

**BOARD OF REGENTS
NEVADA SYSTEM OF HIGHER EDUCATION**

College of Southern Nevada
6375 West Charleston Boulevard, Las Vegas
Building D, Room 101

Thursday, February 5, 2009, 8:30 a.m.

Friday, February 6, 2009, 8:00 a.m.

ROLL CALL:

Mr. Michael B. Wixom, Chair
Dr. Jason Geddes, Vice Chair
Mr. Mark Alden
Dr. Stavros S. Anthony
Mr. Robert Blakely
Mr. William G. Cobb
Mr. Cedric Crear
Mrs. Dorothy S. Gallagher
Mr. Ron Knecht
Mr. James Dean Leavitt
Mr. Kevin J. Page
Dr. Raymond D. Rawson
Dr. Jack Lund Schofield

Others Present:

Chancellor James E. Rogers
Executive Vice Chancellor Daniel J. Klaich
Executive Vice Chancellor & CEO, HSS, Maurizio Trevisan
Vice Chancellor, Academic & Student Affairs, Jane Nichols
Chief Counsel Bart Patterson
Special Counsel Brooke Nielsen
President Michael D. Richards, CSN
President Stephen G. Wells, DRI
Interim President Carl Diekhans, GBC
Provost Lesley DiMare, 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. Dave Decker, DRI; Ms. Cindy Hyslop, GBC; Mr. Gregory Robinson, NSC; Mr. Jim Lowe, NSHE; Dr. Nasser Daneshvary, UNLV; Dr. Bill Follette, UNR; Mr. Stephen Bale, TMCC; and Mr. Richard Stewart, WNC. Student government leaders present included Mr. David Waterhouse, ASCSN President, CSN; Mr. Eron Sanchez, SGA President, GBC; Mr. Ryan Crowell, NSSA President, NSC; Mr. Adam Cronis, CSUN President, UNLV; Ms. Jessica Lucero, GPSA President, UNLV; Mr. Eli Reilly, ASUN President, UNR; Ms. Brithany Thompson, GSA President, UNR; Mr. Carmen Ortiz, ASTM Board Chair, TMCC; and Mr. Andy Pozun, ASWN President, WNC.

Chair Wixom called the meeting to order at 8:30 a.m. on Thursday, February 5, 2009, with all members present except Regents Knecht and Schofield.

Regent Alden led the pledge of allegiance.

Minister Cheryl Williams from the Mt. Zion Full Gospel Fellowship offered the invocation.

Regents Knecht and Schofield entered the meeting.

1. Information Only - Oath of Office (Agenda Item #1) - Nevada Supreme Court Chief Justice James W. Hardesty administered the oath of office to the newly elected, re-elected and appointed Regents:
 - Mr. Robert Blakely
 - Mr. William G. Cobb
 - Dr. Jason Geddes
 - Mr. Kevin J. Page
 - Dr. Raymond D. Rawson
 - Dr. Jack Lund Schofield

Chair Wixom related that Regent Gallagher received a letter from the Mining and Metallurgical Society of America congratulating her on her nomination for an award in recognition of her support of their industry.

2. Information Only – Introductions (Agenda Item #2) – President Sheehan introduced newly appointed TMCC Student Body President, Ms. Carmen Ortiz. Ms. Ortiz presented the Board members with a DVD containing messages from the TMCC student body (*DVD on file in the Board office*).

NSC Provost DiMare introduced NSC's new Associate Vice Provost for Enrollment Management, Mr. Lee Young.

3. Information Only – Chair's Report (Agenda Item #3) - Chair Michael B. Wixom, as part of the Chair's report, 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 Richards introduced CSN Biology Professor, Dr. Patrick Leary. Dr. Leary has been at CSN since 1979 and has served as a consultant to the National Park Service, the Bureau of Land Management, the U.S. Geological Survey and many other organizations and businesses. He is currently working on a very exciting project with the USGS, mapping the vegetation at the Red Rock Conservation Area.

3. Information Only – Chair's Report (Agenda Item #3) – (cont'd.)

Dr. Leary provided a presentation on this exciting collaborative research project, which has produced some of the most detailed maps of the area to date (*presentation on file in the Board office*).

