

**SPECIAL VIDEOCONFERENCE MEETING
BOARD OF REGENTS
NEVADA SYSTEM OF HIGHER EDUCATION**

Building D, Room D-101
College of Southern Nevada
6375 West Charleston Boulevard, Las Vegas
Conference Room, System Administration, North
2601 Enterprise Road, Reno
Greenhaw Technical Arts Building (*GTA*), Room 118
Great Basin College, Elko

Thursday, August 21, 2008, 8:30 a.m.

Members Present: Mr. Michael B. Wixom, Chair
Mr. Howard Rosenberg, Vice Chair
Mr. Cedric Crear
Dr. Thalia M. Dondero
Mrs. Dorothy S. Gallagher
Dr. Jason Geddes
Mr. Ron Knecht
Mr. James Dean Leavitt
Mr. Steve Sisolak
Mr. Bret Whipple *{via teleconference}*

Members Absent: Mr. Mark Alden
Stavros Anthony
Jack Lund Schofield

Others Present: Chancellor James E. Rogers
Executive Vice Chancellor Daniel J. Klaich
Vice Chancellor, Academic & Student Affairs, Jane Nichols
Vice Chancellor, Finance, Mike Reed
Chief Counsel Bart Patterson
President Michael D. Richards, CSN
President Stephen G. Wells, DRI
Interim President Carl Diekhans, GBC
President Fred Maryanski, NSC
President Maria C. Sheehan, TMCC
President David B. Ashley, UNLV
President Milton D. Glick, UNR
President Carol A. Lucey, WNC
Chief Executive Officer of the Board Scott Wasserman

Also present were faculty senate chairs Dr. Sondra Cosgrove, CSN; Dr. Nasser Daneshvary, UNLV; Mr. Stephen Bale, TMCC; and Mr. Richard Stewart, WNC. Student government leaders present included Mr. David Waterhouse, ASCSN President, CSN; Mr. Ryan Crowell, NSSA President, NSC; Ms. Jessica Lucero, GPSA President, UNLV; Mr. Eli Reilly, ASUN President, UNR; and Mr. Andy Pozun, ASWN President, WNC.

Chair Wixom called the meeting to order at 8:30 a.m. on Thursday, August 21, 2008, with all members present except Regents Alden, Anthony and Schofield.

Regent Rosenberg led the pledge of allegiance.

1. Approved – Fiscal Year 2009-2011 Biennial Operating Budget Request (Agenda Item #2)
– The Director of the Nevada Department of Administration directed all agencies, including the Nevada System of Higher Education, to include decision units reflecting a 14.12 % cut in general fund appropriations from FY 2008-09 levels for the 2009-2011 biennial budget request. (*Memorandum from Executive Vice Chancellor Klaich on file in the Board office.*) The Board approved presentation of the 2009-11 biennial budget operating request as approved at the August 7-8, 2008, Board of Regents’ meeting, with a letter of explanation indicating that the Board and System will look at absorbing the final reduction when the percentage it is made known, the concern that the system has with presenting a 14.12% reduction at this time, the reason for the four enhancements as well as an invitation for further discussion regarding revenue enhancements.

Chair Wixom explained that the System’s budget building process takes approximately nine months due to the shared governance structure of higher education. In June, the System received word that the state may face a budget shortfall of approximately 14% for the 2009-2011 biennium. That would be in addition to the approximately 8% reduction already absorbed by the System for the current biennium. At that point, he decided to allow the System to complete its budget process before addressing the estimated 14% reduction. He felt that it was critical to complete the process because so much had been invested in and learned from that process. At the August 7-8, 2008, Board meeting, the Regents tentatively approved the budget request with four specific budget enhancements, thereby completing that step of the process. At that time, approximately 20 budget enhancements totaling \$56 million were set aside. For clarification purposes, Chair Wixom explained that the term “budget enhancement” refers to those items that were not in the previous budget.

