COMMITTEE ON APPROPRIATIONS SENATE AMENDMENTS TO S.B. 1115 (Reference to printed bill)

1	Strike everything after the enacting clause and insert:
2	"Section 1. Section 15-1466, Arizona Revised Statutes, is amended to
3	read:
4	15-1466. State aid: eligibility: limitations
5	A. Subject to legislative appropriation, the legislature shall
6	determine and appropriate the amount of state aid each fiscal year to each
7	district possessing the qualifications as prescribed in this chapter EQUAL TO
8	A VOUCHER AMOUNT OF PER FULL-TIME EQUIVALENT STUDENT. EACH
9	STUDENT WHO IS ACCEPTED FOR ADMISSION IS ENTITLED TO A VOUCHER IN THE AMOUNT
10	OF TO BE USED FOR A PORTION OF THE PAYMENT OF TUITION AND
11	FEES AT THAT COMMUNITY COLLEGE DISTRICT.
12	B. The state shall determine the amount of state aid, as prescribed in
13	subsection D of this section, appropriated to each district for the fiscal
14	year prior to the fiscal year for which the state aid is being calculated.
15	C. Each district qualified under this chapter shall have its state aid
16	adjusted in an amount that reflects the growth or decrease in the full-time
17	equivalent student count of the district calculated as follows:
18	1. Calculate the growth or decrease in the actual, audited full time
19	equivalent student count between the second and third most recent fiscal
20	years prior to the fiscal year for which the state aid is being calculated
21	for each district.
22	2. Calculate the average appropriation per full-time equivalent
23	student for all districts by dividing the amount determined in subsection B
24	of this section by the actual, audited full time equivalent student count for

all districts in the most recent fiscal year.

 3. Multiply the amount calculated in paragraph 1 of this subsection by the average appropriation calculated in paragraph 2 of this subsection. This amount equals the adjustment required pursuant to this section.

D. The total amount appropriated to each district each fiscal year in accordance with this section shall serve as the amount of state aid to be adjusted in the next fiscal year. A district is eligible for growth funding pursuant to this section only for the portion of its most recent audited full time student equivalent count that exceeds the audited full time student equivalent count recorded for the district for the most recent fiscal year in which an adjustment was previously made pursuant to subsection C of this section.

- E. B. To be eligible for state aid, a district shall:
- 1. Be equipped with suitable buildings, equipment and campus.
- 2. Have at least three hundred twenty full-time equivalent students attending in the district.
- 3. Have complied with all of the requirements of the district board, including budgets and curriculum.
- F. C. The total amount of state monies that may be spent in any fiscal year by a district for operating state aid shall not exceed the amount appropriated or authorized by section 35-173 for that purpose. Notwithstanding section 15-1444, this section shall not be construed to impose a duty on an officer, agent or employee of this state to discharge a responsibility or to create any right in a person or group if the discharge or right would require an expenditure of state monies in excess of the expenditure authorized by legislative appropriation for that specific purpose, including any duties prescribed in an employment contract entered into pursuant to section 15-1444, subsection A, paragraph 6.

G. In addition to the formula to determine the state aid appropriations prescribed in this section, the state may pay additional amounts for state aid to a district based on requests included in the district's budget request.

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H. D. This section does not entitle a community college operated by a qualified Indian tribe to state aid for community colleges pursuant to this chapter.

Sec. 2. Section 15-1601, Arizona Revised Statutes, is amended to read: 15-1601. State universities: location: faculty powers