Dr. Leary introduced one of his biology students, Ms. Rita Rathmann, who is working towards her nursing degree. Ms. Rathman is what higher education jargon would call a non-traditional student that has overcome many obstacles to get to college. Dr. Leary related that Ms. Rathmann was excited and energized to give back to the community through the nursing profession and that CSN was proud to present her to the Board that day.

4. Approved – Consent Agenda (Agenda Item #6) - The Board approved the Consent Agenda, with the exception of item nos. (3) Procedures & Guidelines Manual Revision, Summer Term Salary Schedules and (4) Capital Improvement Fee Request, Veterinary Technology Program, CSN. (Consent Agenda on file in the Board office).

(1). Approved - Minutes (Consent Agenda Item (1)) - The Board approved the minutes from the regular Board of Regents' meeting held December 4-5, 2008, and the Special Board meeting held December 12, 2008 (Ref. C-1a and C-1b on file in the Board office).

(2). Approved – Handbook Revision, General Admissions Policies (Consent Agenda Item (2)) – The Board approved Vice Chancellor Jane Nichols request for a revision to Board policy concerning the anti-discrimination provisions of the institutional general admissions policies (Title 4, Chapter 16, Sections 4, 19 and 27). The proposed policy revision aligns the general admissions policies with prior actions of the Board indicating that institutions may not discriminate in admission practices on the grounds of a person's age, disability, ethnicity, gender, national origin, race, religion or sexual orientation (Ref. C-2 on file in the Board office).

Regent Alden moved approval of the Consent Agenda with the exception of item (#3) *Procedures & Guidelines Manual Revision, Summer Term Salary Schedules and (#4) Capital Improvement Fee Request, Veterinary Technology Program, CSN (which were approved separately)*. Regent Geddes seconded. Motion carried.

CONSENT AGENDA ITEMS CONSIDERED SEPARATELY

(3). Deferred– Procedures & Guidelines Manual Revision, Summer Term Salary Schedules (Consent Agenda Item (3)) – The Board voted to move further discussion or action on Vice Chancellor Mike Reed's request for approval of summer term salary schedules for 2009 to the April 2-3, 2009, Board meeting (PGM Chapter 3, Section 5). (Ref. C-3 on file in the Board office.)

CONSENT AGENDA ITEMS CONSIDERED SEPARATELY – (Cont'd.)

(3). Deferred – Procedures & Guidelines Manual Revision, Summer Term Salary Schedules
(Consent Agenda Item (3)) – (Cont'd.)

Regent Crear asked how this salary increase was to be managed with the current budget crisis. Vice Chancellor Reed indicated that summer school was a self supporting program. Regent Crear felt that at a time when extensive budget cuts were being considered, summer school could be considered an opportunity for faculty to earn additional money. He did not agree with the rationale to increase salary for instructors that will be result in increased tuition for the students.

President Ashley clarified that UNLV was not requesting an increase, only a correction to the existing policy.

President Glick related that UNR's summer term faculty salary schedule was approximately \$600 per credit hour below that of UNLV. UNR's request consisted of a 5% increase which represented an increase in faculty salaries for the academic year, adding that even with the increase, these salaries would still be well below the market for instructors with ten to fifteen years of experience.

Regent Crear felt that the timing of this request was not appropriate. President Glick related that Regent Crear's concerns had been taken into account which was why UNR was not attempting to raise the salaries to market standards.

Regent Alden noted that there was a reason this request was on the consent agenda. However, he also understood Regent Crear's concern. He related that during his tenure on the Board, these salaries had not experienced an increase. He added that he has consistently voted against tuition increases that exceed 3.5%. However, he felt that this was a legitimate request of a minor nature that was fair and equitable.

Regent Leavitt asked Vice Chancellor Reed to explain the difference between self-supporting (*summer term*) and state-supported programs. Vice Chancellor Reed explained that the State Supported Operating Budget applied to only the academic fall and spring terms. To offer classes during the summer term required a mechanism such as a self supporting budget to set fees. Regent Leavitt asked if this was because the System lacked full legislative support for the summer term. Vice Chancellor Reed indicated that was correct.

Regent Schofield felt that, given his own experience, the summer term instructors do not receive the same appreciation as the full-time instructors and indicated his support for the request

Regent Cobb joined in Regent Crear's support of the program but in also questioning the timing of the request. Vice Chancellor Reed agreed that the timing was less than desirable and indicated that the presidents were available to provide further comment.