Chair Wixom stated that there are two options before the Board. The first would be to take the tentatively approved budget and reduce it by approximately 14%. That option concerned him since the final shortfall figure remains unknown. He also expressed concern for how immensely destructive it could be for the System to telescope a nine month process into approximately one month, particularly when faculty and students were not available. He also felt that the budget request presented had value for discussion purposes.

The second option would be to submit the budget as presented with a cover letter explaining what the Regents’ general concerns were and that the System will respond to the requested budget reduction once that final figure is known. However, he expressed concern that this option may send the message that the Regents’ are not mindful or realistic in light of the situation.

1. Approved – Fiscal Year 2009-2011 Biennial Operating Budget Request (Agenda Item #2) – (Cont'd.)

Chair Wixom stated that he tends to favor the later of the two options because he believes the Regents' have an obligation to show what they believe is required by higher education to function. He did not believe that a budget could be re-crafted within the shorter time frame and felt that submitting the budget request with a cover letter would show respect to the process itself as well as the economic realities faced by the state. He reminded the Regents that the four enhancements approved at the August 7-8, 2008, meeting were the hold-harmless for UNLV, the CSN equity gap, operating funds for the Health Sciences System and the return of the \$10 million previously approved for the iNtegrate project.

Regent Knecht stated that the nature of the action taken by the Board at the August 7-8, 2008, Board meeting was to him a "first cut." He felt that had been mischaracterized by some of the local media.

Regent Knecht moved approval to adopt a budget request that reflects the 14.12% cut as directed by the Governor's office. Regent Whipple seconded.

Regent Knecht read the following from a prepared statement (*full statement on file in the Board office*).

Educators' responses to Nevada's current budget problems have been lacking in essential perspectives and have been disconnected from fundamental facts. I will try to remedy that problem in this statement and then I will show that the public-interest response to the situation is to submit a budget as directed by the Governor.

There are three broad exceptions to the rule of decreasing real costs and increasing value, and all three are thoroughly involved with government, the non-competitive sector. They are basic government itself, including public safety, roads, streets, sewer, etc; medical and health care; and education. Education has benefited significantly from technical progress, especially in information and communications, but the practical extent of innovation in education has been much more limited than is the case for other sectors.

Spending on education as a fraction of our total resources has increased in real terms over time (*as it has for general government and health care*), but product and value improvement have been limited at best. At the primary and secondary level – where public schools are an unaccountable monopoly run for the benefit of teacher unions and bureaucrats – U.S. education has declined, as indicated by student achievement in our schools compared to other countries. American higher education has fared better, remaining the standard of the world and continuing to attract students from all over the globe, because it operates in a much more competitive milieu than our K-12 schools. However, we should not be complacent because the real cost of higher education, both in terms of state subsidies and out-of-pocket costs to students and their families, continues to rise. And, frankly, the quality of some of what we provide is at least suspect, and our continued competitive position is not assured.

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Some education apologists will argue that education's "cost disease" is due completely to slow technical progress and the allegedly immutable fact that one needs some minimum ratio of instructors to students in classroom settings. Others will claim that education is a "superior good", and therefore the entirety of its costs increases and slow improvement can be excused. Careful analysis shows that neither claim is valid.

The upshot of all this is that declining real costs and increasing value delivery over time are the fact and standard in the real world of market competition, and they should also be the standard for education. If we in education were doing our job as well as we should, the rate of unit-cost decline and service improvement might be slow relative to the rest of the economy due to slow technical progress and institutional resistance to innovation. And the rate of decline of education's share of the economy might be even slower due to adding superior goods effects on top of that. But we would still be achieving the continuing real cost reductions and value growth that means we're adding to net human well-being, economic growth and the public interest, instead of being a drag on them.

So, when people blithely assume that education is entitled to growth in funding at rates faster than the growth of the economy, they show they don't understand, and perhaps don't even care about, the central facts, nor what is in the public interest. We have no legitimate claim on increases above the rate of growth of the economy.

Yet so many educators whine that we've always been underfunded, which is simply not so, no matter how many times, how earnestly or how passionately self-interested providers say it. Or they trot out a parade of horrors they claim to foresee as a response to any proposal to cut their wish list. Or they throw tantrums, spew out vituperation and call names at those who dare to disagree or fail to meet their demands.