A. The Arizona board of regents shall maintain State universities SHALL BE MAINTAINED at Flagstaff in Coconino county, at Tempe in Maricopa county, AT MESA IN MARICOPA COUNTY and at Tucson in Pima county, and the universities are respectively designated northern Arizona university, Arizona state university, ARIZONA POLYTECHNIC UNIVERSITY and the university of Arizona. The board shall maintain An Arizona state university campus SHALL BE MAINTAINED in western Maricopa county AND designated as Arizona state university west campus, which shall be identified as a separate budget unit in the general appropriations act. The board shall maintain an Arizona state university campus in eastern Maricopa county designated as Arizona state university east campus, which shall be identified as a separate budget unit in the general appropriations act. The board may establish and maintain Other colleges and universities MAY BE ESTABLISHED subject to legislative authority. Subject to review by the joint committee on capital review, the board may establish new campuses that are separate from any location in existence on July 1, 2007 MAY BE ESTABLISHED. The Arizona state university campus at Tempe shall provide administrative support for the Arizona state university campuses CAMPUS in western Maricopa county and in eastern Maricopa county.

B. The universities shall have colleges, schools and departments and give courses of study and academic degrees as the board OF TRUSTEES FOR THAT UNIVERSITY approves. Subject to the responsibilities and powers of the board OF TRUSTEES and the university presidents, the faculty members of the universities, through their elected faculty representatives, shall share responsibility for academic and educational activities and matters related to faculty personnel. The faculty members of each university, through their elected faculty representatives, shall participate in the governance of their

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respective universities and shall actively participate in the development of university policy.

Sec. 3. Repeal

Title 15, chapter 13, article 2, Arizona Revised Statutes, is repealed.

Sec. 4. Title 15, chapter 13, Arizona Revised Statutes, is amended by adding a new article 2, to read:

ARTICLE 2. UNIVERSITY BOARDS OF TRUSTEES

15-1621. <u>Universities: boards of trustees: members: terms:</u> immunity

- A. A SEPARATE BOARD OF TRUSTEES SHALL GOVERN EACH INDIVIDUAL PUBLIC UNIVERSITY IN THIS STATE. THE PRESIDENT OF THE UNIVERSITY SHALL SERVE AS AN EX OFFICIO MEMBER OF THE BOARD OF TRUSTEES FOR THAT UNIVERSITY. THE PRESIDENT SHALL BE EXCLUDED FROM ANY DISCUSSION OR VOTING BY THE BOARD OF TRUSTEES CONCERNING THE PRESIDENT'S SALARY AND OTHER FORMS OF COMPENSATION. THE GOVERNOR SHALL SERVE AS AN EX OFFICIO MEMBER OF EACH BOARD OF TRUSTEES. IF THE VOTERS FAIL TO APPROVE A CONSTITUTIONAL AMENDMENT TO ELIMINATE REFERENCES TO THE ARIZONA BOARD OF REGENTS IN ARTICLE XI, SECTION 5, CONSTITUTION OF ARIZONA, THE ARIZONA BOARD OF REGENTS SHALL APPOINT A MEMBER OF THE ARIZONA BOARD OF REGENTS TO SERVE AS A MEMBER OF THE BOARD OF TRUSTEES OF EACH UNIVERSITY.
- B. APPOINTED MEMBERS OF EACH BOARD OF TRUSTEES SHALL BE APPOINTED BY THE GOVERNOR PURSUANT TO SECTION 38-211. THE TERM OF EACH APPOINTED MEMBER IS SIX YEARS, TO BEGIN AND END ON THE THIRD MONDAY IN JANUARY.
- C. EACH APPOINTIVE MEMBER OF EACH BOARD OF TRUSTEES SHALL TAKE THE OATH OF OFFICE BEFORE ENTERING ON THE DUTIES OF THE MEMBER'S OFFICE.
- D. MEMBERS OF EACH BOARD OF TRUSTEES ARE IMMUNE FROM PERSONAL LIABILITY WITH RESPECT TO ALL ACTS DONE AND ACTIONS TAKEN IN GOOD FAITH WITHIN THE SCOPE OF THEIR AUTHORITY DURING DULY CONSTITUTED REGULAR AND SPECIAL MEETINGS WITH APPROVAL OF A MAJORITY OF THE BOARD OF TRUSTEES.