CONSENT AGENDA ITEMS CONSIDERED SEPARATELY – (Cont'd.)(3). Deferred – Procedures & Guidelines Manual Revision, Summer Term Salary Schedules
(*Consent Agenda Item (3)*) – (Cont'd.)

Regent Cobb asked if it was known if any professor chose not to teach the summer term due to the inequality of the summer term salary. Vice Chancellor Reed replied that, in the past as a former college dean, he has known faculty that would not teach summer classes due to the inequity in pay between semesters.

Regent Page related that he is in favor of the request largely because summer term salaries have not received an increase before.

Regent Blakely asked what the average summer term attendance was versus the fall and spring semesters. Mr. Gerry Bomotti, Senior Vice President of Finance, UNLV, replied that UNLV's summer attendance was approximately 17,000 (*approximately 7,000 FTE*). UNR President Glick stated that UNR's summer enrollment is approximately 40% of their regular term enrollment (*approximately 6,000 FTE*).

Regent Crear asked Vice Chancellor Reed if there would be an increase in summer term tuition to offset the proposed salary increase. Vice Chancellor Reed replied that would need to be confirmed with each institution. Regent Crear asked if not increasing the summer term salary would result in a drop in FTE. Vice Chancellor Reed indicated that not increasing the summer term salaries would likely result in faculty being unwilling to cover those classes which would then result in a drop in available classes.

Regent Crear felt that given the current economic times, many people would be interested in the opportunity to earn more income. He stated that he could not support a salary increase right now.

Regent Knecht felt there was a valid argument on each side of the issue. On the budget side, he felt that the level of cuts being discussed will not occur. On the higher education side, there are some long time stewards of higher education that share the concern that the System make the best use of the resources we have. It should not be assumed that because someone feels that the System can do a little bit better that they are opponents of higher education. He was not particularly uncomfortable in raising maximum pay levels in order to better recruit faculty but would like to have more time to consider the issues. He requested that this agenda item be held until the following day.

Regent Cobb asked Vice Chancellor Reed to explain the distinction between resident faculty and visiting faculty in relation to summer term courses. He felt that the resident faculty recognizes that the state is in tough times and would step up for the benefit of the students. Vice Chancellor Reed stated that the faculty is committed to the students and their progress towards their degrees in a reasonable fashion. Summer school often presents an opportunity for members of the faculty that would like additional income. However, the concern then becomes how many instructors, that have the expertise to offer the full range of courses including upper division level, are needed to move the students toward their degrees.

CONSENT AGENDA ITEMS CONSIDERED SEPARATELY – (Cont'd.)

(3). Deferred – Procedures & Guidelines Manual Revision, Summer Term Salary Schedules
(Consent Agenda Item (3)) – (Cont'd.)

Regent Cobb related that there is a perception in society that the professors do not teach. He realized that is an erroneous perception, but perception leads to reality. He expressed faith in the faculty that they will continue to offer the classes without the increase, adding that the timing of the request is of great concern to him.

President Glick stated that the Board's decision will be respected. He added the real issue for him was if the salary offered was fair and equitable. He also understood the concerns related to the political timing of the issue.

Regent Crear asked if there was a current policy that prohibited fees to be used for faculty salaries. Executive Vice Chancellor Klaich replied that the Special and Course Fees policy would not apply to summer school courses because they are self supporting. In this case, the fees will go directly to the increase of salaries.

Vice Chancellor Reed clarified that CSN is requesting to raise their fees for adjunct faculty only. Ms. Patty Charlton Dyer, Senior Vice President for Finance and Facilities, CSN, related that the requested adjustment relates to only part-time faculty and is a result of the legislature's 4% cost of living increase for the current year. That set their academic year for 2008/2009 at \$801. If the salaries are not adjusted, the adjunct faculty will actually see a reduction from \$801 to \$755 per credit hour. Regent Crear asked if that meant that state funds were being used for faculty salaries. Ms. Dyer explained that CSN's academic year part-time per instructional unit rate is carried over into the summer so that their adjunct faculty is receiving continual compensation levels. She added that at least 50% of their summer school offerings are taught by part-time faculty, and their summer school enrollment is approximately 20-25% (*approximately 4,300 FTE*) of their regular enrollment.

