

BOARD OF REGENTS
NEVADA SYSTEM OF HIGHER EDUCATION
Aspen Building, Sarah Winnemucca Hall
Western Nevada College
2201 West College Parkway, Carson City
Thursday-Friday, April 3-4, 2008

Members Present: Mr. Michael B. Wixom, Chair
Mr. Howard Rosenberg, Vice Chair
Dr. Stavros S. Anthony
Mr. Cedric Crear
Dr. Thalia M. Dondero
Mrs. Dorothy S. Gallagher
Dr. Jason Geddes
Mr. Ron Knecht
Mr. James Dean Leavitt
Dr. Jack Lund Schofield
Mr. Steve Sisolak
Mr. Bret Whipple

Members Absent: Mr. Mark Alden

Others Present: Chancellor James E. Rogers *{via telephone}*
Executive Vice Chancellor Daniel Klaich
Executive Vice Chancellor & CEO, UNHSS, Maurizio Trevisan
Vice Chancellor, Academic & Student Affairs, Jane Nichols
Chief Counsel Bart Patterson
Special Counsel Brooke Nielsen
Interim President Michael D. Richards, CSN
President Paul Killpatrick, GBC
President Fred J. Maryanski, NSC
Interim President Delores Sanford, TMCC
President David B. Ashley, UNLV
President Milton D. Glick, UNR
President Carol A. Lucey, WNC
Dr. Chris Maples, Executive Vice President of Research, DRI
Chief Executive Officer of the Board Scott Wasserman

Also present were faculty senate chairs Ms. Judy Stewart, CSN; Dr. Bill Albright, DRI; Mr. Ed Nickel, GBC; Dr. Lawrence Rudd, NSC; Mr. Steven Bale, TMCC; Dr. Bryan Spangelo, UNLV; Dr. Stephen Rock, UNR; Dr. Doris Dwyer, WNC; and Mr. Brian Campbell, System Administration. Student government leaders present included Mr. Taylor Gray, CSN; Mr. Richie LeSpade, GBC; Mr. Ryan Crowell, NSC; Mr. Nick Chrysanthou, TMCC; Mr. Adriel Espinoza, UNLV; Mr. Jeremy Houska, UNLV-GPSA; Ms. Sarah Ragsdale, UNR; and Ms. Hope Manzano, WNC.

Chair Michael B. Wixom called the meeting to order at 8:30 a.m., on Thursday, April 3, 2008, with all members present except for Regents Alden and Knecht.

Regent Schofield led the pledge of allegiance.

Ms. Helainne Jesse, Vice President, Development and External Affairs, WNC, offered a brief prayer. Father Jeffrey Paul of St. Peter's Episcopal Church offered the invocation.

Regent Knecht entered the meeting.

1. Information Only-Introductions – President Maryanski introduced Ms. Patricia Ring, Registrar, NSC.

President Glick introduced Mr. Eli Riley, President-Elect, Associated Students of the University of Nevada (*ASUN*).

2. Information Only-Chair's Report – As part of the Chair's report, Chair Michael B. Wixom requested that the President of each hosting institution introduce one student and one faculty member to discuss a topic of the hosting President's choosing to help provide Board members with a focus on the reasons they serve as Board members. He also discussed current NSHE events and his current activities as Chair.

President Lucey introduced Professor Hal Starratt. Professor Starratt began teaching at Western Nevada College in 1996. He holds an MA in Visual Anthropology from Cal State Sacramento and a Ph.D. in Anthropology from Tulane University. Dr. Starratt discussed his archaeological research on the northern coast of Peru funded by the National Science Foundation and the National Endowment for the Humanities. Dr. Starratt was included on the list of tenure recommendations for the April Consent Agenda.

Mr. Josh Pierce is a Western Nevada College student with a declared major in nursing. He returned to college to re-career after working in the construction industry. He spoke about his experience and education at Western Nevada College and thanked the Regents for supporting higher education.

Chair Wixom reported that the Chancellor's recovery from surgery was progressing well.

Chair Wixom announced that the Nevada System of Higher Education has been selected as one of three states to work with WICHE and the Lumina Foundation on a grant entitled: "Non-traditional No More: Policy Solutions for Adult Learners." This effort will identify adults who have college credits but have not finished their degrees. In Nevada, there are over 17,000 such adults. This two-year grant for \$65,000 will allow the System to identify strategies to bring those adults back into higher education to complete their degrees. Dr. Ann McDonough, Professor of Gerontology and Acting Dean of the UNLV University College, and NSHE Vice Chancellor Jane Nichols will lead this effort. The Board will receive updates at future meetings regarding the progress of this grant initiative.

Chair Wixom stated that a new memorandum of understanding had been reached between CSN and the trade unions. Interim President Richards related that CSN would continue their efforts to strengthen the developing relationship between their institution and the trade unions.

2. Information Only-Chair's Report – (Cont'd.)

Regent Schofield related that due to his experience as a journeyman electrician and carpenter, it was important to him that the relationship between the labor unions and higher education remain strong.

Chair Wixom and Vice Chair Rosenberg presented a Regents' Certificate of Recognition to Interim President Sanford. President Sanford thanked the TMCC faculty and staff for their institution's success through some difficult times.

The meeting recessed at 9:00 a.m. and reconvened at 1:25 p.m. on Thursday, April 3, 2008, with all members present except Regents Alden and Leavitt.

3. Information Only - Public Comment – Ms. Sarah Ragsdale, ASUN Student Body President, UNR, related that she was completing her term as Student Body President and thanked the Board for a valuable learning experience. In the fall of 2008 she will be attending Boston University.

Ms. Rebecca Bevans, GSA Student Body President, UNR, related that she will be graduating at the end of the fall 2008 semester. She thanked the Board for their support and dedication to the state.

1. Information Only-Introductions – (Cont'd)

President David Ashley introduced UNLV's new Faculty Senate Chair, Dr. Nassar Daneshvary, Professor of Economics in the College of Business, and then announced that Dr. Juanita Fain, Vice President of Planning, UNLV, will be assuming the role of Interim Vice President for Student Affairs.

President Ashley then related that UNLV's first president, Dr. Donald Moyer, had passed away the morning of April 3, 2008, noting that the student union had been named after him.

4. Information Only-Chancellor's Report (Agenda Item #3) - Chancellor James E. Rogers discussed the current state of the Nevada System of Higher Education including budgetary and fundraising developments via teleconference.

Chancellor Rogers reported that he was recovering well from his surgery. Through Executive Vice Chancellor Klaich, he has been in contact with the Governor and various legislators to make every effort to ensure that further budget reductions do not impact higher education or K-12. Specifically, in regards to the System's budget, he has asked that every effort be made not to further reduce the System's operating budget or remove additional projects from the CIP list.

Regent Leavitt entered the meeting.

4. Information Only-Chancellor's Report (Agenda Item #3) – (Cont'd.)

Chancellor Rogers stated that the System must become more active in state budgetary concerns going forward. He expressed his strong support of the Health Sciences System (HSS), noting that this program will not go away. He felt the HSS Committee has a good leader in Regent Gallagher. The presidents are coming together and Executive Vice Chancellor Trevisan is moving in the right direction. He announced that a dinner will be held in honor of Mr. Andre Agassi on May 24, 2008.

5. Approved-Consent Agenda (Agenda Item #5) – The Board approved the Consent Agenda, with the exception of items # (9), # (10), # (11) and # (12), which were approved separately (Consent Agenda on file in the Board office).

(1) Approved-Minutes – The Board approved the minutes from the regular Board of Regents' meeting held February 7-8, 2008, and the Special Board meeting held March 3, 2008 (Ref. C-1a, Ref. C-1b on file in the Board office).

(2) Approved-Tenure – The Board approved the NSHE Presidents' requests for tenure for the following faculty members. Each applicant met the standards for tenure in the NSHE Code and was positively recommended by his or her institution following a peer review process.

CSN – (Ref. C-2a on file in the Board office):

Ms. Lisa Bailey	Mr. Robert Benedetto
Mr. Jason S. Cifra	Dr. William Clayson
Ms. Valerie D. Conner	Mr. Thomas P. Gill
Mr. Jose Antonio Gomez	Ms. Paula Grenell
Dr. Bradley W. Gruner	Mr. Eric Hutchinson
Mr. David R. Leavell	Ms. Ivonne Leavell
Ms. Christine Lines	Dr. Fred Monardi
Ms. Micki Lin Mongogna-Alarcon	Ms. Peggy Perkins-Arnot
Dr. T.R. Raghunath	Ms. Teresa D. Rogers
Ms. Rene L. Rosich	Mr. Dale Roveri
Mr. John R. (Jack) Sawyer	Ms. Jennifer J. Skillen
Mr. Steve D. Soltz	Ms. Margaret N. Taylor
Mr. Patrick L. Villa	Dr. Shari Lee Wright Lyman

GBC – (Ref. C-2b on file in the Board office):

Dr. Stephen Baker	Ms. Susanne Bentley
Mr. Dale Bolinder	Dr. James Elithorp Jr.
Mr. David Ellefsen	Ms. Mary Teresa Howell
Ms. Mari Hunter	Ms. Sarah Negrete

NSC - (Ref. C-2c on file in the Board office):

Dr. Elizabeth "Rho" Hudson	Dr. Lori Navarrete
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5. Approved-Consent Agenda (Agenda Item #5) – (Cont’d.)

(2) Approved-Tenure – (Cont’d.)

TMCC – (Ref. C-2d on file in the Board office):

Ms. Erika Bein	Dr. Lance Bowen
Ms. Consolacion Croysdill	Dr. Nancy Faires
Ms. Wendi Ford	Mr. Craig Goodman
Mr. Theodore Owens	Ms. Patti Sanford
Mr. Daniel Williams	

UNLV – (Ref. C-2e on file in the Board office):

Dr. G. Stoney Alder	Dr. Randall L. Astramovich
Dr. Daniel C. Benyshek	Dr. Christine J. Bergman
Dr. Bo J. Bernhard	Dr. Chad L. Cross
Ms. Priscilla Finley	Dr. Allen G. Gibbs
Ms. Katherine Kruse	Dr. Kathryn A. LaTour
Dr. Emily Lin	Dr. Sally K. Miller
Dr. Edwin Nagelhout	Dr. Michael G. Pravica
Dr. Eduardo A. Robleto	Dr. Javier A. Rodriguez
Ms. Susie A. Skarl	Dr. Mykola Suk
Mr. David B. Thronson	Dr. Matthew J. Tincani
Dr. Frank van Breukelen	Dr. Matt Wray
Dr. Bing Zhang	

UNR – (Ref. C-2f on file in the Board office):

Dr. David Croasdell	Dr. Sergiu-Mihai Dascalu
Dr. Greta de Jong	Dr. Brian Frost
Dr. Olivia Graeve	Dr. Timothy Griffin
Dr. Federico Guerrero	Dr. Holly Hazlett-Stevens
Dr. Casilde Isabelli	Dr. Robert Ives
Dr. Ann Keniston	Dr. Craig Klugman
Dr. Jaime Leños	Dr. Eric Olson
Dr. Sandra Ott	Dr. Jill Packman
Dr. Julie Pennington	Ms. Pamela Powell
Dr. Aaron Santesso	Dr. Kayvan Taghipour-Khiabani
Ms. Paoshan Yue	

WNC – (Ref. C-2g on file in the Board office):

Mr. Jeffrey Downs	Ms. Lori Magnante
Mr. Michael Malay	Mr. Gil Martin
Dr. Robert Morin	Dr. Hal Starratt
Dr. Michael Tischler	

5. Approved-Consent Agenda (Agenda Item #5) – (Cont’d.)
- (3) Approved-Appointment to WestEd Board of Directors – The Board approved Vice Chancellor Jane Nichols’ request for re-appointment for an additional three-year term (*June 1, 2008 to May 31, 2011*) to the WestEd Board of Directors for Dr. Francine Mayfield, NSC, and Dr. Christopher Brown, II, UNLV. WestEd is a nonprofit research, development and service agency that enhances and increases education and human development within schools, families and communities. The Board of Regents appoints three members to the WestEd Board to represent the Nevada System of Higher Education. The term of the third member appointed by the Board of Regents does not expire until 2010.

- (4) Approved-Allocation of Grants-in-Aid, 2008-09 – The Board approved the allocation of Grants-in-Aid for academic years 2008-09. Nevada Revised Statute (*NRS*) 396.540 provides for tuition waivers for students from other states and foreign countries based on 3% of each institution’s fall headcount enrollment. Board policy provides an equal number of grants-in-aid for Nevada students and requires that the total number of grants-in-aid allocated to each NSHE institution be approved annually by the Board. The recommended allocations are for academic year 2008-09 and represent the total number each institution could award. In all cases, funding is not sufficient to support the maximum allowable number of grants-in-aid:

	<u>IN-STATE</u>	<u>OUT-OF-STATE</u>
UNR	502	502
UNLV	854	854
NSC	66	66
CSN	1,179	1,179
GBC	98	98
TMCC	383	383
WNC	161	161

- (5) Approved-Handbook Revision, Tuition Charges for Nevada High School Graduates and Returning Students – The Board approved Vice Chancellor Jane Nichols’ request for a *Handbook* revision (*Title 4, Chapter 15, Sections 2 and 3*), clarifying that a Nevada high school graduate is always considered a resident for tuition purposes and returning students retain their prior exemption from tuition charges if previously given by an NSHE institution (*Ref. C-5 on file in the Board office*).
- (6) Approved-Handbook Revision, Financial Policies – The Board approved Vice Chancellor Mike Reed’s request for a *Handbook* revision (*Title 4, Chapter 9C, Section 2*), to codify the recommendation approved by the Budget & Finance Committee at the November 29, 2007, meeting, and approved by the full Board at its November 29-30, 2007, meeting, modifying the reporting requirements of the quarterly self-supporting budget revisions report and the quarterly state budget transfers between functions report and eliminating certain specified annual reports (*Ref. C-6 on file in the Board office*).
- (7) Approved-Handbook Revision, Bylaws, System Administration – The Board approved Executive Vice Chancellor Dan Klaich’s request for a *Handbook* revision (*Title 5, Chapter 5*), to the System Administration Bylaws concerning the peer review process of employment evaluations (*Ref. C-7 on file in the Board office*).

5. Approved-Consent Agenda (Agenda Item #5) – (Cont'd.)
- (8) Approved-Handbook Revision, Reorganization References, DRI – The Board approved DRI President Stephen G. Wells' request for a first reading of editorial changes to the *Handbook (Title 2, Chapters 6 and 8, Sections 6.16 and 8.5; Title 4, Chapter 3, Section 1; and Title 5, Chapter 2, Section 2.2)*, related to the reorganization references to two DRI governing documents. Since Code revisions require two appearances, this request will be presented for final action at the June 2008 meeting (*Ref. C-8 on file in the Board office*).

Regent Geddes moved approval of the Consent Agenda with the exception of item nos. 9, 10, 11, and 12. Regent Gallagher seconded. Motion carried. Regent Alden was absent.

CONSENT AGENDA ITEMS CONSIDERED SEPARATELY:

5. Approved-Consent Agenda (Agenda Item #5) – (Cont'd.)
- (9) Approved-Capital Improvement Fee Funds, CSN – The Board approved Interim President Michael Richards' request for the use of \$970,000 in Capital Improvement Fee funds to construct a new central plant to replace the existing mechanical unit that provides heating and cooling to the entire Charleston Campus C Building. This project will solve the existing problems as well as enhance energy efficiency and increase the lifespan of this equipment to approximately forty years (*Ref. C-9 on file in the Board office*).

Regent Sisolak expressed his desire for all institutions to be cautious in the use of capital improvement fees. President Richards stated that this item has been analyzed very carefully. This specific request is for a major instructional facility for the campus and is absolutely necessary.

Regent Sisolak moved approval of Consent Agenda item no. 9. Regent Crear seconded. Motion carried. Regent Alden was absent.