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15-1622. Powers and duties

- A. EACH UNIVERSITY BOARD OF TRUSTEES SHALL:
- 1. HAVE AND EXERCISE THE POWERS NECESSARY FOR THE EFFECTIVE GOVERNANCE AND ADMINISTRATION OF THE UNIVERSITY UNDER ITS CONTROL.
- 2. APPOINT AND EMPLOY AND DETERMINE THE COMPENSATION OF A PRESIDENT WITH SUCH POWER AND AUTHORITY AND FOR SUCH PURPOSES IN CONNECTION WITH THE OPERATION OF THE UNIVERSITY AS THE BOARD DEEMS NECESSARY.
- 3. APPOINT AND EMPLOY AND DETERMINE THE COMPENSATION OF VICE PRESIDENTS, DEANS, PROFESSORS, INSTRUCTORS, LECTURERS, FELLOWS AND SUCH OTHER OFFICERS AND EMPLOYEES WITH SUCH POWER AND AUTHORITY AND FOR SUCH PURPOSES IN CONNECTION WITH THE OPERATION OF THE UNIVERSITY AS THE BOARD DEEMS NECESSARY.
- 4. REMOVE ANY OFFICER OR EMPLOYEE OF THE UNIVERSITY WHEN THE INTERESTS OF EDUCATION IN THIS STATE SO REQUIRE IN ACCORDANCE WITH THE BOARD'S PERSONNEL RULES AND POLICIES.
- 5. FIX TUITIONS AND FEES TO BE CHARGED AND DIFFERENTIATE THE TUITIONS AND FEES BETWEEN RESIDENTS, NONRESIDENTS, UNDERGRADUATE STUDENTS, GRADUATE STUDENTS AND STUDENTS FROM FOREIGN COUNTRIES.
- 6. PURSUANT TO SECTION 35-115, SUBMIT A BUDGET REQUEST FOR THE UNIVERSITY THAT INCLUDES THE ESTIMATED TUITION AND FEE REVENUE AVAILABLE TO SUPPORT THE PROGRAMS OF THE UNIVERSITY AS DESCRIBED IN THE BUDGET REQUEST. THE ESTIMATED AVAILABLE TUITION AND FEE REVENUE SHALL BE BASED ON THE TUITION AND REGISTRATION FEE RATES IN EFFECT AT THE TIME THE BUDGET REQUEST IS SUBMITTED WITH ADJUSTMENTS FOR PROJECTED CHANGES IN ENROLLMENT AS PROVIDED BY THE BOARD OF TRUSTEES.
- 7. ESTABLISH CURRICULA AND DESIGNATE COURSES AT THE UNIVERSITY THAT IN THE BOARD'S JUDGMENT WILL BEST SERVE THE INTERESTS OF THIS STATE.
- 8. AWARD SUCH DEGREES AND DIPLOMAS ON THE COMPLETION OF SUCH COURSES AND CURRICULUM REQUIREMENTS AS THE BOARD DEEMS APPROPRIATE.
- 9. PRESCRIBE QUALIFICATIONS FOR ADMISSION OF ALL STUDENTS TO THE UNIVERSITY.