Chair Wixom felt that at a different time, this issue would not present as many concerns. He requested that this item be continued until the next day. He specifically requested that staff address the connection between source of revenue and faculty salaries and a specific explanation of the self-supporting nature of the summer school courses. He was not questioning that the faculty deserves more compensation than they are currently receiving.

Regent Crear asked that the next day's discussion include how much the requested salary increase will affect student fees and tuition. Chair Wixom felt that was an excellent question.

Regent Blakely asked that the impact of not approving this item also be addressed.

Regent Crear noted that the Board had not heard from students.

CONSENT AGENDA ITEMS CONSIDERED SEPARATELY – (Cont'd.)

- (4). Approved – Capital Improvement Fee Request, Veterinary Technology Program, CSN (Consent Agenda Item (4)) – The Board approved CSN President Michael D. Richards' request for use of CIP funds to renovate an existing space on the Charleston Campus to house the Veterinary Technology Program (*Ref. C-4 on file in the Board office*).

In response to an inquiry by Chair Wixom, Ms. Dyer indicated that the total cost of the renovation would be \$61,000. Chair Wixom asked if those funds were currently available within the CIP budget and if this request would create any long-term issues. Ms. Dyer replied that the funds were available.

President Richards added that this program was dislocated off campus and is now being pulled back on campus.

Regent Geddes moved approval of Consent Agenda item (#4) *Capital Improvement Fee Request, Veterinary Technology Program, CSN*. Regent Page seconded.

Regent Alden observed that this program could become beneficial to the establishment of a future degree program.

Motion carried.

The meeting adjourned at 9:42 a.m. and reconvened at 1:31 p.m. on Thursday, February 5, 2009, with all members present except for Regent Anthony.

5. Information Only – Public Comment (Agenda Item #5) – (Cont'd.)

Mr. Stephen Bale, Faculty Senate Chair, TMCC, requested a moment to recognize the passing of former Regent, Dr. James Eardley.

Mr. Roy Woofter, Las Vegas Resident, requested that the Board delay UNLV's request to extend Head Football Coach, Mr. Mike Sanford's contract, noting Mr. Sanford's four year history without a winning season.

Dr. Wade Gall, Family Practice Resident, addressed the Board in relation to the closing of the Women's Health Center. The closing of that facility impacts the ability of the family practice residents, as well as other specialties, to fulfill their fundamental requirements to pass their residency examinations.

Dr. Desiree Akain, Pediatric Resident, related that the residents' education allowance has been significantly reduced, specifically, in regards to the pediatrics department, their allowance are now approximately \$200 per year for books. However, with each book costing over \$100, it has significantly impacted their ability to purchase text books. She

5. Information Only – Public Comment (Agenda Item #5) – (Cont'd.)

related that the reduced allowance has also impacted the residents' ability to conduct research and participate in national conferences which negatively impacts their ability to obtain fellowships.

Dr. Peter Brokish, Emergency Medicine Resident, related that resident applicants are expressing concern in coming to Nevada due to the turmoil within the System and state.

Dr. Laura Boomer, General Surgery Resident, felt that between the drastic changes being made at the University Medical Center (UMC) and the lack of communication between UNR and UNLV, the residents feel as though they are not receiving adequate support.

Dr. Wright Jones, resident, stated that there is a great amount of tension growing between the upper level division staff and the residents. He added that the residents have also tried to communicate with UMC but feel their concerns are not being addressed.

Chair Wixom asked if each of the residents participating in Public Comment were residents at UMC. Dr. Wright responded that they were. Chair Wixom asked if, in summary, their first concern was related to budget cuts and the second concern was related to administrative support. Dr. Wright replied that was also correct.

Chair Wixom asked which budget the residents fall under. Executive Vice Chancellor Trevisan indicated that the budget cuts affecting UMC originated through the county. Chief Counsel Patterson added that certain stipends and educational allowances fall under the School of Medicine.

Chair Wixom observed that the NSHE has little control over the county budget but asked for clarification of the reduction in stipends. Dr. Miriam Bahrn, Associate Dean for Graduate Medical Education, School of Medicine, replied that in July of 2008 the residents received a pay increase that put them on par with 50% of residents nationally. However, much of the money the residents receive in the way of benefits (*food, travel, textbooks, memberships in professional societies, and so forth.*) is received from the UMC budget, as well as their salaries that are incorporated into the university's budget and then passed through to the residents. As the budgets from UNLV and the School of Medicine are reduced, those funds are then no longer available.