All these rhetorical devices do not change the fact that we have no legitimate claims on growth in education funding above the growth rate of the economy. Instead, we have a responsibility to do better than we have been doing. What all these behaviors constitute is a juvenile self-indulgence, narcissism and egotism unbecoming to real educators, adults and professionals – the next result of the descent of academe and other public institutions that began with the Sixties.

My own view is that these same technological developments and resulting business innovations have great potential to bring the same upheaval and bypass in coming decades to educational institutions at all levels. We have already seen the thin edge of this wedge with distance-education technologies we are hesitantly deploying, in the rise of for-profit colleges, in certification alternatives to traditional undergraduate degrees, and so forth.

1. Approved – Fiscal Year 2009-2011 Biennial Operating Budget Request (Agenda Item #2) – (Cont'd.)

If this view is at all close to the reality coming at us, all the whining and rhetoric in the world, all the demands for protection from bypass, all the pleading for more funding, and all the protest demonstrations that can be mounted will not save us from being consigned to the dung heap of history where state socialism already has justly been cast.

So, what we should do is to embrace our current budget challenges as a needed discontinuity in our history, and therefore an opportunity to begin out of necessity to do the things we should have been doing all along to reorient our efforts, change operational models, lower costs and improve our product. We need to shed the barnacles that have accumulated on the hull of our ship of enterprise, and become the most efficient, fiercest competitors in the arena – the bypass alternative to less astute, innovative and aggressive higher education institutions. What we don't need to do is pine for the way it used to be.

Governor Jim Gibbons has, quite properly and reasonably in every way, directed us to submit a budget that meets the declining state revenues that reflect our state's current highly unusual economic contraction. In doing so, he recognizes that we should not be a privileged class that is exempted from the pain being experienced by Nevada families and businesses, and more especially that we should not be allowed to increase everyone else's distress by adding to it with increased taxes. In the past, he has proposed and supported significant increases for education. Now, he asks nothing more than that we submit a budget under these dire circumstances that broadly moves with our state's economy and the fortunes of all Nevadans – a 14.12% overall cut. We should do our duty and serve the real public interest by delivering just such a budget.

Regent Whipple expressed concern that many times the Board wastes its time on issues it has no control over. He recognized the hardships that have to be overcome and he wanted to consider all the options.

Regent Whipple moved to call the question. Regents Leavitt, Rosenberg, Sisolak, Wixom, Crear, Dondero, Gallagher and Geddes voted no. Regents Whipple and Knecht voted yes. Motion failed. Regents Alden, Anthony and Schofield were absent.

Regent Whipple left the meeting.

Regent Dondero wanted the students to know that the Regents' are considering how future reductions will impact the institutions, particularly on the accreditation process

Regent Rosenberg stated that the System desperately needs the budget it put forth. The demoralization that the System will face if its budget is cut by 14% is absolutely unconscionable. He stated that teachers work very hard and put in more hours than most people realize. The campuses are doing their best to find the space and time needed for the students and to graduate them in a timely manner.

1. Approved – Fiscal Year 2009-2011 Biennial Operating Budget Request (Agenda Item #2) – (Cont'd.)

Regent Rosenberg moved approval of the second option as outlined by Chair Wixom. Regent Sisolak called a point of order stating that there was still a motion on the floor and that the second of that motion (*Regent Whipple*) had left the meeting.

Regent Geddes seconded the existing motion on the floor.

Regent Sisolak stated that the Board has an overriding responsibility to the over 100,000 students that will be devastatingly impacted by the proposed reduction. He felt it was irresponsible to take any action without the input of the students and faculty. He appreciated those students and faculty that were in attendance. He recognized that Senator Bob Coffin was present and requested legislative input prior to making a decision.

Regent Geddes stated that although he seconded the motion he will not be voting for it because he felt it was premature. The campuses and the Board have responsibly made every budget adjustment requested thus far. He felt that the Budget and Finance Committee should work with the staff and campuses to prepare contingencies for future reductions.