- (10) Approved-New Endowments, CSN – The Board approved CSN Interim President Michael Richards' request to accept the following new endowments to benefit the students of the College of Southern Nevada (*Ref. C-10 on file in the Board office*):
- From the CSN Latino Student Alliance, a \$10,000 donation to endow a need-based scholarship to benefit students pursuing any degree program.
 - From Robert Sherfield, a \$10,600 donation to establish the Borges/Mahoney endowed scholarship to benefit all continuing students pursuing an Associate of Arts degree with a preference in English or any international language.
 - From Nevada Power Company and the Buck Wong family, an \$18,000 donation to endow a scholarship to benefit Nevada resident students pursuing Associate of Applied Science or Science degrees.
 - From Nevada Power Company and Bill Young, a \$10,000 donation to endow a scholarship to benefit all students pursuing any degree program.
 - From Nevada Power Company and Lamar Marchese, a \$10,000 donation to endow a scholarship to benefit all students pursuing any degree program.
 - From Nevada Power Company and James Cashman III, a \$13,000 donation to endow a scholarship to benefit all students pursuing any degree program.

CONSENT AGENDA ITEMS CONSIDERED SEPARATELY:

5. Approved-Consent Agenda (Agenda Item #5) – (Cont’d.)
- (10) Approved-New Endowments, CSN – (Cont’d.)
- From Nevada Power Company and Manuel Cortez, a \$15,000 donation to endow a general scholarship to benefit need-based Nevada resident students.
 - From Nevada Power Company and James Jennings, a \$10,000 donation to endow a scholarship to benefit need-based Nevada resident students pursuing an Associate of Applied Science degree.
 - From Joanne Levy, a \$10,000 donation to establish the Barbara and Wesley Miller endowed scholarship to benefit students pursuing any degree program.
- (11) Approved-New Endowment, TMCC – Consistent with the Board of Regents policy (*Title 4, Chapter 10, Section 9.C.2b*), the Board approved TMCC Interim President Delores A. Sanford’s request to accept a \$8,610.74 donation from Barbara Officer, Raymond Ward, William O. and Barbara S. Ward, and Marguerite F. and Roger Bush to establish a new endowment account in memory of Rosemary Louise Ward Hackenberry. The new endowment account will benefit TMCC students in English Literature. The endowment was established in 2006, but due to an administrative error the endowment was not previously approved by the Board of Regents. The donors have expressly requested this endowment account be invested in and managed by the NSHE endowment pool (*Ref. C-11 on file in the Board office*).
- (12) Approved-Unrestricted Gift, NSC – The Board approved NSC President Fred Maryanski’s request to accept an unrestricted cash gift in the amount of \$1,670,168 from the estate of James J. Hanily (*Ref. C-12 on file in the Board office*).

Regent Sisolak requested that each contributor be recognized with a letter of thanks and asked that they be present at future meetings.

Regent Gallagher moved approval of the Consent Agenda item nos. 10, 11 and 12. Regent Dondero seconded. Motion carried. Regent Alden was absent.

Regent Knecht left the meeting.

6. Approved-Presidential Contract, DRI (Agenda Item #9) – The Board approved Executive Vice Chancellor Daniel J. Klaich’s request for a one-year extension of the contract for DRI President Stephen G. Wells through June 30, 2010 (*Ref. A and Handout on file in the Board office*).

Regent Geddes moved approval of a one-year extension of the contract for DRI President Stephen G. Wells. Regent Crear seconded. Motion carried. Regent Alden was absent.

7. Approved-Honorary Degrees (Agenda Item #10) – The Board approved the 2008 Honorary Degree recipients:
- A. Honorary Doctorate Degrees – *Policy: Handbook, Title 4, Chapter 1, Section 14 (Ref. B on file in the Board office):*
 - Mr. Andre Agassi, UNLV.
 - Mr. William N. Pennington, UNR.
 - B. Honorary Masters Degree - *Policy: Handbook, Title 4, Chapter 1, Section 14 (Ref. C on file in the Board office):*
 - Dr. Christine Chairsell, NSC.
 - Dr. Patricia Miltenberger, NSC.
 - C. Honorary Baccalaureate Degrees – *Policy: Handbook, Title 4, Chapter 1, Section 14 (Ref. D on file in the Board office):*
 - Ms. Jeanne Blach, GBC.
 - D. Honorary Associate Degrees – *Policy: Handbook, Title 4, Chapter 1, Section 14 (Ref. E on file in the Board office):*
 - Ms. Punam Mathur, CSN.
 - Dr. Raymond Rawson, CSN.
 - Washoe County Sheriff Michael Haley, TMCC.
 - Mr. Dan Holler, WNC.
 - Mr. Charlie Myers, WNC.
 - Dr. Mary Pierczynski, WNC.

Regent Sisolak moved approval of waiving any Board limitation of bestowing an honorary degree upon a current elected public official for Washoe County Sheriff Michael Haley.

Regent Geddes established that Sheriff Haley has announced that he will not be running for re-election in May 2008.

Regent Schofield seconded. Upon a roll call vote Regents Rosenberg, Schofield, Sisolak, Whipple, Wixom, Anthony, Crear, Dondero, Gallagher voted yes. Regents Leavitt and Geddes voted no. Motion carried. Regents Alden and Knecht were absent.

Regent Rosenberg moved approval of the 2008 Honorary Degree recipients. Regent Gallagher seconded.

Regent Knecht entered the meeting.

Regent Crear spoke highly of Mr. Andre Agassi and his efforts in support of higher education.

Regent Sisolak asked whether NSC has awarded any masters level degrees. President Maryanski replied that to-date, only honorary masters degrees had been awarded.

Motion carried. Regent Alden was absent.

8. Approved-iNtegrate Approval of Proposals (Agenda Item #6) – The Board approved the purchase of software and implementation services for a student services software module to be implemented in phases for all institutions (*except DRI*). The iNtegrate ERP project will replace the aging legacy systems within the NSHE which provides a myriad of computing and technology assisted services. The contracts will also provide a framework for possible subsequent purchases of financial and human resources software. The Board heard presentations from vendors who have submitted bids for the iNtegrate project, as well as analysis of the products/services, bids, contracts and project objectives from NSHE staff, institution personnel and outside consultants.

Chair Wixom related that much has been done to assure that the vendor selection process was fair and reflected the integrity of the Board. He thanked each vendor for their participation, adding that each vendor will be allowed to make their presentations followed by an opportunity for Regents to ask questions or express any concerns that they may have.

Regent Whipple provided a brief history of the Technology Committee's efforts and thanked various Regents and System staff for their persistence in moving the project forward.

Chair Wixom clarified that each vendor will be allowed a total of 45 minutes for their presentations (*30 minutes for their consulting team and 15 minutes for their implementation team*).

Executive Vice Chancellor Klaich said there would be limited reference made to the 46-page PowerPoint presentation provided to the Regents earlier that week ("*iNtegrate Vendor Decisions Meeting*" document on file in the Board office). He felt this project will transform the way in which the System conducts business.

Chief Counsel Patterson outlined the process that was employed throughout this project. Initially, three vendors bid on the first RFP. The second RFP, with addendums, is the version that will be discussed at this meeting, noting that specifically it was the C+ model of implementation that bids were requested for. He felt that the process itself was not in question. Each vendor had been communicated with equally, provided an equal opportunity to bid, discuss and to seek clarification for any questions they may have had.

Executive Vice Chancellor Klaich emphasized that fewer than five people had access to financial information throughout the negotiation process. The contract negotiation process was kept intentionally separate from the process used to determine functionality.

Mr. Paul Deshler, Application Sales Manager, Ms. Nicole Louie, Student, Long Beach State College, Mr. Henry McNamara, Group Vice President, and Mr. Stephen Holdrige, Vice President of Oracle Consulting, provided a presentation on the Oracle software product and implementation strategy (*vendor presentation materials on file in the Board office*).

The meeting recessed at 2:52 p.m. and reconvened at 3:01 p.m. on Thursday, April 3, 2008, with all members present except Regents Alden, Gallagher, Knecht, Leavitt and Sisolak.

8. Approved-iNtegrate Approval of Proposals (Agenda Item #6) – (Cont'd.)

Mr. Harvey Whittimore, on behalf of SunGard Higher Education, thanked the System and Board for the opportunity to present the SunGard product. He related that his presence at the meeting was due to his personal commitment to the System and the vendor selection process.

Regents Gallagher, Knecht, Leavitt and Sisolak entered the meeting.

Mr. Andy Cooley, Senior Vice President of Marketing, and Ms. Melissa Spears, Business Development Consultant of SunGard, provided presentations on the SunGardHE software product and implementation strategy (*vendor presentation materials on file in the Board office*).

Mr. Cooley felt that the disparity in the SunGardHE cost estimate (*\$24 million more than their competitors*) was too high. He added that their company believes in the vendor selection process and supports the Board in their decision making process.

Mr. Whittimore related that SunGardHE honored the System's request not to engage in a direct lobbying effort. He felt that the disparity between the vendor estimates needed to be addressed by the Board. Looking at the assessment, SunGardHE did not believe the numerical analysis is correct.

Executive Vice Chancellor Klaich related that CedarCrestone, a third-party vendor implementation company, submitted a bid for their own implementation services using Oracle software pricing.

Mr. Gary Somers, Business Development Manager and Mr. Jim Lyon, General Manager of Higher Education of CedarCrestone, provided a presentation on CedarCrestone's implementation strategy (*vendor presentation materials on file in the Board office*).

Regent Crear requested clarification of "PeopleSoft." Mr. Lyon explained that PeopleSoft is the actual name of the software developed by Oracle.

Executive Vice Chancellor Klaich related that system staff will provide further information in terms of financing, functionality and contracting. The critical question of disparities will also be addressed. He made it very clear that ultimately this decision is about determining which vendor is the best fit within the NSHE resources.

Dr. Cleve McDaniel, Vice President, DRI, referred to the iNtegrate Vendor Decision Meeting document. The goal in considering the financial profile was to determine actual iNtegrate project acquisition and implementation costs and to focus on minimizing the project costs while meeting the System's needs. This also took into account the anticipated and very real cost to the campuses. Last year, Vice Chancellor Reed continued to engage the campuses as well as Moran Technology Consulting in the financial analysis as the negotiation process began.

8. Approved-iNtegrate Approval of Proposals (Agenda Item #6) – (Cont’d.)

Dr. McDaniel related that instrumental in this financial review are “cost buckets.” These cost buckets were organized into two groups (Page 11).

- iNtegrate “Cost Buckets”
 - Hard Costs
 - Vendor Software License and Annual Maintenance Costs (\$\$)
 - Vendor Implementation Consulting Costs (\$\$\$\$)
 - Hardware and Systems Software Costs (\$\$)
 - Internal Costs
 - Backfill (Functional User Backfill During Implementation)
 - IT Staffing – For Implementation On-Going Support
 - Network Upgrade Costs

Dr. McDaniel related that there were initially several organizational approaches for implementing the student support module. After a number of discussions, the options were reduced to the current C+ model which is felt to be the most efficient and cost effective approach. This model is based on using two campuses (*UNLV and TMCC*) to first implement the student module, followed by the other campuses. Referring to Page 13 of the handout, a breakdown of some of the summary costs was provided.

Total “Hard” Costs – Over 3 Years			
Pricing Comparison – Vendor Best and Final Offers (<i>BAFO</i>)	BAFO – 3 Year Costs		
Cost Categories	SunGardHE	Oracle	CedarCrestone & Oracle SW
TOTAL Application Software Pricing	\$4,242,480	\$4,921,135	\$4,921,135
TOTAL Consulting Costs	\$35,699,036	\$19,874,646	\$14,030,000
TOTAL HW & System SW Cost Estimates	\$9,850,000	\$6,700,000	\$6,700,000
Project Risk Contingency	\$2,000,000	\$2,000,000	\$2,000,000
Non-Pilot Campus Travel Support (During Pilot Phase)	\$250,000	\$250,000	\$250,000
Project & Pilot Campus Support (Not-To-Exceed Draw-Down)	\$2,000,000	\$2,000,000	\$2,000,000
***Total Multi-Year Costs ***	\$54,041,516	\$35,745,781	\$29,901,135

Chair Wixom requested that Dr. McDaniel and Mr. Moran address the disparity in the estimates between SunGardHE and the other two vendors.

Mr. Moran stated that there were several factors that contributed to the disparity including SunGardHE’s architecture which increases the amount of hardware that would need to be purchased. When focusing on the consulting costs, Oracle and CedarCrestone provided a fixed price to deliver all of the functionality and customizations requested. Alternatively, SunGardHE provided the basic implementation cost of approximately \$22 million, including some third-party implementation costs, but with no customizations. All three vendors were asked to assess the same list of 3,600 requirements and provide a bid estimate. At the end of the

8. Approved-iNtegrate Approval of Proposals (Agenda Item #6) – (Cont'd.)

process, many of the requirements were eliminated until there was a list of 126 customizations that the campuses absolutely required.

Regent Crear requested clarification of the vendor risk involved. Mr. Moran explained that with Oracle and CedarCrestone's estimates, if an overrun is experienced, and it is not the System's fault, the vendors accept full responsibility.

Mr. Moran continued that even at \$22 million for basic implementation without customizations, SunGardHE's estimate is still more than the estimates submitted by the other two vendors that do include customizations. For the record, Mr. Moran read the following statement from SunGardHE's Statement of Work Contract which the System has not agreed to.

“To the extent that a process or practice of NSHE cannot be met with the baseline modules, they understand that absent mutual agreement, you must adapt or re-engineer the process to be consistent with the baseline. They have provided preliminary high-level time and materials estimates to meet the customizations asked for. Given the scarcity of information, these preliminary estimates are not intended for contract and all customizations are outside this statement of work.”

Mr. Moran stated that SunGardHE provided a multi-page document that indicates the number of hours each customization would require. In estimating the cost of the customizations, the numbers came directly from the information SunGardHE provided. Of the 126 customizations requested, SunGardHE provided prices for 92. There are an additional 34 customizations that remain unknown.

Regent Sisolak observed that it was apparent Mr. Moran did not like the SunGardHE proposal. Mr. Moran responded that SunGardHE is an excellent product but when compared to the System's needs, he did not feel it is the better answer.

Regent Sisolak referred to the number of institutions that have SunGardHE in place versus the other vendors. Mr. Moran indicated that he did not know how the numbers were obtained. However, both companies are major vendors that are liked for different reasons by different institutions and both have a major market share.

Regent Sisolak requested a shorter synopsis, from a System point of view, of why the estimates were so disparate.

Executive Vice Chancellor Klaich stated that the initial implementation costs were fairly close in numbers. However, the student services groups narrowed down their requirements through a number of workshops with a final list provided to the vendors. The vendors were then asked if the final list of requirements were included, and if not, what the additional estimated costs would be. This is where the major difference is accounted for. No one vendor is better than the others. However, upon consulting with the campuses and determining what their required customizations would be, this is the resulting difference.

8. Approved-iNtegrate Approval of Proposals (Agenda Item #6) – (Cont'd.)

Regent Crear requested clarification on the relationship between CedarCrestone and Oracle. He also noted that SunGardHE stated their costs would be less and asked where that comparison could be found. Chief Counsel Patterson stated that there were essentially three implementation vendors present at that day's meeting: SunGardHE (*implementing its own product*), Oracle Consulting (*implementing its own product - PeopleSoft*) and CedarCrestone (*implementing Oracle's PeopleSoft product*). To determine what customizations would be needed, the vendors first had to determine what requirements their software met without changes. The bids received are for what each vendor can provide with certain customizations and requirements. Oracle and CedarCrestone separately provided a fixed price for those customizations. SunGardHE did not provide a fixed price, requiring the System to determine what the customizations would cost based on their bid documents. The disparity is a result of variations including the competitive bid process, different hourly rates and different hour requirements. In a fixed price bid, the vendors are held under a fixed price to accomplish the goal whether they require more hours than they internally estimated. He indicated that the real issue is whether the lowest price bid is responsive.

Regent Dondero asked if there was a guarantee for ongoing maintenance. Mr. Moran indicated that maintenance for the software and the hardware is included in the fixed price without expiration. There are also patches as well as free upgrades and releases. Regent Dondero asked if customization is needed for a specific area, would that be included. Mr. Moran replied that in effect, that is included in the both the Oracle and CedarCrestone contracts.

Regent Leavitt asked what protections are built into the contract and if it was determined that each vendor can do the job for the price.

