for students. Financial aid needs to be increased.

Regent Mariucci stated that one of the first things that needs to be done is aggregate data across all student population in the state, not just the universities. We need to include private schools as well as public schools in the data so that the argument about the universities not having enough low cost options and costing too much can be put to rest. She also stated that she also believes that a financial aid pool needs to be created.

TUITION AND FEE REFORM

Tuition and Fee Reform Discussion (Item 12)

President Klein provided the board with an overview of proposed tuition and fee reforms.

President Klein stated that predictable and affordable tuition cannot occur without the support of the state, and great strides are being made in this direction.

The four presidents all met and determined that the following are the goals for tuition and fee reform:

- More price predictability,
- More revenue predictability,
- The Need to formalize tuition plans and present them as part of each university's budget projections and business plan,
- Make the cost of attendance more transparent,
- Make the bills more understandable, and

Streamline fees.

The proposal for reforming the tuition setting process is that each university would present a multi-year tuition plan. The board would adopt a plan for a period of years and retain the right to change the rate if necessary. Tuition plans would be presented as part of each university's budget projections and business plan. The board would ratify the business plan at the meeting after the Annual Operational Review and Strategic Plan presentation. At this time, that schedule would be as follows: NAU September presentation and November ratification, UA November presentation and February ratification and ASU February presentation and April ratification; board approves the university operating budgets in June and once business plans and budgets are approved, only variances to the tuition plan would come to the board.

The universities would continue to work with students in developing the tuition and business plan and tuition hearings would still occur in conjunction with each university's plan.

The Presidents also suggested new templates for presenting tuition and fee information be created and innovations in tuition and fee plans that encourage achievement of ABOR goals be allowed.

The work group looks forward to getting feedback from Regents on the proposed changes and plans on creating a streamlined template, establishing a multi-year tuition plan and revising the calendar to include new processes and deadlines.

Fee reform will address the need to streamline fees. The finance teams have asked that the universities consider collapsing differential tuition and program fees. There is an opportunity to do some streamlining in this area. A discussion also occurred regarding a periodic review of fees to make certain that fees don't just continue when the need has ended. Another recommendation was to allow the presidents to make adjustments on program fees so they can be approved at the institution.

The fee reform work will be moved to the Business and Finance Committee, so there is a rigorous review and the reform stays on track.

The last item that was addressed was the need to improve the way a bill is presented and standardize the terminology on the bills.

CONSENT AGENDA

All items on the Agenda that are marked with an asterisk (*) are consent matters. Nothing having been removed from the Consent Agenda, it was unanimously adopted as described in the Executive Summaries upon motion by Regent Heiler, seconded by Regent Killian. These items were considered by a single motion with no discussion.

***Minutes**

The Board approved the September 26 and 27, 2013 Regular Executive Session Meeting minutes; November 7, 2013 Special Board Meeting minutes; November 21 and 22, 2013 Regular Board Meeting minutes; and January 15, 2014 Special Board Meeting minutes.

REGENTS EXECUTIVE COMMITTEE***Multiple-Year Employment Contract for Head Football Coach (NAU) (Item 14)**

The board approved Northern Arizona University's request for a four-year and one month Multiple-Year Employment Contract for Jerome Souers as Head Football Coach, for the period of January 1, 2014 through January 31, 2018, as described in the Executive Summary.

***Multiple-Year Employment Contract for Women's Head Soccer Coach (ASU) (Item 15)**

The board approved Arizona State University's request for a three-year extension of the Multiple-year Employment Contract for Kevin Boyd as Women's Head Soccer Coach, as described in the Executive Summary.

***Proposed Revision to the Charter for the Academic Affairs Committee (Item 16)**

The board approved the proposed revisions to the charter of the Academic Affairs Committee, which was modified to reflect the priorities of the Enterprise Plan, as described in the Executive Summary.

***Proposed Exception to ABOR Policy 6-201(E) (11) "Conditions of Faculty Service - Types of Faculty Appointments" (NAU) (Item 17)**

The board approved Northern Arizona University's request for an exception to ABOR Policy 6-201(E) (11), limiting the number of multiple-year contracts for faculty to 15 percent of the total number of tenured/tenure track faculty, as described in the Executive Summary.

BUSINESS AND FINANCE COMMITTEE***FY 2014 Revised Capital Development Plan (NAU) (Item 18)**

The board approved Northern Arizona University's FY 2014 Revised Capital Development Plan (CDP), as described in the Executive Summary. The CDP totals \$67.3 million, including a new Bond Issuance of \$12.5 million.