Regent Leavitt stated that, in his opinion, there was an absolute loss of leverage when the lowest possible common denominator is submitted to the Governor. He stated that Regent Knecht was right that the Governor's highest responsibility is the budget and, in his personal opinion, the Board of Regents' highest priority is advocacy. He felt there was something unique and singular about higher education that is in fact different than other state agencies, that is the return on human capital that cannot be quantified.

Regent Knecht asked that the record reflect his great respect for the faculty, administration and students. His statement was not intended to be critical of them personally. As elected officials, he felt that the Regents do have an advocacy function but their real duty is in balancing and promoting the public interest. This situation has gone from bad to worse which is why he is not optimistic and therefore supportive of the 14.12% reduction. In making his proposal, he takes no pleasure with recommending any cuts. He has worked with all the members of the Board and the legislature to ensure the best possible outcome. He will be advocating for some revenue-side solutions such as Lieutenant Governor Krolicki's plan for securitization of the tobacco monies as well as liberalization of the Letter of Intent.

Regent Crear requested a point of clarification for the motion currently on the table. Chair Wixom clarified that the motion made by Regent Knecht, and seconded by Regent Geddes, was to submit a budget that reflects a 14.12% reduction.

Regent Dondero asked the presidents what impact a 14.12% budget reduction would have on the accreditation process. President Ashley related that UNLV is facing its ten year reaccreditation process, adding that the accreditation process does take into consideration the available resources and the timing of this reduction would be significant.

1. Approved – Fiscal Year 2009-2011 Biennial Operating Budget Request (Agenda Item #2) – (Cont'd.)

President Lucey related that, after approximately five years, she recently stepped down from the board of the Northwest Commission. She felt that regional accreditation will certainly be affected by what is happening in Nevada, specifically around the standard that relates to financial success.

President Maryanski related that NSC will be having their third of four accreditation visits in April, and NSC is concerned regarding the impact of the budget reduction.

Regents Leavitt, Rosenberg, Sisolak, Wixom, Crear, Dondero, Gallagher, Geddes voted no. Regent Knecht voted yes. Motion failed. Regents Alden, Anthony, Schofield and Whipple were absent.

Regent Rosenberg moved approval to present the 2009-11 biennial budget operating request as approved at the August 7-8, 2008, Board of Regents' meeting with a letter of explanation indicating that the Board and System will look at absorbing the final reduction when the percentage is made known, the concern that the system has with presenting a 14.12% reduction at this time, the reason for the four enhancements as well as an invitation for further discussion regarding revenue enhancements. Regent Leavitt seconded.

Regent Knecht asked Chair Wixom if he would be seeking input on the letter of explanation prior to submission to the Governor or if he was constrained in that regard. Regent Sisolak called a point of order, feeling that would constitute a walking quorum. Executive Vice Chancellor Klaich related that the System would be very careful not to violate the Open Meeting Law. Chair Wixom added that he would be very careful to comply with the Open Meeting Law and he will be as careful and thoughtful as possible to ensure the letter reflects that day's discussion.

Regent Geddes requested that the Budget and Finance Committee regularly update the Board on the status of the legislative process so that when the final numbers are known, the System will be ready to act. Executive Vice Chancellor Klaich reassured Regent Geddes that the staff is very aware of the need to be prepared.

Regent Leavitt felt that there should be no issue with the Board Chair consulting with the Chair of the Budget and Finance Committee in drafting the letter and that would not constitute a walking quorum. Executive Vice Chancellor Klaich agreed, adding that the letter will be written as carefully as possible and within the rules of the Open Meeting Law.

1. Approved – Fiscal Year 2009-2011 Biennial Operating Budget Request (Agenda Item #2) – (Cont'd.)

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

2. Approved – Fiscal Year 2009 4% Budget Cuts (Agenda Item #1) – As a follow-up to the preliminary FY 2009 4% reductions that the Board considered at its August 7 & 8, 2008, meeting, institutional presidents presented specific plans to achieve the required cut targets. Based on the information received and the Regents' discussion, the Board approved the budget reductions as presented.