Vice Chancellor Nichols related that the Student Services Module workgroup met regularly for over a year and were carefully insulated from the bid process and the financial specifics. She stated that she is only addressing the software and whether it meets the System's needs. Included on the list of items the work group considered was that the legacy systems needed to be replaced; the need for a common student identification number; improved data and reporting capabilities; 24/7 web portal access for students and faculty; must be user-friendly as well as contribute to the successful completion of student and recruitment goals and provide immediate feedback to students with reporting capability to administration. To do this, the campuses would willingly reengineer the System's student services practices. Due diligence was performed by visiting seven other institutions, conducting reference checks on all of the potential vendor partners and attendance at all vendor demonstrations. Based on the work of the student services officers and other staff, a comparison was made of what was needed. The final list was comprised of the essential needs in order to transform their student services system. Until this week, they were completely insulated from, and not influenced by cost. At the last meeting of the workgroup, the members expressed the consensus that the Oracle PeopleSoft Software offered the best fit for their vision. They felt it will dramatically enhance the System's ability to meet the needs of its students in a complex multiple institution system and offered most of the new functions that are needed in its basic package.

8. Approved-iNtegrate Approval of Proposals (Agenda Item #6) – (Cont'd.)

Chair Wixom asked Vice Chancellor Nichols to confirm that without consideration of price, the workgroup felt that Oracle PeopleSoft was a better fit. Vice Chancellor Nichols expressed her concurrence.

Regent Sisolak asked Vice Chancellor Nichols to again confirm that the workgroup did not know the prices until recently. Vice Chancellor Nichols stated that the workgroup did not know the prices. Regent Sisolak asked if she knew the point in time that Mr. Moran knew the prices. She replied that he may have known the prices for quite a while, but the workgroup intentionally wanted to be able to make a decision without consideration of costs. Vice Chancellor Nichols felt the task the workgroup was given was to focus on and analyze the software and the implementation. Regent Sisolak expressed concern that the consultant's knowledge may have influenced the workgroup anyway.

Chair Wixom asked Vice Chancellor Nichols if the workgroup's analysis was independent from Mr. Moran. She replied that there was interaction on the functional analysis but not on the financial analysis.

Regent Sisolak asked when Mr. Moran was interacting with the workgroup, if he had knowledge of the bid prices. Chief Counsel Patterson clarified that the prices were not received until after the workgroup created their list of requirements because the requirements themselves were necessary for the vendors to base their bids upon.

Vice Chancellor Nichols continued that the second part of the workgroup's recommendation was in regards to the Degree Audit Reporting System (*DARS*), a program that the System has spent much energy on. Included in the Oracle PeopleSoft product is a degree audit system that would allow the System to discontinue the support for the *DARS* software. This shift would occur over time and was a major decision point with regard to the Oracle product. From the workgroup's interaction with each of the vendors, they felt more comfortable with the CedarCrestone consultants.

Regent Anthony asked for clarification if the workgroup recommended the Oracle software with CedarCrestone consulting. Vice Chancellor Nichols replied that the real decision was for the software. However, in looking at the teams, the workgroup felt very comfortable with the CedarCrestone consultants.

Regent Rosenberg asked Vice Chancellor Nichols if at any time, to her express knowledge, was she or the members of the workgroup influenced by price. Vice Chancellor Nichols replied that although theoretical price was always a factor, they did not know the exact price of these vendor bids until this presentation was prepared.

Regent Crear asked on what basis SunGardHE felt their bid should be lower. Chief Counsel Patterson indicated that SunGardHE would have to address that question but he assumed that they do not believe this project would cost as much as the bid indicates. SunGardHE was more uncomfortable with the request for a fix-cost bid. The System's objective was to obtain fixed cost bids in order make an accurate comparison.

8. Approved-iNtegrate Approval of Proposals (Agenda Item #6) – (Cont'd.)

Regent Crear asked if the consultant teams present this day will be the same teams working with the System throughout the implementation. Chief Counsel Patterson stated that a certain experience level has been locked in with all of the vendors in terms of the contract. Regardless of which vendor is selected, key personnel will be locked in and the vendor cannot remove those personnel without the System's knowledge and approval.

Chief Counsel Patterson stated that their primary objective was to lock in the fixed price cost of the software and its implementation and to have contractual provisions that would hold the vendors to their responsibility. The System's responsibility is to provide the necessary personnel for training and to help implement the product. If the personnel are not made available, the time schedule may be impacted thereby increasing the costs. That type of risk-sharing has to occur otherwise it becomes a time and materials contract situation. The System wanted a contract structure that was built on milestone payments, clarifying that the vendor does not receive full payment unless certain criteria are met for a certain stage of completion. All three vendors have committed to that particular agreement. The System also wanted to make sure significant testing was conducted before the go-live period. He felt the C+ module helps that testing process because many of the bugs will be worked out with the two initial campuses. Their objective was to create an enforceable contract prepared by outside counsel. He noted that more than one vendor was glad to be done with that process due to the heavy negotiation required.

Chief Counsel Patterson related that in terms of the software licensing, he felt comfortable with both Oracle and SunGardHE. Pages 40-44 of the presentation offer a comparison of key licensing terms. There are some concerns in the SunGardHE contract related to warranties. The SunGardHE warranty is 12-months and the Oracle warranty is two years. Both of the System's remedies in those situations, particularly with the Oracle product, are limited to direct damages.

Chief Counsel Patterson related that in terms of the implementation contracts, CedarCrestone spent the most time with NSHE trying to meet NSHE's business needs and is the strongest contract received. The Oracle contract is favorable in respect to their commitment to fix problems, but they have capped their liability. The SunGardHE contract is much more difficult for NSHE due to milestone payments set by the vendor, not NSHE. They also have not committed to providing the customizations requested at a particular price. They have told us that they do not have enough information to provide that information.

Chief Counsel Patterson related that the final issue is the responsiveness of bid that has been reviewed by the business officers, legal office, technical representatives and the outside consultant. Their assessment is that all three vendors are responsive, that all have substantial experience and were aware of what they were doing when they bid the project.

8. Approved-iNtegrate Approval of Proposals (Agenda Item #6) – (Cont'd.)

Regent Leavitt asked Chief Counsel Patterson to elaborate on the method used to determine a responsive bid. Chief Counsel Patterson stated that the financial statements were not reviewed. Information such as their history and the status of other implementation projects was used.

Regent Leavitt asked, in terms of hours and hourly rates, did NSHE conduct a comparison between this and other projects. Chief Counsel Patterson stated that the hourly rates were not reviewed specifically, although there is an obvious discrepancy. However, the bids include cost-buckets of unassigned hours to assist with problems that may arise.

Regent Gallagher stated she was comfortable with Chief Counsel Patterson's negotiation skills. She asked Vice Chancellor Nichols if she and the student services group were more comfortable with the CedarCrestone product and Oracle consulting than with the Oracle product and Oracle consulting. Vice Chancellor Nichols indicated that they could work with either configuration. The only reason the group felt more comfortable with CedarCrestone is the group of consultants that they would be using in Nevada seem to have more direct experience. She related that members of the workgroup contacted their counterparts at other institutions for their input as well.

Regent Sisolak asked how comfortable Chief Counsel Patterson was that each of the vendors could lose \$5 million on the contract but be able to finish the project. Chief Counsel Patterson stated that is always a concern but the fact of the matter is these contracts are structured in such a way that the hardware is purchased and installed and the implementation is pay-as-you-go. If the vendor is unable to complete the project, it would cause a great deal of difficulty for NSHE but the project would go out to bid for the remainder of the work. He was confident that all three companies could deliver the solutions. In many ways the vendors are going to want this business because of NSHE's uniqueness. He understands the Board's concerns but all three vendors are large companies.

Regent Sisolak stated that unless he can be told exactly why there is such a huge disparity, barring hourly rate and number of hours, he was uncomfortable with the disparity. Chief Counsel Patterson related that the customizations represent \$13 million of the disparity. All the vendors received the same list of requirements. Each vendor responded yes or no in a written document. There were more requirements that SunGardHE said it could not meet than Oracle. Based on that list of what could not be met, bids were requested on a fixed-price basis. SunGardHE is only marginally higher if the customizations are removed from the bid. Other factors that may have influenced the bids are contingencies and each vendor's assessment of estimated required hours for each customization.

8. Approved-iNtegrate Approval of Proposals (Agenda Item #6) – (Cont'd.)

Regent Knecht observed that the number of implementations quoted by the vendors were comparable although CedarCrestone was the smaller of the three. He asked how long CedarCrestone has been a certified Oracle vendor. Mr. Gary Summers replied that CedarCrestone has been a certified partner of PeopleSoft product by Oracle since 1993. Regent Knecht asked when their first implementation was conducted at a multi-campus institution. Mr. Summers stated that it was in 2000 they were involved with the development of a baseline model with the California State System that was then rolled out to each of their 23 campuses.

Regent Knecht asked if the 3-year cost estimates listed on page 13 were strictly reflective of the hourly rate differential or were different hour and scope estimates received. Chief Counsel Patterson stated that if there is an estimate of hours, it would mean nothing because there is a contractual agreement. Regent Knecht stated he was more interested in terms of fixed-price. He asked Chief Counsel Patterson if he was comfortable with the vendor's ability to be in business and deliver service six to eight years from now. Chief Counsel Patterson replied he was comfortable with this partner to provide service for the four year term of the contract. Regent Knecht indicated his concern was also for long term maintenance. Chief Counsel Patterson clarified that the software vendor provides the support and maintenance of the software. If SunGuardHE is chosen, it will be SunGuardHE that provides the support and maintenance. If Oracle or CedarCrestone is chosen, it would still be Oracle that would provide support and maintenance of the Oracle software.

Regent Knecht asked Vice Chancellor Nichols if the workgroup discovered any situation in which there was a breakdown between CedarCrestone and Oracle that created a problem. Vice Chancellor Nichols related that during their inquiries they never discovered an issue when there were two different vendors involved. Regent Knecht observed that Oracle would not continue to certify the implementation vendor if there had been a breakdown.

Regent Geddes asked if there were more disputable costs than the customizations. Chief Counsel Patterson replied that the only such cost would be the estimated cost of the additional hardware that would be necessary to run the SunGuardHE product.

Regent Whipple requested that the vendors be allowed to respond to the questions presented by the Regents. Chair Wixom replied that the vendors would be allowed to comment briefly.

Regent Geddes asked if the Board would be required to vote at this meeting. Chief Counsel Patterson stated that the quoted prices are good through April 15, 2008. If the Board does not make a decision at this meeting, the vendors would be asked for another extension or there would have to be a special meeting of the Board prior to April 15th.

Mr. Henry McNamera, Oracle, addressed Regent Sisolak's question regarding their number of implementations and felt it was more appropriate to look at a longer term, relating that three years ago Oracle was in the midst of a hostile takeover which froze the market for anybody evaluating Peoplesoft. Their success rate over SunGuardHE

8. Approved-iNtegrate Approval of Proposals (Agenda Item #6) – (Cont'd.)

during the last year is in excess of 60-70%. Regarding the viability of Oracle, they generate approximately \$1 billion in free cash flow annually.

Mr. Steve Holdredge, Oracle Consulting, related that what set Oracle apart from CedarCrestone is that Oracle has a single point of accountability. When times get tough the entire corporation, including their consulting division, is available. With the latest release of PeopleSoft, their ability in terms of cost-savings and risk mitigation are to be considered.

Mr. Whittemore, representing SunGardHE, indicated this was a very serious matter and appreciated the time that the Board has spent on this. He stated that the numbers that need to be compared were for the implementation of student services. This selection process is open and complete but the Board needs to ask if Mr. Moran ever implemented a SunGardHE Software proposal. The critical piece is whether or not the disparity in the analysis withstands the light of day with respect to the total dollars. He could not say if the number SunGardHE offers will be lower or higher than the baseline review that was conducted in respect to these particular pieces. The concern is that the analysis itself must be flawed in some way in respect to the underlying cost. He still felt there needs to be some analysis.

Executive Vice Chancellor Klaich appreciated the questions as to if this is the right time to make a decision and if there is sufficient information provided to make that decision. In respect to Regent Geddes question, there will never be a better time to make a decision than now. To this point, it has been a fair and well constructed process. He did not feel it would be fair to all of the vendors to open the process back up. This is not a question about good or bad, or whether these vendors have very successfully implemented these products at other institutions of higher education. To look for the response to the disparity question, you have to look not to the System or the process but the vendors. The numbers were not pulled out of the air but were based on the responses received from the vendors to the exact same questionnaires. He cannot be responsible for how they answered, but he can be responsible for the math and extending that math. It was done fairly and evenly.

Chair Wixom stated that there is an implication that analysis was done by Mr. Moran. He asked if NSHE's analysis was independent of Mr. Moran's. Chief Counsel Patterson stated that he had personally conducted an analysis of the contracts and conducted the negotiations. Chair Wixom confirmed with Vice Chancellor Nichols that our own campus staff conducted the software analysis.

Regent Gallagher stated she was very comfortable with the process and hoped that a decision would be made that day. She expressed concern that if a decision is not made it may impact NSHE's ability to do business with any vendor in the future.

8. Approved-iNtegrate Approval of Proposals (Agenda Item #6) – (Cont'd.)

Regent Rosenberg moved that (1) the Board authorize and direct the Chancellor's office to execute a contract as recommended by Chief Counsel Patterson with Oracle PeopleSoft for the acquisition of software to support the iNtegrate project, (2) that the Chancellor's office be authorized and directed to execute a contract as recommended by Chief Counsel Patterson with CedarCrestone for consulting in connection with the implementation of software for the iNtegrate project and (3) that the Chancellor's office be authorized and directed to issue a Request for Proposal to acquire hardware necessary to support the iNtegrate project. Regent Leavitt seconded.

Regent Knecht agreed with Regent Gallagher's comment, adding that further delay may also impact legislative support.

Regent Sisolak felt that not all of his questions had been answered and indicated, that from a business perspective, he is not comfortable and would abstain from the vote.

Regent Leavitt thanked Regent Whipple for his work on this project.

Regent Whipple thanked the vendors, noting that this has been a very time consuming and educational process.

Upon a roll call vote Regents Leavitt, Rosenberg, Schofield, Whipple, Wixom, Anthony, Crear, Dondero, Gallagher and Knecht voted yes. Regent Geddes voted no. Regent Sisolak abstained. Motion carried. Regent Alden was absent.

9. Approved-Interim President Contract, CSN (Agenda Item #31) – The Board approved modifying the employment terms and conditions for CSN Interim President Michael Richards to allow him to be included as a candidate in the search for a permanent President by the Regents' CSN President Search Committee and its institutional advisory committee.

Regent Leavitt moved approval of the modification of employment terms and conditions for CSN Interim President Michael Richards. Regent Dondero seconded.

9. Approved-Interim President Contract, CSN (Agenda Item #31) – (Cont'd.)

Regent Geddes asked Regent Sisolak, Chair of the CSN Search Committee, to provide an update of the search process. Regent Sisolak indicated that after narrowing the candidate pool, no candidates from Nevada remained. He has been in contact with their consultant who did not feel the quality of the candidates would be negatively impacted by this request. Regent Sisolak related that this request was being made only to allow Dr. Richards to apply for the position if he so chooses.

Regent Crear asked if the original agreement was that the Interim President would not apply for the permanent President position. Regent Sisolak stated that he had previously been under the impression that there was a Board policy to that effect but it had never been formalized.

Executive Vice Chancellor Klaich stated that the actual contract language indicates that the Interim President does not intend to be a candidate for the permanent position. However, in looking at the actions of Dr. Richards in his role as the Interim President, he has fulfilled the exact terms of the contract.

Regent Crear asked if this action would require the search to be reopened. Regent Sisolak replied it would not and clarified that Interim President Richards was nominated to the candidate pool long before the deadline. Chair Wixom clarified that there were two ways to come before the pool, either through nomination or application.

Regent Geddes observed that there is a process in place and expressed concern for changing that process for any reason.

Regent Sisolak stated that there was an enormous outpouring from the CSN Institutional Advisory Committee expressing their desire for a candidate that would have more intimate knowledge of the campus to at least be considered for the permanent position. He noted that this particular institution has been through much in the last five to ten years and that it is important to make sure the best possible selection is made.

Regent Leavitt stated that for the record, if this motion is adopted, the Board is simply allowing an internal candidate to become part of the pool but is in no way expressing support for the individual. He expressed his grave concerns about the president search process.