***FY 2014 Revised Capital Development Plan (ASU) (Item 19)**

The board approved Arizona State University's FY 2014 Revised Capital Development Plan, which includes one new project and one previously approved project, as described in the Executive Summary. The CDP totals \$151.7 million.

***Issuance of System Revenue Bonds to Finance the Center for Aquatics and Tennis and the Residence Facilities Code and Safety Renovations (NAU) (Item 20)**

The board approved Northern Arizona University's request for approval: (1) to sell one or more series of System Revenue Bonds (SRBs) to produce sufficient proceeds to finance (1) not-to-exceed \$57,000,000 for the cost of acquiring, constructing and equipping the previously approved FY 2014 projects; (2) not to exceed \$550,000 for costs of issuance, including bond underwriting fees; (3) payments to a bond insurer or other credit enhancer, provided such payments provide a benefit that exceeds the amount of such payments; (b) to sell such bonds at a price at, above, or below par and at fixed or variable rates of interest; (c) to take related actions; and (d) to enter into necessary agreements and to execute all necessary documents including those related to bond insurance or other credit enhancement agreements.

ADMINISTRATIVE BUSINESS***Disclosure of Substantial Interest of University Employees in Admit Security Technology (UA) (Item 21)**

The board approved the University of Arizona's request for the University to enter into a license agreement with Admit Security Technology in which a university employee maintains a substantial ownership interest.

***Disclosure of Substantial Interest of University Employees in TetraGene, LLC (UA) (Item 22)**

The board approved the University of Arizona's request to enter into a license agreement with Tetra Gene LLC in which a university employee maintains a substantial ownership interest.

***Disclosure of Substantial Interest of University Employees in Avery Therapeutics (UA) (Item 23)**

The board approved the University of Arizona's request to enter into a license agreement with Avery Therapeutics in which a university employee maintains a substantial ownership interest.

***Disclosure of Substantial Interest of University Employees in NeuZeo LLC (UA) (Item 24)**

The board approved the University of Arizona's request to enter into a license agreement with NeuZeo in which a university employee maintains a substantial ownership interest.

***Disclosure of Substantial Interest of University Employees in CritViz, LLC (ASU) (Item 25)**

The board approved Arizona State University's request to transfer technology to CritViz, LLC, pursuant to a License Agreement between AzTE and CritViz, LLC.

***Disclosure of Substantial Interest of University Employees in Rayn Innovations, LLC (ASU) (Item 26)**

The board approved Arizona State University's request to transfer technology to Rayn Innovations, LLC, pursuant to a License Agreement between AzTE and Rayn Innovations, LLC.

Disclosure of Substantial Interest of University Employees in UON Technologies, LLC (ASU) (Item 27)

The board approved Arizona State University's request to transfer technology to UON Technologies, LLC, pursuant to a License Agreement between AzTE and UON Technologies, LLC.

Disclosure of Substantial Interest of University Employees in Rail-X-Road, LLC (ASU) (Item 28)

The board approved Arizona State University's request to transfer technology to Rail-X-Road, LLC, pursuant to a License Agreement between AzTE and Rail-X-Road, LLC.

RECESS

The meeting recessed at 11:45 a.m. and resumed at 9:30 a.m. on Friday, February 7, 2014.

ARIZONA STATE UNIVERSITY PRESIDENT'S REPORT**Arizona State University Strategic Planning Framework and President's Report (ASU) (Item 13)**

The board received a report from President Crow regarding the university's academic plan and accompanying strategic plan for Arizona State University. The report detailed key strategic initiatives, provided an overview of financial and capital plans, and discussed institutional alignment between operations, leadership, financial structure, and the strategic plan.

President Crow reminded the Regents of the mission, charter and vision of ASU. ASU will demonstrate American leadership in academic excellence and accessibility; establish national standing in academic quality and impact of colleges and schools in every field; establish itself as a global center for interdisciplinary research, discovery and development by 2020; and enhance local impact and social embeddedness.

The Strategic Enterprise Plan was then reviewed. Various metrics and targets were approved by the board and ASU is operating under the elements of this plan. The university is three years into a ten year plan. Reaching the goals requires increasing revenue streams and improving cost effectiveness through productivity gains and constant innovation.

The ASU revenue model calls for modest and predictable average resident tuition rate increases of 0 to 3% annually; market tuition rates for non-resident and online students; performance funding; increases in non-resident and international student enrollment and rapid growth in ASU Online.