Executive Vice Chancellor Klaich reported that the information being presented that day had previously been sent to the Regents (*handout on file in the Board office*). He stated that although System Administration is not included in this proposal, it was not exempt. The presidents prepared their work plans on a very short deadline based on direction by the Board to provide the best possible scenarios to be followed by updates as the level of cuts are known.

Regent Knecht moved approval of the budget reductions as presented. Regent Geddes seconded.

Regent Knecht thanked the presidents, the faculty senates and the students for their efforts in consultation to bring these plans forwards. He is pleased to support their diligent work.

Regent Geddes stated that this is exactly the process that he is expecting the System to continue with. The System receives an exact reduction percentage, the campuses and presidents make their decisions and then the Board considers their recommendations.

Regent Sisolak asked how the loss of part-time instructors is being handled. President Ashley stated that contractual arrangements with part-time instructors provide the campuses the most flexibility in the short term. UNLV's reduction in PTI salaries has a direct correlation with the reduction of approximately 500 fewer class sections offered. President Ashley related that as much efficiency as possible was gained with the previous 7-8% reduction. He added that there is no one to substitute for part-time instructors because they are the ones that substitute for the full-time instructors.

Regent Crear left the meeting.

Regent Sisolak asked what impact the loss of part-time instructors will have on the teaching load of the full-time instructors. President Ashley related that there will be an increase in workload and that the college deans are responsible for managing within the budget provided to them. At some colleges there will be a substantial increase in workload, though hopefully short term. However, there is a very real concern by the faculty that if this is a permanent change in workload, it will permanently impact the research portion of the University's mission.

2. Approved – Fiscal Year 2009 4% Budget Cuts (Agenda Item #1) – (Cont'd.)

Regent Sisolak recognized that the lack of small or routine maintenance will lead to more expensive repairs in the future and asked what type of maintenance is being deferred. President Richards stated that CSN has deferred approximately \$900,000 from its maintenance account. They are evaluating each repair wisely. The plan being presented includes a return of approximately \$350,000 in FF&E funds that was earmarked for furniture for their new classroom library building.

President Sheehan related that TMCC has deferred several hundred thousand dollars for regular maintenance. She agreed with Regent Sisolak that not attending to small or routine maintenance over time will lead to larger, more expensive repairs.

Chair Wixom stated that the Investment Committee had discussed the formulas used to establish deferred maintenance costs and asked Vice Chancellor Reed how close the System was to developing a deferred maintenance standard. He observed that if the physical plant is allowed to deteriorate, the investment will also eventually deteriorate. Vice Chancellor Reed replied that the staff has been working to develop an understanding of the established rates of capital reserve ratios. For higher education, that appears to be somewhere between 1% and 4%. With NSHE's approximately \$3.2 billion in capital facilities, absent furniture and fixtures, that will be a substantial number. They want to present that number, including definitions and process to the next Investment Committee meeting. Chair Wixom requested that information be presented to the full Board as well.

Regent Sisolak asked if the legislative funds for repairs that were previously discussed were still available. Executive Vice Chancellor Klaich stated that there is just no money currently available for maintenance and repairs. If the System wants to protect its infrastructure, a mind shift is required. The focus has been on the construction of new buildings instead of the state of repair of existing buildings. Vice Chancellor Reed stated that although the System does not have a preservation fund, there are \$15 million in HECC/SHECC funds which the System needs to supplement. Executive Vice Chancellor Klaich added that the \$15 million in HECC/SHECC funds was for System-wide maintenance in a multi-billion dollar enterprise.

Regent Rosenberg stated that at UNR there is 175,000 square feet of space not being utilized because the funds needed to rehabilitate the building are not available. He added that when classes are made larger, it not only means more students but more papers, projects, and so forth. Everyone is making the best effort to educate the students as efficiently and effectively as possible without destroying the teaching process.