Chair Wixom asked if those particular cuts have been part of the reduction process over the last year. Dr. Bahrn indicated that they were.

Chancellor Rogers indicated that a report related to these issues was expected to be released in mid-March. Chair Wixom expressed his great concern as there was value offered through these programs. He noted that the residents do not feel that they have had sufficient support by the two university administrations.

Regent Rawson related that the state funnels millions into the county and a disproportionate share is provided for indigent care. It was essential that there be a good

5. Information Only – Public Comment (*Agenda Item #5*) – (*Cont'd.*)

working relationship between the School of Medicine and the hospitals that possess a major portion of the delivery of care. He felt that perhaps this issue rose to the level of an ad hoc committee. He did feel the issues were solvable.

Chair Wixom asked Chancellor Rogers to notify him when the report became available and that it be addressed at the April Board meeting.

Regent Alden asked if the surgical residents received support from Dr. Zamboni. Dr. Boomer replied that they did, adding that perhaps further negotiations between the NSHE and the UMC may produce positive results. Regent Alden asked how many residency programs exist. Chancellor Rogers replied that there were nine in the state. Regent Alden stated that the national average for the number of residency programs at medical schools is forty, noting that the NSHE was far behind that average.

Mr. Ryan Crowell, Student Body President, NSC, related to the Board that he has received much communication from the students relating to the comments made by some Regents that indicate the students are not involved. He assured the Board that the students were listening and that they were involved.

6. Approved –Regents Awards (*Agenda Item #9*) – (*Cont'd.*)

A. Distinguished Nevadans - *Policy: Handbook, Title 4, Chapter 1, Section 14 (Ref. A on file in the Board office).*

- Mr. Charles R. Donnelly (*Posthumously*), *Nominated by former Regent Rosenberg.*
- Mr. Rossi Ralenkotter, Las Vegas, *Nominated by Regent Anthony.*
- Mr. Jackie Robinson, Las Vegas, *Nominated by Regent Crear.*
- Mr. Larry Ruvo, Las Vegas, *Nominated by former Regent Sisolak.*
- Ms. Linda Smith, Las Vegas, *Nominated by Regent Gallagher.*
- Mr. Alden Levi Stewart, Las Vegas, *Nominated by former Regent Whipple.*

Regent Cobb requested explanation of the protocol for the Distinguished Nevadan Award. Mr. Scott Wasserman, Chief Executive Officer of the Board, explained that, per changes made to the policy in 2008 at the recommendation of the Board Development Committee, each Regent is allowed to make their nomination every other year (*based on district*). The nominations are brought forward to the Board in January or February so that the awards can be presented near the time of commencement in the spring. The nominees can be voted upon individually or as a group.

Regent Gallagher related that for years the Board voted upon the nominees in closed session, which provided a reasonable protection for the nominees from embarrassment if they were not approved. However, that changed with the open meeting law requirements. Now, all nominations must be reviewed and approved in a public setting. That makes it very difficult if there were to be a nominee that does not receive full endorsement. She felt that perhaps the Board needed to revisit this approach.

6. Approved – Regents Awards (Agenda Item #9) – (Cont'd.)

- A. Distinguished Nevadans - Policy: Handbook, Title 4, Chapter 1, Section 14 (Ref. A on file in the Board office) – (Cont'd.)

Regent Alden moved approval of the nominees for the Distinguished Nevadan Award. Regent Crear seconded.

Regent Rawson related that each of the nominees has contributed to his personal character, adding that each were distinguished citizens and important to the state.

Motion carried. Regent Anthony was absent.

- B. Regents' Scholars – Policy: Handbook, Title 4, Chapter 1, Section 15 (Ref. B on file in the Board office).

- Ms. Caitlin Saladino, CSN.
- Mr. Joshua Robbins, GBC.
- Ms. Jessica Kusak, NSC.
- Ms. Maria del Rosario Jimenez Ortiz, TMCC.
- Ms. Claire White, UNLV Undergraduate.
- Ms. Crystal Jackson, UNLV Graduate.
- Ms. Jenna Hayes, UNR Undergraduate.
- Ms. Eryn M. McKinley, UNR Graduate.
- Ms. Amy Ramos, WNC.