Regent Rosenberg stated that the fundamental question is whether the presence of an incumbent in the candidate pool changes the characteristics of the pool. He is uncomfortable with the request but indicated his support.

Regent Sisolak stated that after this search, it is important that the Board consider the entire president search process. Chair Wixom agreed to place this discussion on the June or August agenda.

Chief Counsel Patterson clarified that because Interim President Richards had been nominated prior to the deadline, he was already considered to be in the pool.

Motion carried. Regent Geddes voted no. Regent Alden was absent.

10. Approved-Faculty Hire Above Salary Schedule, School of Dental Medicine, UNLV (Agenda Item #11) – The Board approved UNLV President David B. Ashley’s request for employment salary above schedule for Bob Martin, D.D.S., in the UNLV School of Dental Medicine, as an Associate Professor-in-Residence for the Advanced Education Program in Orthodontics (*Ref. F on file in the Board office*). Current faculty salary budgets are sufficient to support this offer; no funds were requested.

Dr. Neil Smatresk, Provost, UNLV, explained that this request was being made after the fact, adding that the salary offered is within the lower third of the current market range.

Regent Sisolak expressed concern for how this could have been overlooked through every level of the hiring process. He observed that these requests continue to come forward in the midst of a budget crisis, adding that he would be voting no.

Regent Anthony moved approval of the faculty hire above salary schedule for UNLV. Regent Gallagher seconded. Motion carried. Regent Sisolak voted no. Regent Alden was absent.

11. Approved-Contract Extension, Women’s Soccer Coach, UNLV (Agenda Item #12) – The Board approved UNLV President David B. Ashley’s request for a three-year contract extension for Women’s Head Soccer Coach, Katherine Mertz, effective January 1, 2008, through December 31, 2010 (*Ref. G on file in the Board office*).

Regent Leavitt moved approval of the contract extension. Regent Gallagher seconded.

Regent Sisolak asked why this extension was being requested retroactively. President Ashley replied that this is the extension of a current contract.

Regents Gallagher and Whipple left the meeting.

Regent Sisolak questioned that the contract does not specify an amount of annual leave and indicates that the amount of leave is at the discretion of the Athletic Director. President Ashley indicated that there is ample opportunity outside of the soccer season for the individual to take annual leave. Regent Sisolak was under the impression that all employees earned annual leave throughout the year. President Ashley stated that this type of annual leave provision is an industry standard for coaching contracts.

UNLV General Counsel Linstrom further clarified that this is due in part to the nature of the various athletic seasons. The coach makes a request and the Athletic Director may approve it so long as it does not interfere with the athletic season. There is an implied covenant of good faith and fair dealing. This is standard among all athletic coach contracts.

Motion carried. Regent Alden, Gallagher and Whipple were absent.

Regent Gallagher entered the meeting.

12. Approved-Employment Contract, Assistant Football Coach, UNR (Agenda Item #13) – The Board approved UNR President Milton D. Glick’s request for a two-year contract for Nigel Burton as Football Defensive Coordinator (*Assistant Coach*) at the University of Nevada, Reno (*Ref. H on file in the Board office*). The fiscal impact equates to a \$70,000 increase to the salary budgeted for football, which will come from football’s external fundraising account.

President Glick stated that as a two-year contract, it must be approved by the Board of Regents and is pending their approval. He explained that contracts are negotiated prior to presentation to the Board to be fair to the individual, the System and the institution from which the individual is coming from.

Regent Sisolak moved approval of the employment contract for UNR. Regent Anthony seconded.

Regent Geddes asked if it was anticipated that more multi-year contracts for coordinator level positions would be presented for Board approval in the future. President Glick and President Ashley indicated that it is their expectation to have multiyear contracts with the assistant coaches due to the desire of these types of positions for more employment stability.

Regent Geddes indicated that he would normally require the inclusion of specific benchmarks but felt that was more the responsibility of the Head Coach. President Glick agreed that it was much more reasonable to include benchmarks in the Head Coach contract. It is difficult at the coordinator level to place a metric requiring a change in athletic performance within one year. Regent Geddes noted that the Board will be requested to extend the contract because it will be three to four years before the individual’s performance can be evaluated.

Regent Anthony asked that the rule requiring Board approval for this level of contract be reconsidered. Chief Counsel Patterson explained that any multi-year employment contract, sports or otherwise, requires Board approval. Chair Wixom agreed to include this discussion on a future agenda.

Regent Crear requested clarification of the source of the salary and the vehicle allowance. President Glick related that the salary will be covered by athletic revenues and will not require additional funds from the university. The vehicle will be supplied by a certain automobile dealer that sees value in supplying cars for this purpose.

Regent Sisolak observed the different contract lengths between this request and the request for the soccer coach. President Glick stated that was due to the negotiation process for the Head Coach position whereas there is a standard contract for Assistant coaches.

Regent Sisolak asked if a moral turpitude clause should be included in the contract. President Glick indicated that moral turpitude is a standard offense for termination of any employee. Chief Counsel Patterson related that the standard employment document incorporates all of the Board’s policies in Title 2, Chapter 6, which includes moral turpitude.

12. Approved-Employment Contract, Assistant Football Coach, UNR (Agenda Item #13) – (Cont'd.)

Motion carried. Regents Alden and Whipple were absent.

13. Information Only-Report on Potential Budget Reductions (Agenda Item #32) – The Board was updated on the current position of state revenues and the potential impact on the NSHE budget, including the potential for additional budget cuts to the 2007-09 biennial budget.

Chair Wixom related that he has been in contact with the Governor's office. If additional budget cuts are requested, it is hoped that the impact to the operating budgets will be minimized. The Board will be apprised of further information as soon as it is received.

Regent Sisolak asked Executive Vice Chancellor Klaich if he had information on the impact of the recent Supreme Court decision.

Regent Whipple entered the meeting.

Executive Vice Chancellor Klaich related that to his knowledge, the \$898 million deficit reported by the Governor does not include the potential \$100 million impact of the Supreme Court decision.

The meeting recessed at 6:01 p.m., on Thursday, April 3, 2008, and reconvened at 8:00 a.m., on Friday, April 4, 2008, with all members present except Regents Alden, Anthony, Knecht, Leavitt, Schofield and Whipple.

President Lucey thanked Interim President Sanford and TMCC for providing security during the Board meeting. She was grateful to their sister-institution for providing their assistance.

14. Information Only-Personnel Session President Fred Maryanski (Agenda Item #7) – The Board received the periodic annual evaluation report of President Fred Maryanski, along with President Maryanski's self-evaluation. (*Evaluation report is on file in the Board office*).

Executive Vice Chancellor Klaich introduced consultant and Committee Chair, Dr. Kenneth Dobbins. He thanked Dr. Dobbins, Regents Alden, Crear and Sisolak and Ms. Hannah Brown for serving on the committee.

Executive Vice Chancellor Klaich related that the public nature of the periodic evaluation process is unattractive at best. It is a tribute to President Maryanski that the faculty, staff and administrators felt a comfort level that is not usually seen.

Dr. Dobbins reported that President Maryanski's evaluation occurred over the course of two days and involved 50 interviews comprised of faculty, staff, students and members of the community (*full report on file in the Board office*). Since the fall of 2002, NSC has had

14. Information Only-Personnel Session President Fred Maryanski (Agenda Item #7) – (Cont'd.)

to meet many challenges including recruitment and planning for a new campus while creating high quality programs. The committee not only evaluated the president but also considered issues regarding NSC in general.

Regents Anthony, Knecht, Leavitt, Schofield and Whipple entered the meeting.

Dr. Dobbins' recommendations for both President Maryanski and NSC included:

1. Due to past and future growth, President Maryanski and his cabinet should review and revise as necessary: the organizational reporting structure; internal communications processes; budget decision making process; and organizational decision making responsibilities to ensure operational efficiencies and transparency.
2. As NSC continues to grow, President Maryanski should evaluate how his time is spent and how he communicates with and obtains feedback from the faculty, staff and students. Now that his cabinet is complete, delegating more responsibilities to the cabinet members and empowering them to make decisions will allow President Maryanski to devote more attention to other, more pressing issues.
3. An outside consultant should be hired to revisit the NSC strategic plan with faculty, staff, students, community members, and the NSHE Board of Regents and System office so that all stakeholders can refocus, understand and support the initiatives NSC should be taking during these next strategically crucial 3-5 years. Based on this revised strategic plan, other plans (*e.g., campus master plan, enrollment management, space utilization, etc.*) should be developed by NSC.
4. An integrated marketing plan should be developed and adequately funded to explain to external constituents that NSC is not a "new" campus or a community college branch campus, what NSC has accomplished over the last five years and what NSC can do for the future of Nevada and its citizens.
5. President Maryanski should place additional emphasis on expanding NSC's foundation donor base which will result in additional revenues needed to provide scholarships, academic program enhancement, campus facilities, and other future enhancements.

Regent Sisolak observed that President Maryanski does not understand the positive effect that he has on the campus, noting that he is viewed as a "rock star" by the students.

Regent Crear commended President Maryanski's hands-on management style. He stated that one of the overriding themes of the evaluation was the need for NSC to create a marketing campaign to reflect its mission and goals. He urged the Board to look at ways to financially support NSC in building their "brand" so that they may continue to prosper.

Regent Schofield expressed his appreciation for President Maryanski.

14. Information Only-Personnel Session President Fred Maryanski (Agenda Item #7) – (Cont'd.)

Regent Knecht thanked the Committee and the consultant for their time and effort. He expressed his support for President Maryanski's practice of walking around the campus and for his regular phone calls to the Board members.

Regent Dondero thanked Dr. Dobbins for an insightful and thorough report, adding that President Maryanski has done a wonderful job.

Regent Rosenberg observed that President Maryanski currently has a luxury in that the NSC campus is small and he is still able to visit with the faculty, staff and students. He felt that helps the president to become an effective advocate for the faculty. He also indicated his appreciation for President Maryanski's regular phone calls.

Executive Vice Chancellor Klaich encouraged the Board to read the full evaluation report. There were some very positive and constructive recommendations for the college, for President Maryanski as well as for the System.

President Maryanski thanked Dr. Dobbins and the Committee for their hard work and was pleased with the positive recommendations included in the report. He reported that a consultant has been engaged to assist with development and implementation of NSC's academic plan. He stated that NSC has come a long way in the last three years, adding that they have an excellent team of faculty, staff and students.

15. Approved-Presidential Contract, NSC (Agenda Item #8) – The Board approved a new contract for NSC President Fred Maryanski, including the following employment terms and conditions.

- Term: July 1, 2008 through June 30, 2012.
- Base Salary: \$248,347.00.
- Perquisites consisting of an \$8,000 per fiscal year automobile allowance; \$15,000 per fiscal year housing allowance; \$5,000 annual host account.

Executive Vice Chancellor Klaich related that although the recommendation does not include an increase in salary, it should not be interpreted as an implication of substandard performance. President Maryanski's current salary is reflective of the market and the decision not to increase President Maryanski's salary was influenced by current budget conditions.

Regent Sisolak acknowledged that President Maryanski is certainly deserving of a salary increase if the Board was able to do so and appreciated his willingness to agree to the contract extension without an increase.

Chair Wixom established that President Maryanski is still entitled to COLA.

Regent Sisolak moved approval of the new
contract for NSC President Fred Maryanski.
Regent Crear seconded.

Executive Vice Chancellor Klaich indicated that should financial circumstances change, the Chancellor would be willing to revisit the terms of this contract.

15. Approved-Presidential Contract, NSC (Agenda Item #8) – (Cont'd)

Regent Leavitt requested that President Maryanski's salary be reviewed prior to any other president salary increases.

Motion carried. Regent Alden was absent.

16. Information Only-2009 Bill Draft Requests (Agenda Item #14) - Senate Bill 490 (Chapter 524, Statutes of Nevada 2007) eliminates the Board's authorization to request up to five bill drafts for consideration during each legislative session. Therefore, the System will seek specific sponsorship for desired legislative changes based on the Board's directive for potential measures to be sought for the 2009 Session of the Nevada Legislature. The Board had an initial discussion on potential bill drafts for the 2009 Session and recommended other bills for consideration. Final action will be requested at a later Board meeting (*Ref. I on file in the Board office*).

Executive Vice Chancellor Klaich related that this bill was an experiment of the legislature that is scheduled to sunset and will have to be reviewed by the legislature during the next session. The System historically has a bill request with respect to capital improvements and bonding. That request allows the presidents to bring forward projects that are supported with revenues, tuition and fees. The System's lobbyists have been working to "bank" a number of bill draft requests with various legislators. Although the System has been working to identify issues that may require legislation, none are being brought forward right now due to the System's focus on the overwhelming budget situation at this time.

Chair Wixom asked the Regents to carefully consider what their legislative priorities and concerns are so that they can be addressed at a future Board meeting.

Regent Geddes requested an update as to why discussions regarding an agreement with the State Public Works Board (SPWB) were abandoned. Executive Vice Chancellor Klaich stated that the discussions were discontinued at the request of the legislators that were working on public works reform bills and had indicated to the System that now was not the time for NSHE to request withdrawal from the public works process. The System was really looking for an exemption from the public works process. That discussion was taken directly to the SPWB because in addition to granting a statutory exemption, they have the ability to delegate their authority. The System also needed to make sure that it had the ability to accept a master delegation agreement on behalf of all NSHE institutions. The SPWB also had internal questions of their own as to whether the System was ready for such a master delegation.

Regent Geddes asked about the status of the reform bills that were yielded to. Executive Vice Chancellor Klaich offered to put together an analysis for review.

Regent Geddes stated that in reviewing the CIP budget, he noted that the SPWB fees add 5-11% to the cost of our projects and asked that we revisit that. Executive Vice Chancellor Klaich indicated that question, in addition to several others, came up during the committee hearing. A series of questions were forwarded to Mr. Gus Nunez,

16. Information Only-2009 Bill Draft Requests (Agenda Item #14) – (Cont'd.)

Director of Public Works, on April 2, 2008. Mr. Nunez immediately responded that SPWB staff has been assigned to review the concerns presented. Executive Vice Chancellor Klaich stated that over the last year cooperation with the SPWB has improved, noting that in the past, major changes were made with no discussion that would cause costs to increase.

Regent Geddes noted that significant funds have been expended for planning purposes and asked if that process could be reconsidered. Executive Vice Chancellor Klaich replied that was a good suggestion, explaining that due to the current legislative process, the presidents are placed in a position of trying to tell the Board what capital needs are necessary on their campuses eight years into the future.

Regent Dondero asked, in regards to bonding authorization, if there was a priority list that the Regents could evaluate. Executive Vice Chancellor Klaich replied that the Regents will be provided a priority list in preparation for the first CIP hearing in May. That list will include projects in respect to two different types of bonding (*bonds supported by fees and revenues and state general obligation bonds*).

Regent Schofield left the meeting.

17. Approved-Procedures & Guidelines Manual Revision, Recommended Tuition & Fees, 2009-11 (Agenda Item #15) – The Board approved the recommendations of the Tuition and Fees Committee for tuition and fees adjustments for academic years 2009-10 and 2010-11. This was the second and final hearing on tuition and fees, which were first presented at the February 2008 meeting (*Ref. J on file in the Board office*). The proposed tuition and fee increases will generate additional revenues to be considered in the biennial budget process.

Executive Vice Chancellor Klaich related that there was an extraordinary group of students that delved into the System's arcane procedures and processes. Nine hearings were held throughout the System and he was excited to have had the opportunity to hear from the students first-hand.

Executive Vice Chancellor Klaich stated the proposed increases were inflationary in nature. There are slightly higher recommendations for tuition and fees at the graduate level (10%), as compared to the undergraduate level (5%). He related that graduate fees are historically lower than undergraduate fees and the System is trying to achieve a level where it is more approximate of the cost of education. It is difficult, if not impossible, to separate the concept of tuition and fees from the overall budget discussions. The presidents are looking at tuition models to determine if in the future a recommendation could be made for raising the tuition beyond the inflationary level to assist with goods and services for the students. Particular, at the three 4-year institutions, there may be some room between what is being charged and what could be charged without significantly impacting the market in a negative fashion. He noted that the same methodology may not apply with the same clarity at the community college level as it would for the three 4- year insitutions.

17. Approved-Procedures & Guidelines Manual Revision, Recommended Tuition & Fees, 2009-11 (Agenda Item #15) – (Cont'd.)

Regent Schofield entered the meeting.