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- 10. ADOPT ANY ENERGY CONSERVATION STANDARDS ADOPTED BY THE DEPARTMENT OF ADMINISTRATION FOR THE CONSTRUCTION OF NEW BUILDINGS.
 - 11. EMPLOY ATTORNEYS FOR SUCH TIME AND PURPOSES AS THE BOARD REQUIRES AND FIX AND PAY THEIR COMPENSATION.
 - 12. ADOPT ANNUALLY AN OPERATING BUDGET FOR THE UNIVERSITY 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 THE UNIVERSITY OPERATING BUDGET.
 - 13. IN CONSULTATION WITH THE STATE BOARD OF EDUCATION AND OTHER EDUCATION GROUPS, DEVELOP AND IMPLEMENT A PROCESS TO AWARD HONORS ENDORSEMENTS TO BE AFFIXED TO THE HIGH SCHOOL DIPLOMAS OF QUALIFYING HIGH SCHOOL PUPILS AND TO BE INCLUDED IN THE TRANSCRIPTS OF PUPILS WHO ARE AWARDED ENDORSEMENTS. THE BOARD OF TRUSTEES SHALL DEVELOP APPLICATION PROCEDURES AND TESTING CRITERIA AND ADOPT TESTING INSTRUMENTS AND PROCEDURES TO ADMINISTER HONORS ENDORSEMENT. IN ORDER TO RECEIVE AN HONORS ENDORSEMENT, A PUPIL MUST DEMONSTRATE AN EXTRAORDINARY LEVEL OF KNOWLEDGE, SKILL AND COMPETENCY AS MEASURED BY THE TESTING INSTRUMENTS ADOPTED BY THE BOARD OF TRUSTEES IN MATHEMATICS, ENGLISH, SCIENCE AND SOCIAL STUDIES. ADDITIONAL SUBJECTS MAY BE ADDED AT THE DETERMINATION OF THE BOARD OF TRUSTEES. THE HONORS ENDORSEMENT PROCESS IS VOLUNTARY FOR PUPILS.
 - 14. REQUIRE THE PUBLISHER OF EACH LITERARY AND NONLITERARY TEXTBOOK USED IN THE UNIVERSITY TO FURNISH COMPUTER SOFTWARE IN A STANDARDIZED FORMAT WHEN SOFTWARE BECOMES AVAILABLE FROM WHICH BRAILLE VERSIONS OF THE TEXTBOOKS MAY BE PRODUCED.
 - 15. IF THE UNIVERSITY PROVIDES A DEGREE IN EDUCATION, REQUIRE COURSES THAT ARE NECESSARY TO OBTAIN A PROVISIONAL STRUCTURED ENGLISH IMMERSION ENDORSEMENT AS PRESCRIBED BY THE STATE BOARD OF EDUCATION.
 - 16. FOR EACH CLASSROOM ACQUIRE UNITED STATES FLAGS THAT ARE MANUFACTURED IN THE UNITED STATES AND THAT ARE AT LEAST TWO FEET BY THREE FEET AND HARDWARE TO APPROPRIATELY DISPLAY THE FLAGS, ACQUIRE A LEGIBLE COPY OF THE UNITED STATES CONSTITUTION AND THE BILL OF RIGHTS, DISPLAY THE FLAGS IN EACH CLASSROOM IN ACCORDANCE WITH TITLE 4 OF THE UNITED STATES CODE AND

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DISPLAY A LEGIBLE COPY OF THE UNITED STATES CONSTITUTION AND THE BILL OF RIGHTS ADJACENT TO THE FLAG.