Regent Alden moved approval of the nominees for the Regents' Scholar Award. Regent Geddes seconded. Motion carried. Regent Anthony was absent.

Regent Alden requested that the information regarding the award ceremonies be distributed to the Regents as soon as possible.

7. Approved – Handbook Revision, Bylaws, UNR (Agenda Item #10) – The Board of Regents approved UNR President Milton D. Glick's request for amendments to the UNR Bylaws (Title 5, Chapter 7) (Ref. C on file in the Board office).

Regent Alden moved approval of the requested revisions to Title 5, Chapter 7 of the NSHE Handbook. Regent Geddes seconded. Motion carried. Regent Anthony was absent.

8. Information Only – Handbook Revision, Institutional Bylaws (Agenda Item #11) – The Board of Regents' held the first hearing for a request from Executive Vice Chancellor Daniel J. Klaich for amendment to the NSHE Code concerning the process for reviewing and approving institutional bylaws, unit bylaws, and student government constitutions (Title 2, Chapter 1, Section 1.3). Final action will be requested at the April 2009 meeting of the Board (Ref. D on file in the Board office).

Executive Vice Chancellor Klaich noted that a step was inadvertently added to Section 1.3.6 to require the approval by the President. However, that requirement will be eliminated upon the second reading at the April Board meeting.

Regent Knecht asked why the presidents, System or Board were involved in approving the student government constitutions. Executive Vice Chancellor Klaich replied that student constitutions were subject to the overall policies of the Board of Regents. However, this recommendation comes forward in an effort to improve efficiencies and allow the Chancellor to approve such revisions in lieu of the System and Board of Regents.

Regent Knecht felt that the Board should disengage itself from student government affairs as soon as possible.

Chief Counsel Patterson stated that there were no specific statutory sections that applied. There are multiple ways in which Board policy creates oversight over the institutions and the student governments including the expenditure of funds and compliance with the open meeting law. While the students are allowed to govern themselves for the most part, the assistance of institutional business officers is required for fiduciary reasons. He added that the System may indeed have legal responsibility over the associations whether that is preferred or not.

Regent Geddes recalled that there had been a situation in which the System made required changes to a student government constitution after it had been voted upon by the students. He questioned where in the process legal review occurs prior to the students' voting process. Executive Vice Chancellor Klaich replied that the proposed policy would still require legal review, adding that the general counsel at each system institution could and should review those documents.

Regent Geddes asked if that situation were to occur again under the new policy, would the students be able to appeal to the Board. Executive Vice Chancellor Klaich stated that although appeal to the Board of Regents is always an option, he felt that should that situation occur the Chancellor would probably not approve the amendment.

Regent Knecht suggested that unless warranted, there be an assumption of validity that the student government is more or less a sovereign entity. Executive Vice Chancellor Klaich replied that there had been extensive discussion related to this policy with student leaders and the faculty senate chairs. The results of those discussions will be brought back to the Board.

Chief Counsel Patterson cautioned that any revision to the Board's policy must comply with statutory requirements.

9. Approved – Four-Year Employment Agreement, Head Football Coach, UNLV – (Agenda Item #12) – The Board of Regents approved the request of UNLV President David B. Ashley for a four-year employment contract for Mr. Michael Sanford, UNLV's Head Football Coach (*Ref. E on file in the Board office*).

Chair Wixom asked that the specific changes made to Mr. Sanford's contract be summarized. President Ashley stated that the contract contains the same base salary, the addition of one incentive provision related to performance and a change to the buyout provision.

Regent Alden asked if state funds were used for the base salary. Mr. Mike Hammrick Athletic Director, UNLV, indicated that state funds were not used for any portion of the compensation for the position of Head Football Coach.

Regent Alden asked Mr. Hammrick if he felt that UNLV was providing the football program with the assistance necessary to meet the programs needs. Mr. Hammrick felt that they were.

Regent Alden moved approval of the four-year employment agreement for UNLV Head Football Coach, Mr. Mike Sanford. Regent Cobb seconded.