Regent Anthony moved approval of the recommended tuition and fees for 2009-11.
Regent Geddes seconded.

Regent Geddes asked Executive Vice Chancellor Klaich to elaborate on what the actual percentage increases were and how it was determined to hold the increase at 5%. Executive Vice Chancellor Klaich related that for the 2009-11 biennium, the recommended percentage increases for the community colleges were 4.8% (*\$2.75 per per credit increase*) for the first year and 5.0 % (*\$3.00 per credit increase*) in the second year. At the State College the percentage increase is 5.1% per year (*a per credit increase of \$4.75 the first year and \$5.00 the second year*). At the universities, the percentage increase for undergraduates would be 5% (*a per credit increase of \$6.50 the first year and \$6.75 the second year*).

Regent Geddes asked why an increase lower than the projected Western Interstate Compact for Higher Education (*WICHE*) medium was being recommended. Executive Vice Chancellor Klaich replied that in addition to looking at Board policy, information from the higher education price index, the Bureau of Labor Statistics price index with respect to higher education and the general cost of living increase were considered. All of those sources indicated that the indices had moved approximately 5% over the biennium. They then considered how the state's budget appropriation to higher education had moved over that similar period of time and discovered they were in the same 5% range. The decision was not made unanimously. Tuition partially supports the state's general fund that in turn supports the budgets for higher education. Part of what is reverted to higher education is within the control of the campuses and this Board of Regents in respect to programmatic offerings, capital improvement fees, general improvement fees and student access. There has been much discussion over the past two sessions of the legislature regarding allocations and how much would cycle through the state's supported budgets and how much would remain in control of the Board of Regents. Until there is a better understanding among the Board, the Governor and the legislature, the most prudent recommendation would be only for a cost of living increase. Recommending a higher increase would place the System into a position of cycling more funds into the State's supported budget whereas the presidents would prefer to recommend more control at the Board of Regents' level.

Regent Rosenberg stated that the students would have an approximate increase of \$100 per semester for a 15-credit class load at the four-year institutions. He felt the students would support a higher increase if they knew the funds would remain on campus. He requested clarification of the Letter of Intent (*LOI*).

17. Approved-Procedures & Guidelines Manual Revision, Recommended Tuition & Fees, 2009-11 (Agenda Item #15) – (Cont'd.)

Executive Vice Chancellor Klaich explained that the Board of Regents is a constitutionally autonomous Board that controls higher education in the State of Nevada. The Attorney General has offered opinions that make it clear the Board of Regents also has the responsibility to spend as well as decide how money is spent. The difficulty is that there is not a corresponding provision in the constitution that allows the Board the authority to tax. This leaves the Board in the position of having to request and negotiate for the funds that it has the authority to spend. Three legislative sessions ago, tuition and fee increases were in some areas disproportionate to the historical allocation of fees between the State's supported budget and the System's retained budget.

Chair Wixom suggested that the fundamental question is why the Board of Regents is not allowed to collect and keep all of what it receives in tuition and fees.

Executive Vice Chancellor Klaich replied that there is a fundamental belief within the state government that students should pay a reasonable and fair share of the cost of education. As tuition and fees are increased, the legislature looks to ensure that the portion of student fees that supports the state supported budget stays relatively constant. If that percentage is eroded, a portion of the burden for the cost of education is shifted from the students to the state's general fund. Three sessions ago, there was a significant deviation from those percentages. At the end of that session, after it was determined what the division of tuition and fees would be, the System experienced an additional increase in tuition and fees and did not stay exactly to the percentages specified in the Letter of Intent. The System does not feel the percentages meet the needs of the four year institutions, particularly in the context of the higher tuition model referred to by the the Chancellor and presidents. The System negotiates heavily with students but when considering the higher tuition model, students want to see more of the tuition retained by the campuses to directly benefit the students.

Regent Crear left the meeting.

Regent Rosenberg stated that one of the strengths of our System is that we handle all levels of higher education. This can also be a double-edged sword, noting that the community colleges should be treated differently than the four-year institutions. Executive Vice Chancellor Klaich felt that was true, adding that the System needs to step back and really consider this policy and how it relates to all of the institutions.

Regent Sisolak requested an explanation for why NSHE is lower than the WICHE median with the three year lag. Executive Vice Chancellor Klaich indicated that the Board's policy dictates a review of peer institutions as well as hard data three years back because of its desire to keep fees low by lagging behind the other states.

Regent Sisolak asked if projections for 2010 are being set now, what year of the WICHE median is being used. Vice Chancellor Nichols related that when projecting for 2009/10 and 2010/11, the Board uses the data for 2008/09 which is a projected number based on 2006/07 numbers. The Board set the policy of projecting in 2002 because it did not have a reliable cost index and because up until that time the Board

17. Approved-Procedures & Guidelines Manual Revision, Recommended Tuition & Fees, 2009-11 (Agenda Item #15) – (Cont'd.)

had a history of not raising tuition for a number of years and then significantly raising tuition up to 15%. Executive Vice Chancellor Klaich further explained that there is a regression analysis for each of the peer institutions in the western region. NSHE looks at the median for each of those institutions, not an average of those tuitions.

Regent Crear entered the meeting.

Regent Sisolak asked what years were being used to determine an increase in 2009-10 of \$136.00 per credit. Executive Vice Chancellor Klaich indicated that WICHE's 2006/07 numbers were being used. Regent Sisolak asked for the high, low and median rates for those years. Executive Vice Chancellor Klaich indicated that the low was California State University at approximately \$106.00 per credit. The high was the University of California at approximately \$228.00 per credit. In 2010/11, NSHE's high would be \$142.00. For the university undergraduates, the high would have been \$4,549 (*approximately \$150 per credit*). The recommendation is for \$4,200 (*\$136.00 per credit*). Regent Sisolak asked why a lower increase was being recommended. Executive Vice Chancellor Klaich stated that the recommendation was determined by referencing the higher education price index which is felt to be a more reasonable approximation of what students could bear over the biennium rather than the higher amount indicated by Board policy.

Regent Anthony left the meeting.

Vice Chancellor Nichols related that the policy established by the Board is only a goal and establishes a method in which regular annual adjustments can be made.

Regent Sisolak expressed his concern that the analysis is flawed unless the parameters of the situation behind the data are considered. Executive Vice Chancellor Klaich recognized that the methodology is not perfect and that the subject of raising tuition is very uncomfortable for the Board. The Board's policy only attempts to raise tuition at a more level pace. He noted that the presidents have requested that the methodology be reconsidered for a number of years.

Regent Sisolak observed that non-resident students continue to be assessed the full cost of education, and asked how the full-cost is determined. Vice Chancellor Nichols explained that it is the expectation of the State of Nevada, that the non-resident students pay the full cost. Therefore, NSHE tracks the non-resident tuition and fees in other states to determine what they believe the full cost is. Simply taking a number and dividing it by the number of students would create a result that would vary semester to semester and budget cut to budget cut. This methodology is used because it allows the NSHE to stay competitive and is thought to represent a reasonable cost. NSHE has increased non-resident tuition over 10% every three years for the last six years to make it more representative of the cost of education. Every legislative session, NSHE is asked if it is assessing non-resident students their fair share of the actual costs of their education.

17. Approved-Procedures & Guidelines Manual Revision, Recommended Tuition & Fees, 2009-11 (Agenda Item #15) – (Cont'd.)

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Regent Sisolak stated there was a difference between fair-share and full-cost. He felt it was a mischaracterization to say non-resident students will continue to be assessed the “full-cost” of education. If every non-resident student was assessed the full-cost, state funds would not be necessary to support higher education.

Vice Chancellor Nichols stated that it would be pretty close if you exclude the non-instructional areas for which the state provides funding. It is the theoretical model the System uses to approach the full cost so that the State of Nevada does not support the instruction of students from another state.

Regent Sisolak had been under the impression that the term “full-cost” covered the actual full cost of providing education in the State of Nevada. Now he is to understand that it is not necessarily Nevada’s full cost.

Regent Anthony entered the meeting.

Chair Wixom asked if non-resident tuition is based on the WICHE formula or on the actual full-cost divided by the number of students.

Vice Chancellor Nichols replied that non-resident and in-state tuition is established in the same manner. She is unaware of any state that establishes non-resident tuition on actual costs because that number would vary from semester to semester. If that method were used, the System and the State would have to determine annually what the actual costs are related to undergraduate and graduate education and then remove from the budget those items that do not represent their actual cost. The methodology used is as much political as it is real, and is very similar to, if not exactly like, that used by other states. The non-resident tuition rate for graduate students needs to be set at something that is realistic to the State’s investment but also considers the System’s need to stay competitive. The answer is not simple and is determined based on various factors including actual costs, state support, actual programs, competitive rates with other states and methodologies used across the country.

17. Approved-Procedures & Guidelines Manual Revision, Recommended Tuition & Fees, 2009-11 (Agenda Item #15) – (Cont'd.)

Regent Sisolak understands that NSHE wants to be competitive. He is arguing that the definition of full-cost is simply not the real cost. He felt that the tuition level from 2006 could not possibly cover the actual costs in 2008/09.

Regent Knecht explained that to conduct a regression analysis, the data from three years past are used to project forward what tuition needs to be in the future.

Regent Sisolak still felt that the verbiage being used does not accurately reflect what is actually done.

Executive Vice Chancellor Klaich observed that Regent Sisolak's concern may be related to truth in packaging. Regent Sisolak confirmed that is his point.

Regent Gallagher suggested that the Board be provided a workshop on this subject. Regent Schofield agreed, adding that he does not want to raise tuition but the way in which the formula is currently calculated does not leave much choice.

Regent Knecht asked Executive Vice Chancellor Klaich if there had been any progress on determining the specific goals, strategies, programs, metrics, benchmarks and targets from which the benefits of higher tuition could be determined. Executive Vice Chancellor Klaich replied that he does not feel the System is promising a better product, but rather it is attempting to keep pace with the increase in costs.

Regent Knecht felt that although it could be argued that a 5% increase in the first year would cover inflation, the same would not be true of 5% in the second year. He agreed that NSHE is a low-cost provider and that the statistics prepared reflect this. Even if the increase is adopted, NSHE will remain a good value. He specifically agreed that even though the System wants to attract graduate students, it should be increasing tuition and fees more at the graduate level than the undergraduate. However, he indicated that he would be voting no on the increase to protect the integrity of his word and principles, adding that he had requested two months ago to see tangible data and benchmarks before he would vote for an increase.

Regent Crear felt Regent Knecht made a very compelling point and asked to hear from the presidents. President Ashley responded that this particular increase is inflationary in nature, adding that 64% of this increase will be returned to the state's general funds. The remainder is less than the real cost of inflation. Regent Knecht's request for benchmarks goes back to the on-going discussion and benefits of a higher tuition model.

President Glick stated that the students of UNR have indicated that they would support a 9% increase for which specific metrics would be presented to the Board. He agreed with Dr. Ashley's comments, noting that the community college situation is very different than that of the universities.

17. Approved-Procedures & Guidelines Manual Revision, Recommended Tuition & Fees, 2009-11 (Agenda Item #15) – (Cont'd.)

Chair Wixom indicated that although he generally understands the methodology, he could understand the misconception of the term “full-cost”. He asked Vice Chancellor Nichols to ensure that the System is meeting the expectations of the legislature in that regard. Vice Chancellor Nichols indicated that the legislature uses similar language and intent but will confirm that the language is clarified with the LCB.

Upon a roll call vote, Regents Schofield, Sisolak, Whipple, Wixom, Anthony, Crear, Dondero, Gallagher, Geddes, Leavitt and Rosenberg voted yes. Regent Knecht voted no. Motion carried. Regent Alden was absent.

Regent Dondero requested that a summary of the information regarding the methodology behind the tuition increase be prepared for Regents to distribute to their constituents.

18. Approved-Procedures & Guidelines Manual Revision, Tuition & Fees, William S. Boyd School of Law & UNLV School of Dental Medicine, 2009-11, UNLV (Agenda Item #16) –

The Board approved UNLV President David B. Ashley’s request for the proposed tuition and fee structure for the 2009-11 biennia for the William S. Boyd School of Law and the UNLV School of Dental Medicine. This was the second hearing on the proposed tuition and fees which were first presented at the February 2008 meeting (*Ref. K on file in the Board office*).

Regent Sisolak indicated his concern that the increase will be going to the State’s general fund. If the funds are not going directly to the classroom, the System will never see the benefit for the law school. The students feel that the System is attempting to raise their tuition to make up for the budget cuts.

Dean John White, Boyd School of Law, UNLV, stated that when the increase was proposed, the reductions had not been requested. He emphasized that the law school has never been, nor does it ever want to be, a formula institution. He asked that the Regents keep in mind, that no matter what proposal is made, it is crucial for the law school to continue its method of distribution of the increase in fees.

Regent Sisolak acknowledged the school’s improvement in the recent rankings.

President Ashley stated that he shares much of the same concerns as Regent Sisolak. He felt it was important to specify, for the record, that it is the Board’s intent for the increases to go fully to the mission of the law school.

Regent Gallagher asked Dean White and Dean Karen West, School of Dental Medicine, UNLV, if small increases were planned in the future to keep pace with increased costs. Dean White replied that was the intention.

18. Approved-Procedures & Guidelines Manual Revision, Tuition & Fees, William S. Boyd School of Law & UNLV School of Dental Medicine, 2009-11, UNLV (Agenda Item #16) – (Cont'd.)

Regent Knecht understood the need to come as close as reasonably possible for graduate students to pay for the full cost of the benefit of their education although he regrets that the tuition is being increased so quickly.

Regent Crear asked what amount of the increase is guaranteed to stay on the campus. Dean White indicated that, historically, the proposed distribution includes 20% to the state, 30% to student access and 50% to scholarships. However, that is currently under debate.

Regent Rosenberg asked if the Letter of Intent also applies to the law school. Dean White replied that because the law school is not formula based, the Letter of Intent does not apply to them. Executive Vice Chancellor Klaich clarified that there are two letters of intent that apply to the law school. The first Letter of Intent discussed earlier is not specific on this subject, which leads to the Dean's comments and the University's position.

Regent Anthony moved approval of the recommended tuition and fees for the William S. Boyd School of Law and the UNLV School of Dental Medicine for 2009-11. Regent Geddes seconded.

Regent Gallagher entered the meeting.

Chair Wixom made a friendly amendment that, pursuant to the Board's understanding of the Letter of Intent, that as much of the recommended increase as possible be retained by the professional schools. Regents Anthony and Geddes accepted the friendly amendment.

Upon a roll call vote the motion carried.. Regents Whipple, Wixom, Anthony, Crear, Dondero, Gallagher, Geddes, Knecht, Leavitt, Schofield voted yes. Regents Rosenberg and Sisolak voted no. Motion carried. Regent Alden was absent.

- 19 Approved-Procedures & Guidelines Manual Revision, Tuition & Fees, University of Nevada School of Medicine, 2009-11, UNR (Agenda Item #17) – The Board approved UNR President Milton D. Glick’s request for the proposed tuition and fee structure for the 2009-11 biennia for the University of Nevada School of Medicine (UNSONM). This was the second hearing on the proposed tuition and fees which were first presented at the February 2008 meeting (*Ref. L on file in the Board office*). The proposed tuition and fee increase will generate additional revenue to be considered in the biennial budget process.

President Glick related that he supports this request with mixed emotions. He felt that the UNSONM tuition is very low compared to their competitors but it is balanced by the fact that their students experience greater average debt.

Regent Crear moved approval of the recommended tuition and fees increase for the University of Nevada School of Medicine for 2009-11. Regent Schofield seconded.

Regent Geddes asked President Glick to elaborate on how the students are paying less but experiencing greater debt. President Glick related that is due in part to the pool from which medical students are drawn within the state which, on average, have lower family income therefore requiring the students to depend more on self-help (*e.g. loans*). Regent Sisolak indicated that although that may be a valid statistic, there could be any number of reasons why.

Regent Rosenberg asked if the medical school faced the same issue as the law school in terms of being able to keep the increase. Executive Vice Chancellor Klaich replied that the Letter of Intent rules consistently apply or do not apply to all professional schools.