- 17. TO FACILITATE THE TRANSFER OF MILITARY PERSONNEL AND THEIR DEPENDENTS TO AND FROM THE PUBLIC SCHOOLS OF THIS STATE, PURSUE, IN COOPERATION WITH THE STATE BOARD OF EDUCATION, RECIPROCITY AGREEMENTS WITH OTHER STATES CONCERNING THE TRANSFER OF CREDITS FOR MILITARY PERSONNEL AND THEIR DEPENDENTS.
- 18. REQUIRE THE UNIVERSITY TO POST PUBLIC NOTICES OF ALL OF ITS EMPLOYMENT OPENINGS, INCLUDING THE TITLE AND DESCRIPTION, INSTRUCTIONS FOR APPLYING AND RELEVANT CONTACT INFORMATION.
- 19. IN CONSULTATION WITH THE COMMUNITY COLLEGE DISTRICTS IN THIS STATE, DEVELOP AND IMPLEMENT COMMON EQUIVALENCIES FOR SPECIFIC LEVELS OF ACHIEVEMENT ON ADVANCED PLACEMENT EXAMINATIONS AND INTERNATIONAL BACCALAUREATE EXAMINATIONS IN ORDER TO AWARD COMMENSURATE POSTSECONDARY ACADEMIC CREDITS AT COMMUNITY COLLEGES AND THE UNIVERSITY.
- B. EACH UNIVERSITY BOARD OF TRUSTEES SHALL ADOPT PERSONNEL RULES. ALL NONACADEMIC EMPLOYEES OF THE UNIVERSITY ARE SUBJECT TO THESE RULES EXCEPT FOR UNIVERSITY PRESIDENTS, UNIVERSITY VICE PRESIDENTS, UNIVERSITY DEANS, LEGAL COUNSEL AND ADMINISTRATIVE OFFICERS. THE PERSONNEL RULES SHALL BE SIMILAR TO THE PERSONNEL RULES UNDER SECTION 41-783. THE RULES SHALL INCLUDE PROVISIONS FOR LISTING AVAILABLE POSITIONS WITH THE DEPARTMENT OF ECONOMIC SECURITY, COMPETITIVE EMPLOYMENT PROCESSES FOR APPLICANTS, PROBATIONARY STATUS FOR NEW NONACADEMIC EMPLOYEES, NONPROBATIONARY STATUS ON SUCCESSFUL COMPLETION OF PROBATION AND DUE PROCESS PROTECTIONS OF NONPROBATIONARY EMPLOYEES AFTER DISCHARGE. THE BOARD SHALL PROVIDE NOTICE OF PROPOSED RULE ADOPTION AND AN OPPORTUNITY FOR PUBLIC COMMENT ON ALL PERSONNEL RULES PROPOSED FOR ADOPTION.
- C. IN CONJUNCTION WITH THE AUDITOR GENERAL, EACH UNIVERSITY BOARD OF TRUSTEES SHALL DEVELOP A UNIFORM ACCOUNTING AND REPORTING SYSTEM, WHICH SHALL BE REVIEWED BY THE JOINT LEGISLATIVE BUDGET COMMITTEE BEFORE FINAL ADOPTION BY THE BOARD. THE BOARD SHALL REQUIRE THE UNIVERSITY TO COMPLY WITH THE UNIFORM ACCOUNTING AND REPORTING SYSTEM.

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- D. EACH UNIVERSITY BOARD OF TRUSTEES MAY EMPLOY LEGAL ASSISTANCE IN PROCURING LOANS FOR THE UNIVERSITY FROM THE UNITED STATES GOVERNMENT. FEES OR COMPENSATION PAID FOR SUCH LEGAL ASSISTANCE SHALL NOT BE A CLAIM ON THE GENERAL FUND OF THIS STATE BUT SHALL BE PAID FROM MONIES OF THE UNIVERSITY.
- E. THE BOARD OF TRUSTEES FOR THE UNIVERSITY OF ARIZONA SHALL APPROVE OR DISAPPROVE ANY CONTRACT OR AGREEMENT ENTERED INTO BY THE UNIVERSITY OF ARIZONA HOSPITAL WITH THE ARIZONA HEALTH FACILITIES AUTHORITY.
- F. EACH UNIVERSITY BOARD OF TRUSTEES MAY ADOPT POLICIES THAT AUTHORIZE THE UNIVERSITY TO ENTER INTO EMPLOYMENT CONTRACTS WITH NONTENURED EMPLOYEES FOR PERIODS OF MORE THAN ONE YEAR BUT NOT MORE THAN FIVE YEARS. THE POLICIES SHALL PRESCRIBE LIMITATIONS ON THE AUTHORITY OF THE UNIVERSITY TO ENTER INTO EMPLOYMENT CONTRACTS FOR PERIODS OF MORE THAN ONE YEAR BUT NOT MORE THAN FIVE YEARS, INCLUDING THE REQUIREMENT THAT THE BOARD OF TRUSTEES APPROVE THE CONTRACTS.
- G. EACH UNIVERSITY BOARD OF TRUSTEES MAY ADOPT A PLAN OR PLANS FOR EMPLOYEE BENEFITS THAT ALLOW FOR PARTICIPATION IN A CAFETERIA PLAN THAT MEETS THE REQUIREMENTS OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986.
- H. EACH UNIVERSITY BOARD OF TRUSTEES MAY ESTABLISH A PROGRAM FOR THE EXCHANGE OF STUDENTS BETWEEN THE UNIVERSITY AND COLLEGES AND UNIVERSITIES LOCATED IN THE STATE OF SONORA, MEXICO. THE PROGRAM MAY PROVIDE FOR IN-STATE TUITION AT THE UNIVERSITY FOR FIFTY SONORAN STUDENTS IN EXCHANGE FOR SIMILAR TUITION PROVISIONS FOR UP TO FIFTY ARIZONA STUDENTS ENROLLED OR SEEKING ENROLLMENT IN SONORAN COLLEGES OR UNIVERSITIES. THE BOARD MAY DIRECT THE UNIVERSITY TO WORK IN CONJUNCTION WITH THE ARIZONA-MEXICO COMMISSION TO COORDINATE RECRUITMENT AND ADMISSIONS ACTIVITIES.
 - Sec. 5. Section 15-1661, Arizona Revised Statutes, is amended to read: 15-1661. <u>Annual appropriation: enrollment audit: expenditure:</u>