President Glick stated that as the oldest campus, UNR had over \$300 million in deferred maintenance. Their institution did not reduce its maintenance budget because it simply could not afford to. He appreciated any effort that could be made to find the funds to provide maintenance.

Motion carried. Regents Alden, Anthony, Crear, Schofield and Whipple were absent.

3. Information Only - Public Comment (Agenda Item #3) – With regard to Regent Knecht’s statement, Mr. Ryan Crowell, NSSA President, NSC, felt that higher education is the foundation for democracy. If there is anything that will benefit the public in facing economic trouble, it is education. That should be the number one concern, not the first thing that is cut. As one of the fastest growing states in the country, Nevada should be taking a charge in education and setting the bar. He knows of no other investment that gives back to society as much as higher education.

Regent Knecht stated that his prepared statement reflects that he does not believe higher education is socialism, that he is a beneficiary and supporter of higher education.

Mr. Nathaniel Waugh, Student Senator, CSN, felt that advocacy was very important. He knows that heading into the 2009 legislative session, NSHE has a great team in Chancellor Rogers and Executive Vice Chancellor Klaich.

Mr. Tommy Steele, Student, CSN, thanked the Regents’ for providing a public forum for the students to express their concerns. He related that he has been a student at CSN for one year and has had the opportunity to work with the most intelligent and motivated professors and students. He felt that persistence is what would be needed in negotiations with the Governor and to continue the fight for CSN and its students and faculty.

Mr. Jason Meyer, CSUN Representative, UNLV, felt that advocacy should be a primary role of the Board. He stated that the students are behind the Regents’ to take the plan passed that day to the legislature and to continue to fight for them.

Ms. Kira Bakke, Student, CSN and UNLV, stated that the Board’s vote that day strengthened her faith that the Regents’ have the students’ best interests in mind. She felt it was not the System’s sole responsibility to address the entire state’s budget crisis, adding that the students are the most important aspect of the state’s budget.

Mr. David Waterhouse, ASCSN President, CSN, thanked the Regents for their hard effort in defending the future of higher education in Nevada. It is often stated that a strong system of public schools is the cornerstone of a moral, social, economic and democratic community. A successful public education system offers equal opportunities to all of its citizens by creating the conditions necessary for all students to learn the skills, knowledge and values necessary for their future success as individuals and members of their communities. We all want a better future. That is undeniable. A future where all residents have an opportunity to live responsibly, without fear and with hope. Today’s discussed budget cuts tear down that goal. It is a statement that Nevada is going in the wrong direction; all of Nevada is going in the wrong direction. It is no secret that the Nevada already funds higher education at well below the minimum level required to meet essential needs of the students. With the Governor’s proposed budget cuts, the state will only be providing 70% of essential funding to higher education. This drastic cut will surely redefine the mission statement and goals of every higher education institution in the state. Speaking as a student, he is afraid for the future of this state. He is afraid of the consequences of these budget cuts and how it will affect the students’ ability to complete their college education. In a state where we already have the lowest high school graduation rate in the nation, we would be taking greater strides than anyone else to expand access to an affordable higher education, not

3. Information Only - Public Comment (Agenda Item #3) – (Cont'd.)

preventing access such as with the implementation of these budget cuts. He could only hope in the coming months that every student, faculty member, parent, community member, and business leader, and other citizens of Nevada come to realize the great importance of higher education to the Nevada economy. The future of this state entirely depends upon it. *(Mr. Waterhouse's prepared statement on file in the Board office).*