Upon a roll call vote, Regents Whipple, Wixom, Anthony, Crear, Dondero, Gallagher, Geddes, Knecht, Leavitt, Schofield and Sisolak voted yes. Regent Rosenberg voted no. Motion carried. Regent Alden was absent.

20. Information Only-Student Appeal of Degree Revocation (Agenda Item #18) – The Board considered the matter of a student appeal of degree revocation.

- 20.1 Information Only-Closed Session (Agenda Item #18.1) - In compliance with NRS 241.030, 241.033 and 241.034, the Board moved to closed session for the purpose of hearing the appeal of a student concerning degree revocation.

Regent Rosenberg moved approval of moving to closed session. Regent Crear seconded. Motion carried. Regent Alden was absent.

Before recessing to the closed session, Regent Crear asked the Board to recognize the 40th anniversary of the death of Dr. Martin Luther King, Jr.

The meeting recessed at 10:30 a.m. and reconvened at 11:55 a.m., on Friday, April 4, 2008, with all members present except Regents Alden, Crear and Sisolak.

21. Approved-Audit Committee Recommendations (Agenda Item #23) - Chair Ron Knecht reported the Audit Committee met April 3, 2008, and received follow-up responses for four internal audit reports that were presented to the Audit Committee at their October 2007 meeting.

Chief Counsel Bart Patterson and Assistant Vice Chancellor Sandi Cardinal reviewed a proposal for granting exceptions to the foundation external audit requirements. The Committee directed Chief Council Patterson and Ms. Cardinal to revise the proposal for foundation audit waivers for review at the June Audit Committee meeting.

Regent Knecht requested Board action on the following Committee recommendations:

- Minutes – The Committee recommended approval of the minutes from the February 7, 2008, Committee meeting (*Ref. A-1 on file in the Board office*).
- Internal Audit Reports – The Committee recommended approval of the following internal audit reports (*Ref. Audit Summary on file in the Board office*):
 - ✓ Purchasing Card Program, UNR (*Ref. A-2 on file in the Board office*).
 - ✓ Human Resources, UNR (*Ref. A-3 on file in the Board office*).
 - ✓ Presidential Exit Audit, TMCC (*Ref. A-4 on file in the Board office*).
 - ✓ Presidential Exit Audit, CSN (*Ref. A-5 on file in the Board office*).

Regent Knecht moved approval of the Committee recommendations and acceptance of the report.
Regent Gallagher seconded. Motion carried.
Regent Alden, Crear and Sisolak were absent.

22. Approved-Research & Economic Development Committee Recommendations (Agenda Item #28) - Chair Jason Geddes reported the Research & Economic Development Committee met March 27, 2008, and received an update from Executive Vice Chancellor Klaich on the Walker Basin Project. A major focus of the project is increasing communication between researchers and stakeholders, specifically to better inform stakeholders of research efforts and how the sum of the research is designed to inform the project as a whole. Included in the update was a review of the project budget, copies of a communications pamphlet, and a brief description of each of the research projects. Mr. Ken Spooner, Executive Director of the Walker River Irrigation District, provided the Committee with his perspective on the project. He suggested that improved and increased communications occur with stakeholders and indicated that we try to keep communications “less academic”. He indicated that the District was working on a leasing program that could assist in providing more water to Walker Lake without the permanent loss of water rights to the current residents. He offered his continued assistance with the project.

22. Approved-Research & Economic Development Committee Recommendations (Agenda Item #28) – (Cont'd.)

Chief Counsel Patterson updated the Committee on revisions to System Administration's current contract practices with outside entities. The following changes remove impediments to research and allow research contracts to be expedited:

1. An increase of the threshold dollar value requiring Chancellor approval from \$400,000 to \$1 million.
2. System Administration's approval of master contracts, which once negotiated, would allow for rapid assignment of task orders.
3. Allowance of federal form contracts, and state or other funding sources bound by federal regulations, to be approved at the institution level.
4. Allowance of no cost extensions to be quickly approved at the institution level.
5. Allowance of minimal changes to contracts to be made at the institutions, such as personnel changes or other minor issues.
6. Allowance of exceptions to standard clauses if review is made by the institution's general counsel and the risk manager.

Dr. William Schulze, Director of the Nevada EPSCoR and System Sponsored Projects Office, reminded the Committee of the nature of Applied Research Initiative (ARI) partnerships and provided the Committee with a list of revised and approved ARI principles. Dr. Schulze updated the Committee on improved efficiencies made in relation to ARI grant approvals which are recommended by the institutions, reviewed and approved by the Nevada EPSCoR/System Sponsored Programs Office, and then routed through the State Budget Office for further approval and recording. The efficiency gained with the State Budget Office resulted in a reduction of approval time from months to days.

Regent Geddes requested Board action on the following Committee recommendations:

- Minutes – The Committee recommended approval of the minutes from the January 31, 2008, Committee meeting (*Ref. RED-2 on file in the Board office*).

Regent Geddes moved approval of the Committee recommendations and acceptance of the report.

Regent Gallagher seconded. Motion carried.

Regent Alden, Crear and Sisolak were absent.

23. Approved-Cultural Diversity & Security Committee Recommendations (Agenda Item #25)

– Chair Stavros S. Anthony reported the Cultural Diversity & Security Committee met April 3, 2008, and UNLV President David B. Ashley and Vice President Rebecca Mills reported on the status of safety and security at UNLV's Shadow Lane Campus. Fourteen (14) vehicles were vandalized or burglarized between January 1 and February 29, 2008. Since February 29 there have been no additional instances. In response to the crimes, measures have been taken including additional patrols have been added including plain clothes officers, nearby UMC and Valley Hospital were consulted regarding their methods to handle these types of crime, parking regulations were changed to allow students to park closer to the buildings in patient parking areas after 3:00 pm., call boxes and wireless cameras have been ordered and the staff met with students on two occasions and advised students about better safety practices. Fencing in

23. Approved-Cultural Diversity & Security Committee Recommendations (Agenda Item #25)
 – (Cont'd.)

the parking lots was discussed as an additional option but has been rejected by UNLV as its effect as a deterrent is questionable, the message sent by a fence surrounding the campus is not the message the University wants to send, and the cost effectiveness compared to the other measures is less.

The formation of an institutionally-based advisory council or task force on diversity was discussed. A concerted effort needs to be made to address multicultural issues on the campuses. There are different issues between north and south but addressing the issues at all of the campuses may be accomplished with a unified voice through this Council. The Council, with the support of the NSHE, may be able to take action to address multicultural issues and increase the representation of minorities in faculty and staff. Vice Chancellor Nichols will work with the campus diversity officers to bring language regarding formation of the Council, including its composition and duties, to the next meeting.

Special Counsel Brooke Nielson and institutional representatives reviewed the applicable laws and policies related to hate crimes. The Board does not have policy that specifically addresses hate crimes at the institutions, however, they are addressed through the anti-discrimination policy, policy prohibiting bias-related misconduct and a general policy that requires adherence to state and federal laws. State and federal law provide for additional penalties for hate crimes and identify offenses identified as bias-related. The Committee requested that a policy proposal specifically addressing hate crimes be brought forward at a future meeting.

The Committee also received a report on campus crime statistics. This report is given annually pursuant to the federal Jeanne Clery Crime Statistics Act and reviews current and historical data on crimes that have occurred at each NSHE campus. Overall the crime rates are going down or are flat.

Regent Anthony requested Board action on the following Committee recommendations:

- Minutes – The Committee recommended approval of the minutes from the February 7, 2008, Committee meeting (*Ref. CDS-1 on file in the Board office*).

Regent Anthony moved approval of the Committee recommendations and acceptance of the report. Regent Rosenberg seconded. Motion carried. Regent Alden, Crear and Sisolak were absent.

24. Approved-Student & Academic Affairs Committee Recommendations (Agenda Item #26) -
 Chair Jack Lund Schofield reported the Student & Academic Affairs Committee met April 3, 2008, and discussed the Nevada Advanced High School Diploma as one additional route for university admission. A discussion of the criteria for the awarding of the advanced diploma, current admission standards, impact of this change and other related matters was held. In addition, counseling staff from the Clark County School District (CCSD) discussed the CCSD Early College Readiness Assessment project. The

24. Approved-Student & Academic Affairs Committee Recommendations (Agenda Item #26)
– (Cont'd.)

goal of this project is to reduce the number of students enrolling in “remedial” coursework upon entry into the Nevada System of Higher Education institutions. Additionally, based on student performance in these assessments, this could become a real opportunity for NSHE personnel to reach out to those top performers and take notice and truly look to encourage their consideration of one of the NSHE institutions for their postsecondary work. The Committee continued a discussion on financial aid, including information regarding Pell Grant eligibility, calculation of unmet need, Free Application for Federal Student Aid (FAFSA) numbers, and Millennium Scholarship funding related to degree completion.

Regent Schofield requested Board action on the following Committee recommendations.

- Minutes – The Committee recommended approval of the minutes from the February 7, 2008, Committee meeting (*Ref. SAA-1 on file in the Board office*).
- New Majors – The Committee recommended approval of the following new majors:
 - New Major, Ph.D., Political Science, UNLV (*Ref. SAA-2 on file in the Board office*).
 - New Major, B.S., Neuroscience, UNR (*Ref. SAA-3 on file in the Board office*).
 - New Major, A.A.S., Broadcast Technology, GBC (*Ref. SAA-4 on file in the Board office*).
- The Committee approved initial acceptance of the Nevada Advanced High School Diploma as an additional route for university admission and asked staff to return to the next meeting with specific university admissions policy and handbook language. Suggested by the Nevada P-16 Advisory Council, acceptance of this diploma for university admission would create a more transparent, streamlined pathway for students who have demonstrated college readiness by graduating with an advanced diploma.
- The Committee requested that staff conduct further research into renaming the Nevada Student Access Aid Program, to include work with the NSHE public information officers and students, and bring back to the Committee more specific recommendations a for new name.

Regent Sisolak entered the meeting.

Regent Schofield moved approval of the Committee recommendations and acceptance of the report. Regent Rosenberg seconded.

Regent Geddes was concerned for how the programs were being instituted with little to no costs. Regent Gallagher echoed Regent Geddes concern, adding that the perception that a new program could be instituted without initial costs is misleading.

24. Approved-Student & Academic Affairs Committee Recommendations (Agenda Item #26) – (Cont'd.)

Vice Chancellor Nichols related that in the case of the Ph.D. program at UNLV they are replacing two programs with the new program which has been in development for three years and the faculty have already been hired. In the case of the UNR program, it is not a new program degree, but an interdisciplinary degree that combines two existing programs. No new faculty or new courses will be initiated to support this program. Finally, for the new program at GBC the program is supported through donations for the first year. In its third year, a faculty member will be hired. There was such a clearly demonstrated workforce need that the committee was persuaded to support the additional degree program.

Chair Wixom requested a friendly amendment to include a report back to the Board pursuant to the representations made to the Board that day. Regents Schofield and Rosenberg accepted the friendly amendment.

Motion carried. Regents Alden and Crear were absent.

20.2 Approved-Open Session (Agenda Item 18.2) - The Board discussed a student appeal regarding a degree revocation and rescinded the charge.

Regent Wixom cautioned that per the Family Educational Rights and Privacy Act, the student's name must be kept confidential.

Regent Whipple indicated that for this specific situation he will be voting in favor of the student. Although he complimented UNLV for not taking any action prior to this meeting, he felt that there was no question that this student deserves a second chance and clearly has potential to serve the people of this state in his chosen field.

Regent Gallagher felt that what the student neglected to do did not rise to the point of degree revocation. She felt that he will take more caution with correspondence in the future.

Regent Leavitt moved to rescind the degree revocation. Regent Rosenberg seconded.

Regent Leavitt felt that before the gravity of an offense can be determined, it has to be considered whether an offense was even committed. He felt that minimal threshold had not been met, adding that even if it had, it would have been appropriate to have sent a reminder letter to the student notifying him that a possible penalty is degree revocation. He applauded President Ashley and the UNLV staff for taking this matter very seriously.

Regent Schofield indicated his support for the comments expressed by Regents Whipple and Leavitt.

20.2 Approved-Open Session (Agenda Item 18.2) – (Cont'd.)

Regent Knecht also agreed, adding that the proposed punishment was disproportionate to any culpability that may be found. He wished the student well and agreed that the UNLV administration had also handled the situation well.

Regent Sisolak stated that he was under the impression that President Ashley and the UNLV staff did not have a choice in their actions. President Ashley stated that according to the original sanctions, failure to satisfy each and every sanction would result in degree revocation. He understands that the point of the appeal is to bring the other aspects into play. Regent Sisolak did not want there to be the implication that sanctions do not have to be met in a timely manner. He wanted to emphasize that the Board takes the decisions of the honors council seriously.

Special Counsel Nielsen stated that an adverse precedent would not be set if the motion is passed. The Board was only enforcing the initial discipline sanctions imposed. In regard to the additional hours, the original discipline did not specifically spell out how that was to be accomplished. That question arose later in regards to this individual.

Regent Crear believed that the sanctions given were a second chance and that by rescinding the degree revocation, the Board would be providing the student with a third chance. He was not opposed to this additional chance but felt these sanctions have to be met and questioned the next step in the student's compliance process. President Ashley thought that the reporting schedule was clear. Regent Crear felt that this particular punishment was too harsh in that it takes away this individual's overall livelihood. He wished the student well, but asked that he be more cognizant in all matters that directly concern him.

Regent Rosenberg stated that there are things that can be done legally, but there is also the need to temper with humaneness. He asked the administration to include humanity in making decisions.

Regent Wixom stated he had struggled with this issue. To some degree, UNLV's hands may have been tied, noting that the original sanctions directed the degree to be revoked if not all sanctions were met.

Upon a role call vote Regents Whipple, Wixom, Anthony, Crear, Dondero, Gallagher, Geddes, Knecht, Leavitt, Rosenberg, Schofield and Sisolak voted yes. Motion carried. Regent Alden was absent.

25. Approved-Procedures & Guidelines Manual Revision, ASUN Fee, UNR (Agenda Item #19) –
The Board approved UNR President Milton D. Glick's request to assess a \$5 per credit ASUN fee to support the Associated Students of the University of Nevada operations and programs. With approval of this fee, the current ASUN per credit allocation returns to the general university budget concurrently with the effective date of the fee. (*Ref. M on file in the Board office*).

25. Approved-Procedures & Guidelines Manual Revision, ASUN Fee, UNR (Agenda Item #19) – (Cont'd.)

President Glick reported that the students would have received \$4.65 from the university next year. The students expressed to him their interest in assessing themselves a \$5 fee that would give them .66 cents to allow the ASUN to fulfill their responsibilities as student government, at the same time returning the \$4.34 that the university presently gives to them.

Regent Geddes asked for clarification that the temporary fee imposed for the fall of 2009 will sunset prior to this fee being implemented. President Glick replied that was correct. Regent Geddes asked if the \$4.34 becomes subject to the Letter of Intent. President Glick stated those funds have already been subject to the Letter of Intent. Executive Vice Chancellor Klaich stated that President Glick was correct; adding that the Letter of Intent references future fee increases and it is assumed that as fees increase the allocation occurs on a biennium to biennium basis.

Regent Geddes asked Ms. Sarah Ragsdale, Student Body President-ASUN, to elaborate on why the fee was requested at this time and what the funds would be used for. Ms. Ragsdale replied that the ASUN's 2001 eight-year strategic plan included a gradual increase of student fees to meet unmet needs. The Board, during the last significant increase in tuition, approved student government fees up to \$5.34 in 2009. The first phase of the increase will be used to begin to address unmet student need, the second phase is to increase infrastructure in the new Joe Crowley Student Union. The third and final phase will be used to meet the remainder of the unmet needs in programs run by the student government. The 66 cents is being considered to contribute to their over 220 clubs and organizations (*projected to increase to 310 in the next five years*). This year they were unable to fund 24% of the request from their current 220 clubs and organizations. The increase would allow them to fulfill these requests and to help fund the campus safety escorts program, to begin archival of student government documents, to increase their leadership programs, to improve their judicial council functions and their safe-ride programs, as well as to purchase an electronic voting system.

Regent Geddes encouraged her not to hire too many professional and classified staff so each generation of government can make their own decisions. Secondly, not to increase too quickly the raises for all of the student government senators.