balance; salaries

A. There shall be appropriated in the general appropriation bill for each fiscal year a sum of monies not less than eighty five one hundredths of one mill on the dollar of the assessed valuation of all taxable property in the state for the improvement, support and maintenance of the institutions

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under the Arizona board of regents' jurisdiction, including payment of salaries, current expenses, purchase of equipment, making necessary repairs, construction of new buildings, purchase of lands and in general for payment of all such expenses connected with the management of the institutions under the Arizona board of regents' jurisdiction. The department of revenue, upon compiling the aggregate assessed valuation of all taxable property within this state, shall compute the amount of monies so determined and certify such amount over its seal to the department of administration and the state treasurer FOR THE PUBLIC UNIVERSITIES IN THIS STATE EQUAL TO A VOUCHER AMOUNT OF ______ PER FULL-TIME EQUIVALENT STUDENT. EACH STUDENT WHO IS ACCEPTED FOR ADMISSION IS ENTITLED TO A VOUCHER IN THE AMOUNT OF _____ TO BE USED FOR A PORTION OF THE PAYMENT OF TUITION AND FEES AT THAT UNIVERSITY.

B. The full-time equivalent student enrollment reported for the previous fiscal year by each university shall be audited annually by the auditor general. The auditor general shall report the results of the audit to the staffs of the joint legislative budget committee and the governor's office of strategic planning and budgeting on or before October 15 of each year. On or before July 21 of each academic year, each university shall provide for the previous fall semester a certified report to the auditor general of the number of full-time equivalent students calculated by the university and a separate report only for those students who meet the residency requirements prescribed in section 15-1802. The university's records used to calculate full-time equivalent student enrollment shall be provided to the auditor general in an electronic format prescribed by the auditor general. Beginning in 2006, Each university shall submit to the auditor general a summary of its full-time equivalent student enrollment accounting policies and procedures, compilation procedures and source records used for calculating full-time equivalent student enrollment. These accounting policies and procedures, compilation procedures and source records shall comply with policies developed on or before June 30, 2006 by the Arizona board of regents BOARD OF TRUSTEES FOR THAT UNIVERSITY, in