Regent Geddes asked if the request was not to increase but to extend the base, media and publicity compensation. Mr. Hammrick replied that was correct, adding that the incentive bonus and the bowl game incentive were new. If UNLV reaches a bowl game, the additional revenue generated will pay for the incentive. He explained that the Mountain West Conference has developed a financing formula that pools the money together and then divides it out so that no institution loses money.

Regent Geddes asked if bonuses for post season games were becoming standard contract incentives. Mr. Hammrick indicated that was standard within the industry.

Regent Geddes commented that the potential arguments indicated in the briefing paper should have included other possible options such as denial of extension or potential termination. Mr. Hammrick stated that if the contract extension was not approved, it may negatively impact recruitment and retention of student athletes. Regent Geddes understood that without a long-term contract it is very difficult for a coach to successfully recruit.

Regent Crear disclosed that his nephew plays for the UNLV football team. He felt that Coach Sanford needed the additional year to continue to improve. He felt that the Las Vegas community needed to be shown success and that Mr. Sanford needed to be held to that standard and to turn the program around. He was in support of the contract extension as long as it did not include an increase in pay. He noted that UNLV should be doing a better job of increasing its visibility within the community.

9. Approved – Four-Year Employment Agreement, Head Football Coach, UNLV – (Agenda Item #12) – (Cont'd.)

Mr. Hammrick related that of the last 50 prospective student athletes to visit their campus, 31 of them, or their parents, had asked what Mr. Sanford's future was at UNLV. That was the overriding reason to request the extension. Regent Crear stated that was a very good point. However, UNLV needed to be as eager to terminate the contract, if necessary, as they were to extend it.

Regent Knecht noted Mr. Woofter's statements during Public Comment and asked if the early request was for the benefit of the program in terms of recruiting while still allowing the institution to terminate the contract, if necessary, without occurring additional burden. Mr. Hammrick indicated that was correct.

Regent Cobb felt it was vitally important to note the positive aspects of the program including that Mr. Sanford is a good ambassador for the university, that he has contributed to the community, that there have been no major NCAA violations and that the academic progress rates of the student athletes have improved.

Regent Schofield felt that athletics and academics were equally important in promoting an institution and would like to see progress towards recruitment.

Regent Page stated that he had sat on the university's Intercollegiate Council for the last nine years. Since Mr. Hammrick's arrival, their graduation rates have increased and there is more concern for the student athlete. He related that the relationship between the academic and athletic faculty has improved tremendously.

Regent Gallagher felt that often times the student portion of student athlete is neglected. She was not against athletics. However, she was against athletics being the most important aspect in higher education.

Regent Schofield emphasized that both Mr. Hammrick and Mr. Sanford needed to become more visible in the community.

Regent Alden related that the graduation rate for student athletes, from freshman to senior, is at a higher percentage than the rest of the student base. He added that it was not good policy to terminate a coach in the middle of the recruiting season.

Regent Knecht noted the vast majority of NCAA athletes went professional in something other than their sport, adding that the value of academics and a clean program are a major consideration in addition to the balance of interests discussed earlier.

Motion carried. Regent Anthony was absent.

10. Approved – Three-Year Employment Agreement, Head Men's Soccer Coach, UNLV (Agenda Item #13) – The Board of Regents approved a request from UNLV President David B. Ashley for a new three year contract for Mr. Mario Sanchez, UNLV's Head Men's Soccer Coach (*Ref. F on file in the Board office*).

Regent Alden moved approval of the three-year employment agreement for UNLV Head Men's Soccer Coach, Mr. Mario Sanchez. Regent Page seconded.

Regent Crear pondered what incentive the Head Soccer Coach had to perform well if incentives were not built into the contract. He requested further clarification for the automobile component of the contract. Mr. Hammrick related that upon hire, a head coach is given the choice between accepting a vehicle or a stipend in lieu of a vehicle.

Mr. Sanchez elected to take the stipend, which is added after the base salary has been agreed upon. Mr. Hammrick added that Mr. Sanchez is an outstanding coach that has worked very hard to get the community heavily involved in the soccer program. Regent Crear asked if the total salary included the stipend. Mr. Hammrick replied that it did.

Regent Crear asked if the requested base salary included a raise. Mr. Hammrick explained that coaches have a choice of receiving a bonus if they reach the NCAA championships or they can receive COLA and merit. Mr. Sanchez has elected to receive COLA and merit and is therefore ineligible for bonuses.