The ASU enterprise cost effectiveness model will make the investments needed to achieve its metric goals in a way that allows it to continue to be a leader among highly productive public research universities; continues to be an innovative and productive organization; will be a leader in using technology to innovate in improving outcomes and contributing to cost effectiveness; will be a leader in innovations in organizational structure; and continue to use its facilities intensively to reduce the need for new capital expenditures.

Rich Stanley discussed ASU strategic enterprise planning regarding revenue per degree produced. ASU will maintain a revenue per degree produced that is substantially below the national average for highly productive public research universities.

Morgan Olsen discussed ASU strategic enterprise planning regarding staffing efficiency. ASU will continue to be an innovative and productive organization that requires fewer personnel per student than its peers.

Morgan Olsen then discussed ASU strategic enterprise planning regarding efficient facility use. ASU will continue to use its facilities intensively to reduce the need for new capital expenditures.

Rich Stanley then discussed metric results to date. Progress is being made on freshman retention, research, ASU online enrollment and degrees issued and less progress, but progress on 6 year graduation rate and in-person enrollment. It is anticipated that ASU will meet its goals in research, in-person enrollment, ASU on-line enrollment and total degrees issued. Work is still needed regarding freshmen retention and the 6-year graduation rate.

Ron Page discussed the issues with freshmen retention and the 6-year graduation rate and explained the survey of graduating students. 90+% give the university very satisfied or satisfied with their overall undergraduate experience.

Morgan Olsen discussed the university credit ratings. Positive rating factors include ASU's role as a large and growing university with co-flagship status in the Arizona public higher education system, in addition, ASU's healthy student market and growing demand, increasing research profile, and consistent positive operating results.

President Crow listed ASU accomplishments and innovations such as Eadvisor, modest tuition/high aid policy, rapid deployment of ASU Online, Barrett Honors College, AZ Technology Enterprises, ASU Preparatory Academy, and veteran-friendly support programs to name a few.

Rich Stanley provided the board with ASU challenges. The challenges to meet the enrollment and degree metrics include the impact of Arizona high school demographics on enrollment, retention, and degrees; building market and brand strength; having adequate resources for retention and graduation rate improvements. Challenges to meet the research

metrics include faculty growth beyond that required for enrollment growth, additional facilities for research growth and developing funding sources beyond traditional federal agencies. Challenges to extend the enterprise model consist of state adoption and routine funding of a performance funding model, new public sector and private sector partnerships, relief from state policies and plans in health and pension benefits and risk insurance, continued review and modification of ABOR policy that hamper innovation and continued endorsement of enterprise plan tuition policy.

Jim Rund, Beatriz Rendon and Jennifer Hightower reviewed with the board the information regarding expanding the pipeline to college and discussed the foundations for student success when they do get to the university. It has been determined that students who attend orientation do better than students who do not attend orientation. The school provides academic support for first-year student success. They also provide advising and registration support resulting in a first-semester course schedule. They further establish institutional expectations regarding academic rigor and performance. Freshmen who live on campus do better than those who do not. The university has integrated academic and residential environments to successfully orient students to the college and disciplines.

Rob Page, Fred Corey and Kent Hopkins reviewed the information regarding building enrollments and increasing graduation rates. The 2020 goal is to graduate 25,000 per year.

William Petuskey, Tamara Deuser and Nadya Bliss reviewed the information regarding building the scale of the research enterprise. There is no way to achieve the research metric solely by individual faculty members writing proposals. ASU is growing traditional research, proactively developing large multidisciplinary opportunities to address global needs and accelerating non-traditional research engagements with various industries.

Dan Saftig and Gretchen Buhlig discussed increasing philanthropy and affinity. The ASU Foundation has a broader scope than most foundations. The mission of the foundation is to ensure the success of ASU as a New American University.

President Crow stated that the biggest stresses for ASU was finding a way to build an identity for the institution that we can brand and bottle and market and have people understand what ASU is.

INQUIRIES, REQUESTS, REPORTS, AND COMMENTS FROM REGENTS AND MEMBERS OF THE ENTERPRISE EXECUTIVE COUNCIL

Regent Myers thanked ASU and President Crow for all of the hard work to make this board meeting a success.

RECESS AND ADJOURNMENT

The meeting recessed at 12:10 p.m. and adjourned at 2:30 p.m. at the conclusion of the Executive Session.

SUBMITTED BY:

Margaret Martin
Secretary to the Board