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consultation with the auditor general and reviewed by the joint legislative budget committee. These policies shall include a review and recommendations of the necessity of minimum requirements for students enrolled in classes to qualify for appropriations pursuant to this section, including requirements that the class be a for-credit course that is necessary for the completion of a degree and that the student enrolled in the course be physically present in this state at the time the course is conducted. The basic actual full-time equivalent student enrollment shall be counted on the forty-fifth day after the basic actual full-time equivalent student enrollment classes begin for the fall and spring semesters, as published in the university catalogs, and divided by two. The Arizona board of regents BOARD OF TRUSTEES FOR THAT UNIVERSITY shall also make recommendations of whether each professor or instructor should be required to review class rosters and make additions or deletions as necessary. If so, class rosters that reflect enrollment as of the forty-fifth day shall be provided by the registrar's office to each professor or instructor for every class section. The class roster shall indicate the course number, course title, time, instructor name and students enrolled. On the forty-fifth day class rosters, each professor or instructor shall indicate as withdrawn each student who has formally withdrawn from the course, and that student shall not be counted for state aid purposes. The official forty-fifth day rosters shall include a manual signature and date or an electronic authorization and date by the professor or instructor and shall include the following certification:

I hereby certify that the information contained in this class roster accurately reflects those students who are enrolled.

C. The Arizona board of regents EACH UNIVERSITY BOARD OF TRUSTEES shall also report the basic actual full-time equivalent student enrollment for only those students who meet the residency requirements prescribed in section 15-1802. The basic actual full-time equivalent student enrollment for only those students who meet the residency requirements prescribed in section 15-1802 that is reported by each university for the previous fiscal year shall be annually audited by the auditor general.

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- D. Students who have withdrawn or who have been withdrawn from classes as of the forty-fifth day shall not be counted for state aid purposes. A record shall be maintained that identifies student withdrawals by date of withdrawal, as of the forty-fifth day and after the forty-fifth day for the entire semester.
- E. Amounts appropriated as provided by subsection A OF THIS SECTION shall be paid as other claims against this state are paid.
- F. The balance of appropriations as provided by subsection A OF THIS SECTION at the end of the fiscal year, if any, shall not revert to the general fund but shall be carried forward for the continued use for which appropriated.
- G. Monies appropriated to a university under the jurisdiction of the Arizona board of regents for cost of living salary increases for university employees shall be used to provide cost of living salary increases to all university employees including graduate student assistants. If monies are appropriated to a university for salary increases based on merit, the monies shall be used to provide merit increases according to the merit pay plan adopted by the Arizona board of regents.
- H. G. The Arizona board of regents BOARD OF TRUSTEES FOR EACH UNIVERSITY shall determine current actual full-time equivalent student enrollment at each of the institutions under the jurisdiction of the Arizona board of regents THAT UNIVERSITY. Full-time equivalent student enrollment shall be calculated by adding the following:
- 1. The total number of enrolled fall and spring semester credit hours in 100-level credit courses and 200-level credit courses divided by fifteen.
- 2. The total number of enrolled fall and spring semester credit hours in 300-level credit courses and 400-level credit courses divided by twelve.
- 3. The total number of enrolled fall and spring semester credit hours in graduate level credit courses divided by ten.
- I. H. The Arizona board of regents BOARD OF TRUSTEES FOR EACH UNIVERSITY, in its annual budget request, shall not include funding for any student who is enrolled at an institution under the jurisdiction of the

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Arizona board of regents THAT UNIVERSITY and who has earned credit hours in excess of the undergraduate credit hour threshold, except that the undergraduate credit hour threshold shall not apply to students who are enrolled in a degree program that requires credit hours above the credit For the purposes of this subsection, the undergraduate credit hour threshold is one hundred fifty-five hours for students who attend a university under the jurisdiction of the board in fiscal year 2006-2007, one hundred fifty hours for students who attend a university under the jurisdiction of the board in fiscal year 2007-2008 and one hundred forty-five hours for students who attend a THAT university under the jurisdiction of the board after fiscal year 2007-2008. The undergraduate credit hour threshold shall be based on the actual full-time equivalent student enrollment counted on the forty-fifth day after classes begin for the fall and spring semesters and any budget adjustment based on student enrollment shall occur in the fiscal year following the actual full-time equivalent student enrollment count. The undergraduate credit hour threshold shall not apply to credits earned in the pursuit of up to two baccalaureate degrees, credits earned in the pursuit of up to two state regulated licensures and certificates, credits earned in the pursuit of teaching certification, credits transferred from a private institution of higher education, credits transferred from an institution of higher education in another state, credits earned at another institution of higher education but that are not accepted as transfer credits at the university where the student is currently enrolled and credits earned by students who enroll at a THAT university under the jurisdiction of the board more than twenty-four months after the end of that student's previous enrollment at a public institution of higher education in this state.