Regent Knecht agreed the students should not over commit for the future to allow future student governments to make their own choices. He noted that the University benefits \$4.34 and student government would benefit .66 cents. His assumption has been that with the reallocation of the \$4.34 and the replacement by the \$5, the students' fee would increase by a total of \$5.00. President Glick replied that was correct.

Regent Knecht asked whether some student officials campaigned on this issue. Ms. Ragsdale stated that she was not aware of the issue of a fee increase in any campaign platforms but it could have been. President Glick stated that it was not part of their campaign platform but it was discussed during the campaign what a fee increase would mean to the students. Mr. Eli Reilly-President Elect-ASUN, stated that he spoke about the possibility of a fee increase and what the potential uses for a fee increase would be.

25. Approved-Procedures & Guidelines Manual Revision, ASUN Fee, UNR (Agenda Item #19) – (Cont'd.)

Mr. Reilly could not speak for the other candidates. Regent Knecht related that the lesson to learn here is that when money is available, people are happy to step up and tell you where to spend it. He was troubled by student government and administration benefiting at the cost of the student body. He was concerned about the disjuncture between the generation of the fees and the spending of the fees.

Regent Sisolak asked when the fee increase would become effective. President Glick replied that it was agreed upon to delay implementation of this fee until the fall 2009 so that it does not become confused with the surcharge. Regent Sisolak noted that if the legislature experiences another deficit, there is no guarantee that the need for the temporary surcharge will go away. Executive Vice Chancellor Klaich agreed that there was no guarantee. Regent Sisolak felt there was an attempt to conceal the real motives behind this request and asked why a 66 cent increase was not requested. Ms. Ragsdale replied that the amount of the increase is less important than having an itemized fee for the ASUN. Regent Sisolak asked why it was not allocated that way instead of increasing the students' fee \$5.00 per credit. Ms. Ragsdale explained that it was not just the dollar amount, they also wanted to identify that the students are paying a separate fee devoted specifically to student government.

Regent Rosenberg moved approval for UNR to assess a \$5.00 per credit ASUN fee to support the Associated Students of the University of Nevada operations and programs, returning the current ASUN per credit allocation to the general university budget concurrently with the effective date of the fee. Regent Gallagher seconded.

Upon a roll call vote the motion carried. Regents Wixom, Anthony, Crear, Dondero, Gallagher, Geddes, Leavitt, Rosenberg and Schofield voted yes. Regents Knecht and Sisolak voted no. Regents Alden and Whipple were absent.

26. Approved-Self-Supporting Hotel College Campus United Arab Emirates, UNLV (Agenda Item #20) – The Board approved UNLV President David B. Ashley's request to form entities in order to establish a campus for the Hotel College in the United Arab Emirates (UAE), similar to its facility in Singapore. The facility and any programs housed there will be self supporting, with no financial subsidy from the Nevada System of Higher Education and would have sufficient financial and legal guarantees to assure that there is no actual or potential liability to the System. By adopting this item, the Board approved formation of a UNLV campus in the UAE on the conditions described in this item, and subject to approval of subsequent implementing agreements by the Chancellor and periodic updates to the Board (*Ref. N on file in the Board office*). The campus and programs are to be self-supporting, with costs covered by tuition revenues. An

26. Approved-Self-Supporting Hotel College Campus United Arab Emirates, UNLV
(Agenda Item #20) – (Cont'd)

agreement is to be negotiated with the Emirate of Ras al Khaimah of the UAE and a private developer to cover initial start-up costs and any deficit up to \$5 million, with no repayment of any accrued debt if the program fails.

Dr. Stuart Mann, Dean of the Hotel College, UNLV, reported that the Singapore campus has now been open since August of last year. That campus began with a \$2.2 million loan from Singapore's government. Revenues now exceed costs and the interest on the loan is being repaid. There have been four graduates of their Executive Master's Degree program. This semester that campus will enroll approximately 150 undergraduates. Of those students, approximately 60% are Singaporean with the remainder from Korea, Malaysia, Indonesia, Vietnam and the Philippines. That facility was developed to handle a maximum capacity of 300 students. At the current rate of growth, new facilities will need to be considered in the next year or two. There has been no cost to the State of Nevada for this program. This is a self supporting program that is not supported by state funds.

Dean Mann related that the UAE is comprised of seven emirates (*states*). Abu Dhabi is the seat of government. Dubai is the center of hospitality and tourism. The proposed campus will be located in the emirate of Ras al Khaimah (*RAK*), approximately forty-five to sixty minutes north of Dubai on the Persian Gulf. RAK is still developing in the areas of hospitality and tourism and is approximately ten years behind Dubai in its development.

UNLV has been asked, through a joint venture between a private Virginia based development firm and the government of RAK, to be the anchor college for a 90-acre hospitality education and training campus. An International Hospitality Trade and Training Economic Free Zone of 360 acres is being planned in RAK that would include 270 acres for the trades serving the hospitality and tourism industry and 90 acres for education and training.

He asked that as they move forward, the Chancellor be given the authority to review and approve the necessary financial agreements.

Regent Anthony moved approval of the self-supporting hotel college campus in the UAE for UNLV. Regent Leavitt seconded.

Chair Wixom expressed concern for why authority would be granted to the Chancellor to negotiate agreements that would otherwise come back to the Board.

Executive Vice Chancellor Klaich stated that the Chancellor is the contract officer for the System and in the absence of extraordinary circumstances that are set forth in the Board's policy, the Chancellor would be authorized to negotiate these contracts with specific authorization from the Board. As Dean Mann indicated, the Singapore

26. Approved-Self-Supporting Hotel College Campus United Arab Emirates, UNLV
(Agenda Item #20) – (Cont'd)

campus came forward in such a way that all of its components were negotiated in advance. The question is not if the Board is conveying additional power to the Chancellor, but rather if this is the type of business relationship the Board wants to extend authority over and to request more information before the Board finalizes it.

Chair Wixom noted that the reference materials indicate “subject to the approval of subsequent implementing agreements by the Chancellor and periodic updates to the Board.” He observed that if the Chancellor has the authority to implement these agreements, there is no reason to include this language in the motion. If he does not, then the Board needs to address the issue up front so that it knows exactly what it is authorizing the Chancellor to do.

President Ashley indicated that this language was based on the Singapore agreement.

Special Counsel Brooke Nielsen stated that the Chancellor has already been granted certain contracting authority by the Board, adding that because this is a long-term contract it is the type of agreement he would normally approve. She agreed that the agenda language was informational in nature and did not need to be part of the motion. Upon the Board’s approval of the program today, contracts would be signed and implemented by the Chancellor at a later time

Chair Wixom asked, for the record, if by adopting this motion the Board is reaffirming the authority it previously granted to the Chancellor. Special Counsel Nielsen agreed that was correct. Chair Wixom asked if the authority was being expanded. Special Counsel Nielsen stated that it was not.

Regent Whipple entered the meeting.

Regent Dondero asked if the Board is then the first to approve such a contract or if the Chancellor has the authority to approve the contract without the Board. Chair Wixom clarified that the Board is approving the concept and program as well as memorializing that the Chancellor has already been granted the authority to approve this contract.

Special Counsel Nielsen clarified that the request before the Board is for the approval of a new campus.

Executive Vice Chancellor Klaich clarified that there are certain things that the campuses do that are considered significant, that impact their basic mission and that, regardless of the technicality of the Handbook, they are wise to seek the direction of the Board. They decided that this item was of a magnitude that clearly should be brought to Board before any action is taken.

Regent Crear asked how this benefits the UNLV campus on Maryland Parkway, the students of Las Vegas and the population of the State of Nevada, and if the Singapore campus is already self-sufficient, are those revenues coming back to Las Vegas or are they reentered into the Singapore economy.

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(Agenda Item #20) – (Cont'd)

Dean Mann stated that current Singapore law allows up to 20% of revenues to be repatriated. That law is currently under reconsideration to allow for 100% of revenues to be repatriated. Right now revenues stay with the program to support its needs and to repay the principle of the loan. After that commitment has been met, revenues will go to expanding the campus and improving the services offered, including research opportunities for the faculty.

Regent Crear asked if faculty currently reside in the UAE region or if they are being relocated from Las Vegas. Dean Mann related that some of the faculty in Las Vegas are being provided the opportunity to teach and learn in another culture on a short-term basis (*eight-week cycles*). The plan in the UAE is to primarily hire non-tenured track faculty. However, there would be some tenured faculty to manage the program. Their positions would be held on the UNLV campus and filled by other faculty while they are on appointment in the UAE. The College has a goal to become an internationally recognized university as well as domestically for the State of Nevada and the United States.

Regent Crear agreed that the reputation of the Hotel College is exemplary and is recognized throughout the world. However, he felt that if they contacted us and we have such a high reputation, it seems that we should reap more of the benefits.

Dean Mann related that in the UAE significant benefits are being offered including two endowed chairs for \$5 million, approximately \$1 million in up-front money, a year and a half rent abatement and a \$5 million loan with no recourse from the government or the development authority.

Regent Crear asked if UNLV is liable if the \$5 million loan cannot be paid back. Dean Mann replied that the terms of the loan are non-recourse.

Regent Crear asked if all those financial incentives, including the start-up funds, come directly to the Las Vegas campus or if they stay in Singapore. Dean Mann replied that it comes to the Hotel College to use for the greatest benefit of the program. It would go to start up the program in the UAE. Regent Crear noted that it would then go to the UAE.

Dr. Neal Smatresk, Provost-UNLV, replied that in the start up phases of these campuses, the funds are generally reinvested until the programs become more established. The question is what the right balance is between building up the capacity of the UAE campus and sending money back to the main Las Vegas campus. In both cases, there is significant opportunity. He observed that the University of Chicago's Master's program in Singapore charges approximately \$100,000 for a 15-month program. Every 7.5 months, 90 students are accepted which generates approximately \$18 million in 15 months. A significant portion of that goes back to Chicago.

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(*Agenda Item #20*) – (*Cont'd*)

Regent Crear asked why we are not doing that. Provost Smatresk related that we are not charging \$100,000 yet. Regent Crear observed that we are arguably the first or second-rated Hotel College in North America, have the ability to employ thousands of people, yet a rate that reflects that is not being charged.

Provost Smatresk replied that UNLV's market capacity was not at the level of the University of Chicago's MBA program yet. He related that the University of Chicago has indicated that in addition to revenues, they are also in this for the expansion of alumni and the ability to engage at a global level. A key piece to this program is its ability to create opportunities on a global level.

Regent Crear agreed that international marketing is wonderful but questioned if the System was in a position to support a program that did not directly benefit the students in Las Vegas.

Provost Smatresk felt the opportunity to send students to multiple campuses is phenomenal. When state funds are severely limited it is difficult to grow programs. Entrepreneurial activities create opportunities downstream that cannot be replicated with the funds that currently exist. He felt it was a smart strategy on a number of levels.

Regent Crear expressed his concern that the funds will not be returned to the main campus in Las Vegas. Dean Mann stated that a five year performa has been developed that anticipates that in year five, the program will break even and start generating revenue. It is difficult to foresee what will happen in years six, seven and eight. If the revenues are large enough, it is anticipated that the funds will be repatriated back into Las Vegas.

Dean Mann stated this was time-sensitive only in that they have received a proposal from the authority that is developing the project.

President Ashley stated that the first time Singapore was brought before the Board, it was the first time the Board had heard about the venture. In this case, he believed there was a communication submitted to the Regents in August of last year.

Regent Sisolak stated that he could not make a decision on this today. He has not seen that there is enough of a benefit for the Las Vegas campus. He observed that self-funded programs are still reliant upon state funds to pay for faculty and staff, and that during these difficult economic times, it was not appropriate to focus on campuses in another country.

Regent Rosenberg recognized the value of this program. He requested clarification that if a UNLV faculty goes to teach in the UAE, there is money there to pay them so that UNLV can hire a replacement for their position. Dean Mann stated that was correct.

26. Approved-Self-Supporting Hotel College Campus United Arab Emirates, UNLV
(*Agenda Item #20*) – (*Cont'd*)

Regent Knecht asked what the expected cash flow effect to the UNLV campus in Nevada would be for the first year. Dean Mann stated that there would be no out of pocket cost to the Nevada campus in that it would be his time in administering the program. Regent Knecht asked if the \$5 million of up-front money would go to Clark County. Dean Mann clarified there are two gifts of two endowed chair at \$2.5 million each. One would come to Clark County, the other would probably stay in the UAE. Regent Knecht observed that the first year's cash flow effect would be \$2.5 million less the opportunity costs for his time. Dean Mann stated that was correct, unless the gifts were paid off over a period of three to five years.

Regent Knecht noted there was also a loan to be paid back at year five. Dean Mann added that there was an upfront gift of \$1 million to get the program started. Regent Knecht asked if there was also a non-recourse provision so that if something goes wrong in year four, UNLV can essentially walk away. Dean Mann indicated that was correct. Regent Knecht stated that, given these provisions, he had trouble understanding what the reservations were. He felt it was incorrect to conclude that the Las Vegas campus was not receiving something.

Provost Smatresk related that they are still in the preliminary stages but did not feel comfortable with moving forward without approval from the Board. Regent Knecht felt that was prudent, adding that trade (*domestic or international*) occurs because both parties benefit. If the System wants to build world-class institutions, he felt that it was important to start with its strengths and then build upon them.

Regent Geddes stated that he would not support building a campus in a country that is non-democratic and that practices sexual, racial and religious discrimination.

Regent Whipple observed that Dean Mann has reached his position because of his hard work and expertise. Although he respects the Board's questions and comments, he is concerned that the Regents are confusing their own layman's level of understanding with that of an expert. He indicated he would support this project.

Regent Dondero expressed concern for how this is to be presented to the public during this time of economic difficulty. Dean Mann felt that it is incumbent upon the President, the UNLV Administration and himself to market the benefits of the college and to emphasize that there will be no cost to the State of Nevada. He added that the popularity of the Hotel College and its programs has allowed a continual increase in enrollment while the rest of the university has experienced decreasing enrollment numbers.

Regent Knecht shared Regent Geddes sensitivity for the democratic process. However, he felt a better approach was not to cut off communication, but rather to increase interaction. He felt that this project would help move the UAE towards those values. He explained that his previous questions regarding the expected cash flow benefit to Clark County and Nevada was to clarify that this it is positive from the beginning and that the risk is minimal or non-existent.

26. Approved-Self-Supporting Hotel College Campus United Arab Emirates, UNLV
(Agenda Item #20) – (Cont'd)

Regent Leavitt felt that reaching out internationally only raises the prestige of UNLV and NSHE. He hoped that at some point the program makes a profit that comes back to Nevada, but that is not his main goal in supporting the program.

Regent Crear asked Dean Mann to respond to Regent Geddes concerns. Dean Mann related that when this opportunity was first presented to him he expressed the same concerns, specifically how a Jewish Dean and a Jewish Associate Dean would be received. Immediately, it was explained to him that was not an issue and that they are a liberal and progressive country. Prior to his first visit to the country he contacted Congresswoman Shelley Berkeley who indicated to him that the UAE is one of the Arab countries' closest friends to the United States and urged him to go forward with the project. Upon arrival in the UAE, he was treated with courtesy, grace and diplomacy. He related that they have assurances from the emirates, that if a campus is built in their country, there would be no gender, religious or racial discrimination. He stated they will seek to have those assurances in writing or there will not be an agreement.

Regent Schofield stated that Dean Mann is a visionary.

Upon a roll call vote the motion carried. Regents Anthony, Crear, Dondero, Gallagher, Knecht, Leavitt, Rosenberg, Schofield and Whipple voted yes. Regents Geddes, Sisolak and Wixom voted no. Motion carried. Regent Alden was absent.

27. Approved-Investment Committee Recommendations (Agenda Item #29) – Chair Thalia M. Dondero requested that the Board consider the following item separately prior to considering the remainder of the committee report.

- UNR President Milton D. Glick presented information regarding the purchase of real property at 800 and 810 North Center Street, Reno, both vacant lots, located in the "Gateway" to the University of Nevada, Reno for \$550,000, which is below the appraised value of \$560,000. A motion was made to refer the agenda item to the full Board, at which time a contract revision will be presented requiring that an environmental study be completed following the removal of the oil tanks and asbestos abatement. *(Ref. INV-9 on file in the Board office).*

Regent Sisolak observed that the contract indicates that the System is paying for the environmental reports. Mr. Ron Zurek, Vice President-UNR, stated that was correct. Regent Sisolak asked why that was. Mr. Zurek replied that UNR felt that when they are able to select the environmental inspector it makes it a much more arms length relationship. Regent Sisolak asked when the realtor purchased the property. Mr. Zurek replied that he did not know.