Mr. John Creedon, Student, CSN, stated that when we discuss funding for higher education in Nevada, we are not talking in terms of left versus right, young versus old, or the common divisions with which we are all too familiar. We are talking about whether we want to willingly accept short term fixes or fight for long term solutions. There is no one here who is naïve to the realities of the budget crisis and what must be sacrificed to weather these dark times in Nevada. There is no one here, "asking for the moon." There are those, however, that are all too quick to capitalize on the current budget situation to benefit their own agenda and pursue their personal distrust of public financing and government efficiency. They continue to remain fanatically reluctant to exploring other options – particularly those they perceive would harm the delicate economy here in Nevada, regardless of public outcry for them to do otherwise. We cannot, however, truly address this crisis, without addressing the very cause that led us to this dark and uncertain moment in time: our all too comfortable reliance on a single industry to maintain our economy. At the risk of preaching to the choir, it is without question that our triumph over this crisis in Nevada history will not be resolved by carelessly hacking away at higher education. For the only true solution to Nevada's current fiscal crisis is to work towards diversifying its economy, which can only begin by giving all Nevada students everything they need to ensure a quality and accessible education. This is particularly obvious at a school like the College of Southern Nevada, a school which generates countless thousands of skilled workers into the labor force each year, yet may face the great injustice of years of being underfunded per FTE, continuing to go on unaddressed beyond today because of the outrageous demands by those who are not present and clearly have no conception of the crucial everyday costs of operating an institution of higher learning. Prohibiting this and preemptively shortchanging higher education for such a situation will only produce even greater consequences for the future fiscal sustainability of Nevada. Therefore, he urged the Board of Regents, as a citizen, as a student, as a worker and taxpayer, to go ahead and submit the necessary operating budget request, in all of its entirety, including the long overdue equity funding for CSN, without addendums or otherwise, so that this fight may be taken to the legislature and to secure that future for the students and all of Nevada. *(Mr. Creedon's prepared statement on file in the Board office).*

Ms. Jessica Lucero, GPSA President, UNLV, thanked the Board and Chancellor for being so vocal. She explained that many of the students that wanted to attend this meeting could not because it was orientation week. She appreciated that the Regents are holding off on reducing the budget by 14%. However, she was interested in seeing what that level of reduction would do and which programs would have to be cut. She took great offense to the implication that higher education is elitist in saying that it should not be cut, rather it is saying that it provides an indescribable service to the state. Colleges are necessary in Nevada unless it wants an uneducated work force to drive it into the ground. She thanked the Regents for supporting the students.

3. Information Only - Public Comment (Agenda Item #3) – (Cont'd.)

Ms. Kelli Justus, ASCSN Senator, CSN, stated that the result of the cut in part-time instructors will affect the number of classes available. If the budget is going to be cut by 14.12%, then the curriculum and degree requirements will also need to be cut by 14.12%, and asked how anyone would feel about seeing a physician that had 14.12% fewer classes. She did not look forward to a Nevada with 14.12% fewer nurses, doctors, police, dental hygienists and so forth.

Mr. Brandon Henderson, President of the American Marketing Association, UNLV, felt the students understand the gravity of the situation. He appreciated Regent Knecht's points and his logic although he does not agree with him. He did not feel it was right to expect the System to do more with less.

Mr. Kyle Farley, Student, GBC, stated that education cannot be held to the same standards as purchased commodities. It is education that directly results in technology advances. Schools need to be maximized so that the United States can compete with other countries. He felt that the students need to organize to fight with the Regents, as the Regents are fighting for them.

Dr. Steve Bale, Faculty Senate Chair, TMCC, stated that we sometimes get caught up in words that allow us to disconnect the tragedy that can occur. He related that members of the faculty are not just scared, they are terrified. The cuts are absolutely destructive because they will leave the institutions in a way from which they will never recover.

Regent Geddes emphasized that everyone's points are not moot and encouraged the students and faculty to stay engaged.

Dr. Nasser Daneshvary, Faculty Senate Chair, UNLV, thanked the Regents, Chancellor and staff for their hard work, vision and leadership. As faculty, they understand that there will be cuts and they are dealing with them realistically. The purpose of education is the common good, which cannot be fixed on a short term basis. It needs a long term strategy. He applauded the Regents for taking the long-term approach in trying to enhance the welfare of Nevada's citizens. When Regent Leavitt states that he is an advocate for the students of Nevada, he is also being an advocate for the entire state of Nevada and its future. Education is a long term investment.

3. Information Only – New Business (Agenda Item #4) – None.

The meeting adjourned at 10:05 a.m.

Prepared by: 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 October 2-3, 2008, meeting