I. SUBJECT TO LEGISLATIVE APPROPRIATION, IN ADDITION TO THE VOUCHER AMOUNT PRESCRIBED IN SUBSECTION A OF THIS SECTION, THE ONLY OTHER AMOUNTS THAT MAY BE APPROPRIATED FROM THE STATE GENERAL FUND TO A UNIVERSITY ARE APPROPRIATIONS FOR PERFORMANCE INCENTIVES IF CERTAIN BENCHMARKS HAVE BEEN ACHIEVED BY THAT UNIVERSITY. THE PRESIDENT OF THE SENATE AND THE SPEAKER OF

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THE HOUSE OF REPRESENTATIVES SHALL ESTABLISH AN EXECUTIVE OVERSIGHT COMMITTEE FOR LEGISLATIVE BENCHMARKS FOR UNIVERSITIES TO ANNUALLY RECOMMEND AND REVIEW PERFORMANCE BENCHMARKS AT EACH UNIVERSITY. THE EXECUTIVE OVERSIGHT COMMITTEE FOR LEGISLATIVE BENCHMARKS FOR UNIVERSITIES SHALL MEET AT LEAST ONCE EACH YEAR AND SHALL ANNUALLY DEVELOP A LIST OF PERFORMANCE BENCHMARKS FOR EACH UNIVERSITY AND THE RECOMMENDED INCENTIVE AMOUNTS THAT MAY BE APPROPRIATED IF THE UNIVERSITY ACHIEVES ONE OR MORE OF THOSE BENCHMARKS. THE EXECUTIVE OVERSIGHT COMMITTEE SHALL CONSIST OF:

- 1. THE GOVERNOR OR THE GOVERNOR'S DESIGNEE.
- 2. THE PRESIDENT OF THE SENATE OR THE PRESIDENT'S DESIGNEE.
- 3. THE SPEAKER OF THE HOUSE OF REPRESENTATIVES OR THE SPEAKER'S DESIGNEE.
- 4. THE CHAIRPERSON OF THE HOUSE OF REPRESENTATIVES COMMITTEE TO WHICH THE MAJORITY OF LEGISLATION RELATING TO HIGHER EDUCATION IS ASSIGNED.
- 5. THE CHAIRPERSON OF THE SENATE COMMITTEE TO WHICH THE MAJORITY OF LEGISLATION RELATING TO HIGHER EDUCATION IS ASSIGNED.

Sec. 6. Transfer of powers; effect

- A. All matters, including contracts, orders and judicial or quasi-judicial actions, whether completed or pending, of the Arizona state university east campus are transferred, on the effective date of this act, and maintain the same status with Arizona polytechnic university.
- B. Rules adopted by the Arizona board of regents concerning the Arizona state university east campus are effective until superseded by rules adopted by the board of trustees of Arizona polytechnic university.
- C. All personnel, property and records, all data and investigative findings and all appropriated monies remaining unspent and unencumbered of the Arizona board of regents and Arizona state university with respect to the Arizona state university east campus are transferred to the board of trustees of Arizona polytechnic university and may be used for the purposes of this act.

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1	Sec. 7. <u>Conforming legislation</u>
2	The legislative council staff shall prepare proposed legislation
3	conforming the Arizona Revised Statutes to the provisions of this act for
4	consideration in the fifty-first legislature, first regular session.
5	Sec. 8. <u>Effective date</u>
6	This act is effective from and after December 31, 2012."

7 Amend title to conform

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