27. Approved-Investment Committee Recommendations (Agenda Item #29) – (Cont'd.)

Regent Sisolak felt that the realtor could have just purchased the property to flip it to the university. Mr. Zurek felt that in the absence of an appraisal that may be the case, but there is an up-to-date appraisal to verify the valuation.

Regent Sisolak asked if when the money goes hard, UNR has to add more escrow money after this meeting. Mr. Zurek responded that was correct. Regent Sisolak observed that if the environmental report comes back negatively, the seller gets to keep the money. Mr. Zurek stated that they have the right to keep that portion of the money but UNR has the right to an inspection and walk away if it is not satisfactory.

Mr. Zurek clarified that they have put down \$3,000 in earnest money to-date. Regent Sisolak reiterated that after this meeting, if approved, UNR would put down an additional \$50,000. If the environmental report comes back bad, UNR will lose \$53,000. Mr. Zurek stated that UNR has done due diligence on the company that will do the follow up remediation. Regent Sisolak stated that it does not matter, if approved, UNR will lose \$53,000 on an unclean report. Mr. Zurek stated that it is not an unclean report, adding that it has passed the phase I environmental report.

Regent Sisolak related that there are two heating oil tanks in the ground and if the tanks leaked, they have to remove the soil and other materials. If the environmental study comes back bad, the system loses the money. This is the state's and the students' money and he would like some assurances if the environmental report comes back bad. Mr. Zurek stated that these are two key pieces of property at the entrance of the University, the seller has two backup offers, and given their experience in any remediation in that area, they felt this was a deal they wanted to sign on for.

Regent Geddes moved approval of the Committee recommendations and acceptance of the report.

Regent Whipple seconded.

Regent Knecht asked Mr. Zurek if when the university purchases property, it acquires certain risks that are irrevocably attached to that property especially under current federal law. Mr. Zurek replied that he believed that is the case. Regent Knecht observed that there is no such thing as "no-risk." Mr. Zurek replied that they do try and take prudent steps such as a Phase I Environmental report and a follow-up inspection. Regent Knecht asked if the purchase price was at, below or above the appraised value. Mr. Zurek stated that the appraised value is at \$560,000 and the purchase price is \$550,000.

Regent Crear felt that Regent Sisolak's questions were valid and requested a resolution.

27. Approved-Investment Committee Recommendations (Agenda Item #29) – (Cont'd.)

Chair Wixom related that the Phase I Environmental report identified the two oil tanks. Given the size of the oil tanks and his experience in the past, he asked Mr. Zurek what the approximate average remediation costs assuming there is leakage from the oil tanks. Mr. Zurek stated that it would depend on the size of the plume. \$30,000 is being held back from the purchaser to address remediation issues. He added that the removal is under the supervision of the NDEP who will have to sign off that there is a satisfactory conclusion.

Regent Sisolak noted that he could not remember money ever going hard without a satisfactory environmental report. Mr. Zurek indicated that there may never have been circumstances such as this with a backup offer.

Regent Sisolak asked if it was possible that remediation could cost six figures. Mr. Zurek stated it was possible, but felt it would not cost six figures.

Regent Geddes related that, in his experience, for home heating oils, the worst contamination he has ever seen was approximately \$10,000.

Vice Chancellor Nichols indicated for the record that Chief Counsel Patterson asked her to indicate that both Chief Counsel Patterson and General Counsel Hank Stone have reviewed the contract and both feel it is a good contract and would be comfortable with the Board's approval.

Regent Gallagher related in her personal experience, it costs \$500,000 to conduct remediation on a piece of large property in the Reno area. She is concerned about this because it can become expensive and is not comfortable not knowing what is going on with those tanks.

Regent Knecht asked Mr. Zurek if the appraised value of \$560,000, versus the purchase price of \$550,000, has express recognition of the uncertainty due to the issue with the tanks. Mr. Zurek stated that he knows the appraiser had the Phase I report available to him but he does not know if the appraised value specifically addresses it.

Regent Knecht asked if the appraiser did see the Phase I report. Mr. Zurek replied that he did see it. Regent Knecht observed that a responsible appraiser would have included that uncertainty in the appraisal, and asked if the other two parties making the backup offers knew of the Phase I report. Mr. Zurek did not know if the two parties making the backup offers knew of the Phase I report.

Executive Vice Chancellor Klaich asked if the terms of the backup offers have been made available. Mr. Zurek stated that they had not but they were able to ascertain that escrows had been opened. Executive Vice Chancellor Klaich asked if the purchase price of the backup offers is equal to the price the University has contracted for. Mr. Zurek replied that he did not know.

27. Approved-Investment Committee Recommendations (Agenda Item #29) – (Cont'd.)

Upon a roll call vote the motion carried. Regent Anthony, Leavitt, Gallagher, Crear, Schofield, Wixom, Rosenberg, Dondero, Knecht, Geddes and Whipple voted yes. Regent Sisolak voted no. Regent Alden was absent.

Chair Thalia M. Dondero reported the Investment Committee met March 28, 2008, and heard the following reports:

- Cambridge Associates presented a report on asset allocation and investment returns for the pooled endowment and pooled operating funds for the quarter ended December 31, 2007.
- President David B. Ashley presented for information the UNLV 2008 Real Property Report as requested by the Investment Committee.
- UNLV presented a report to update the Committee on the future growth at the Shadow Lane Campus that will include development activities for the University of Nevada Health Sciences System.
- UNLV President David Ashley presented information regarding a long-term lease agreement with Sprint Spectrum L.P. for the lease of retail space in the new UNLV Student Union. A motion was made for the item to be pulled from the agenda and be brought back at a later date with information on rent increase provisions and parking space issues.

Regent Dondero requested Board action on the following Committee recommendations:

- Minutes – The Committee recommended approval of the minutes from the February 1, 2008, Committee meeting (*Ref. INV-1 on file in the Board office*).
- To hire Forester Diversified, LTD, an Absolute Return manager, and to allocate \$13 million initial investment to Forester Diversified, LTD.
- To approve the sidewalk and drainage easements to the City of North Las Vegas, but reserved for later review the granting of the public utility, sidewalk and driveway easements (*Ref. INV-4 on file in the Board office*).
- Revisions to the *Handbook (Title 4, Chapter 10)* to provide that on a going forward basis, gifts for the benefit of an institution shall be transmitted for deposit in the institutional foundation endowment accounts, if any, and further providing that an institution may receive a 1.5% annual management fee on its share of the NSHE endowment pool for the purpose of foundation management, stewardship and development activities, contingent on an adequate operating agreement between the institution and the foundation (*Ref. INV-5 on file in the Board office*).
- UNLV to negotiate with the City of Las Vegas to execute appropriate actions and documents to vacate and abandon all rights to the real property which constitutes the east section of the Hastings Street public right-of-way (*APN #139-33-499-062*) that lies within the Shadow Lane campus, resulting in the transfer of approximately 0.40 acre of property. The motion went forward without the Chancellor being granted authority to approve the final transfer once negotiations have been completed and reviewed (*Ref. INV-7 on file in the Board office*).

27. Approved-Investment Committee Recommendations (Agenda Item #29) – (Cont'd.)

Regent Dondero moved approval of the Committee recommendations and acceptance of the report. Regent Knecht seconded.

Regent Knecht asked if Cambridge and Associates provided an indication, post December 31st, as to the status of the endowment and operating accounts. Regent Dondero replied that an answer would need to be researched. Regent Knecht expressed his concern that the System minimize its exposure as much as possible. Chair Wixom asked Executive Vice Chancellor Klaich to forward that information to Regent Knecht.

Motion carried. Regents Alden and Sisolak were absent.

28. Approved-Center for Molecular Medicine Project Management, IFC Request, UNR (Agenda Item #21) – The Board approved UNR President Milton D. Glick's request to ask the IFC to authorize the State of Nevada Public Works Board (SPWB) to manage all funds associated with the Center for Molecular Medicine CIP project (SPWB No. 06-A13) in order to provide consolidated budget management and oversight. The Board further approved President Glick's request to ask the SPWB, on behalf of the University, to submit this requested change to the Interim Finance Committee (IFC) at its April 2008 meeting (Ref. O on file in the Board office).

Regent Anthony moved approval of the IFC request concerning the Center for Molecular Medicine project management for UNR. Regent Knecht seconded. Motion carried. Regent Geddes voted no. Regents Alden and Sisolak were absent.

29. Approved-Handbook Revision, Data Security Policy & Social Security Number (Agenda Item #22) – The Board approved Vice Chancellor Jane Nichols' request for revising the Board's existing data security policy (Title 4, Chapter 1, Section 22.7) to provide for the necessary compliance with Public Law 93-579 (sub B), NRS 239B.030 and NRS 603A.220 in relation to disclosure of social security numbers (Ref. P on file in the Board office).

Regent Rosenberg stated that UNR has provided advisors with a statement that can be read to the students if the student does not know their identification number. Vice Chancellor Nichols added that is a usual and customary practice.

Regent Gallagher moved approval of the *Handbook* revision concerning a data security policy and social security numbers. Regent Geddes seconded. Motion carried. Regents Alden and Whipple were absent.

30. Approved-Budget & Finance Committee Recommendations (Agenda Item #24) – Regent Jack Lunch Schofield reported the Budget & Finance Committee met March 26, 2008, and heard an overview of the Board of Regents’ Capital Improvement Project (CIP) review and approval process, including the System’s internal capital budget process that was followed in developing a preliminary list of System-wide 2009-2011 capital construction needs for the Committee’s consideration and direction. The proposed Capital Improvement Projects for each of the NSHE institutions were presented to the committee by each of the respective campuses. The committee indicated that in prioritizing, the first priority would be FF&E for buildings currently underway. Next, would be projects deferred from the Governor’s budget rescission and that high consideration should be given to Life/Safety projects.

Regent Schofield moved acceptance of the Committee report. Regent Geddes seconded. Motion carried. Regents Alden and Sisolak were absent.

Regent Schofield reported that the Budget and Finance Committee met March 28, 2008, and heard the following reports:

- All Funds revenues and expenses of the NSHE for the second quarter of fiscal year 2007-2008.
- NSHE Fiscal Exceptions of self-supporting budgets and the status of state appropriations for the second quarter of fiscal year 2007-2008.
- Budget transfers of state appropriated funds between functions for the second quarter of fiscal year 2007-2008.
- NSHE 2009-2011 initial biennial budget enhancement request priorities for ongoing and one-shot state funding.
- Revision to the Board’s policy on student fees (*Title 4, Chapter 17, Section 18*) and special course fees (*Title 4, Chapter 17, Section 19*). The Committee requested the agenda item be held over to the next meeting and that System staff provide additional clarifications to the student fees policy, Sections 18e and 18f and to the special course fees policy, Section 19b.

Regent Schofield requested Board action on the following Committee recommendations:

- Minutes – The Committee recommended approval of the minutes from the February 7, 2008, Committee meeting (*Ref. BF-1 04/03/08 meeting on file in the Board office*).
- IFC Approval for Additional Student Fee Revenues – The Committee recommended approval of seeking IFC authorization to expend additional student fee revenues, not utilized for part-time faculty costs, within the NSHE state supported operating budget for fiscal year 2007-08 (*Ref. BF-6 on file in the Board office*).

Regent Schofield moved approval of the Committee recommendations and acceptance of the report. Regent Geddes seconded. Motion carried. Regents Alden and Sisolak were absent.

31. Approved-Health Sciences System Committee Recommendations (Agenda Item #27) - Chair Dorothy S. Gallagher reported the Health Sciences System Committee met March 27, 2008, and was provided a presentation regarding the status of the public health programs at UNR and UNLV, including a discussion about the pending proposal for the two schools to work together to develop a joint Ph.D. program. The Committee also discussed how the UNHSS is involved in these program development efforts. The Committee also heard a presentation on the development and evolution of the proposed UNHSS budget for 2009/11. This proposal included funding requests for nursing, public health, UNSOM, the Center for Health Disparities at UNLV, the joint clinical skills lab on Shadow Lane and the UNHSS operations.

Regent Gallagher requested Board action on the following Committee recommendations:

- Minutes – The Committee recommended approval of the minutes from the January 30, 2008, Committee meeting (*Ref. HSS-1 on file in the Board office*).
- The Committee recommended approval of recommendations for UNLV's and UNR's public health programs and their efforts to work together to develop a coordinated, integrated, statewide public health program to better meet the needs of the people of Nevada. (*Ref. HSS-3 on file in the Board office*).
- The Committee recommended approval of the recommendations regarding the proposal of the UNHSS 2009-11 budget request (*Ref. HSS-4 on file in the Board office*).

Regent Gallagher moved approval of the Committee recommendations and acceptance of the report. Regent Knecht seconded. Motion carried. Regents Alden and Sisolak were absent.

32. Information Only - Discussion on the University of Nevada Health Sciences System (UNHSS) (Agenda Item #33) –The Board discussed (1) the position description of the Executive Vice Chancellor for the UNHSS; (2) the vision and work plan of the Executive Vice Chancellor for the UNHSS; and (3) recommendations from the Presidents and Executive Vice Chancellor for defining relationships between the Health Sciences System and the System institutions.

Regent Gallagher reported that at the March 27, 2008, Health Sciences System Committee meeting, the UNLV and UNR Provosts were asked to provide an update of their progress in merging the programs. After much discussion, she determined that there was not a plan and there was a lack of communication between the presidents and Executive Vice Chancellor Trevisan. She asked Executive Vice Chancellor Klaich to meet with Presidents Ashley, Glick and Maryanski and Executive Vice Chancellor Trevisan to determine where everybody stood and what their responsibilities were within the Health Sciences System.

Executive Vice Chancellor Klaich related that they met and held a very frank meeting regarding their respective roles and asked President Maryanski to provide their report to the Board.

32. Information Only - Discussion on the University of Nevada Health Sciences System (UNHSS) (Agenda Item #33) – (Cont'd.)

President Maryanski reported that in response to the Regents Health Sciences System Committee, a discussion occurred regarding the respective roles and responsibilities of Presidents and Executive Vice Chancellors Klaich and Trevisan. Documents reviewed at that meeting included the 2006 Memorandum of Understanding, Dr. Trevisan's position description and suggestions from the Chancellor regarding the position. The Presidents and Dr. Trevisan agreed that the Executive Committee would be reconstituted to include Presidents Ashley, Glick and Maryanski and Dr. Trevisan; that Dr. Trevisan would join the Council of Presidents' meetings and participate as a peer; and that Dr. Trevisan will lead, with the support of the two presidents, the effort to create an integrated school of public health involving UNLV and UNR. The expertise of DRI would be included in the collaborative effort. Before April 30th, the presidents and Dr. Trevisan will present to the Chancellor and the Regents' Health Sciences Committee a final job description for the Executive Vice Chancellor of Health Sciences. He pointed out that constant communication is essential to these programs and this meeting was an excellent start in that direction.

Regent Gallagher thanked the Presidents and Executive Vice Chancellors for their very good work.

Regent Anthony left the meeting.

Regent Crear asked if the anticipation today was not to find a resolution to that meeting but to work towards providing a presentation at the next Health Sciences System Committee. Executive Vice Chancellor Klaich indicated that there needed to be a full report back to the next Health Sciences Committee meeting for at least the portion relating to the job descriptions.

Regent Gallagher requested that Executive Vice Chancellor Trevisan provide a presentation of his vision for the Health Sciences System at the next scheduled Board meeting.

Chair Wixom thanked President Lucey and other WNC staff for hosting the Board of Regents meeting as well as Interim President Sanford and TMCC Security staff for their presence during the two-day meeting.

33. Information Only-New Business (Agenda Item #30) – None.

The meeting adjourned at 2:21 p.m.

Prepared by: Fini Dobyns
Assistant Secretary to the Board

Jessica Morris
Administrative Assistant IV

Submitted for approval by: Scott G. Wasserman
Chief Executive Officer of the Board of Regents

Approved by the Board of Regents at the June 12-13, 2008, meeting