Regent Geddes asked how the automobile allowance is handled for tax purposes. Mr. Hammrick confirmed that it was declarable income.

Motion carried. Regent Anthony was absent.

Mr. Hammrick introduced Ms. Jessica Walters, UNLV Student and All Mountain West Conference Volleyball Player and Female Academic Student Athlete of the Year in 2008. Ms. Walters stated that she is working to obtain a minor in political science and major in journalism. Her GPA is 3.97.

11. Approved – Potential Street Naming Maude Frazier Way, UNLV (Agenda Item #14) – The Board of Regents approved UNLV President David B. Ashley's request for a formal letter of support from Chair Wixom, on behalf of the Board, to express support in renaming the cul-de-sac at the Maryland Parkway/Harmon entrance into UNLV as "Maude Frazier Way" in honor of the Maude Frazier, former Lieutenant Governor, legislator and educator, who was instrumental in founding UNLV (*Ref. G on file in the Board office*).

11. Approved – Potential Street Naming Maude Frazier Way, UNLV (Agenda Item #14) – (Cont'd.)

Regent Schofield moved approval of submitting a formal letter of support from Chair Wixom, on behalf of the Board, to express support in renaming the cul-de-sac at the Maryland Parkway/ Harmon Avenue entrance into UNLV as “Maude Frazier Way.” Regent Crear seconded. Upon a roll call vote, motion was approved unanimously. Regent Anthony was absent.

12. Information Only – Intel International Science and Engineering Fair, DRI and WNC (Agenda Item #16) – The Board of Regents heard a presentation from WNC President Carol A. Lucey and DRI President Stephen G. Wells on the May 2009 Intel International Science and Engineering Fair (Ref. I on file in the Board office).

- What is the Intel International Science and Engineering Fair?:
 - World’s only international science fair representing all of the sciences for grades 9-12 students!
 - Provides an opportunity for the world’s best young scientists, engineers and inventors to come together!
- Why Are We Doing This?:
 - To cultivate the skilled scientists and engineers needed to create tomorrow’s innovations, to develop technologies, to find new cures and to research new frontiers.
 - Support and promote the 2009 Intel International Science & Engineering Fair (ISEF) in the State of Nevada.
 - Motivate our students to study and enter science, technology, engineering and mathematics careers.
 - Upgrade 9-12 mathematics and science teaching to foster student research.
 - Build public support for making improvement in science, technology, engineering and mathematic performance a state and national priority.
- The Social Benefit:
 - Heighten awareness of importance of science, math and engineering education.
 - Strengthen K-16 collaboration across the state.
 - Cultivate future scientists and engineers.

Chair Wixom asked how the Board could assist in making this event a successful experience. President Wells indicated that as leaders in the community, the Regents could endorse the significance of this event and encourage the community to help. UNLV and UNR have been approached to consider offering scholarships to perhaps capture four or five of the students that will be in attendance.

12. Information Only – Intel International Science and Engineering Fair, DRI and WNC
(Agenda Item #16) – (Cont'd.)

Regent Knecht asked if public and private schools had been approached. President Wells stated that he was not aware to what extent private schools have been involved, but the committee has been in contact with the Clark and Washoe County School Districts as well as some of the rural communities. President Lucey added that there is at least one private school faculty member on the committee.

Regent Knecht asked if the Board could take action to express its support of the event. Chief Counsel Patterson stated that due to the Open Meeting Law, the Board could not take action at this time.

Regent Knecht expressed his support of the event, adding that he would like to see it return to Nevada in the future. UNR President Wells stated that this event was a great opportunity for the state in that the entire country will be looking at Nevada.

Regent Schofield congratulated Presidents Wells and Lucey for their efforts in bringing this event to Nevada. President Wells related that by 2010, it is estimated that 90% of all scientists and engineers will live in China or Indonesia. Partnerships through universities, businesses and innovation will be what will keep the United States competitive.

Regent Geddes expressed his excitement that the event will be in Reno. He disclosed that he will be one of the co-chairs of the Environmental Management Masters judging panel. He asked where donations could be sent. President Wells replied that donations could be made on-line and he had several copies of an information sheet. President Lucey related that the website was www.gatheringgenius.com.

Regent Cobb mentioned that Dr. Carina Black at UNR's International Center may be a good source for interpreters.

Regent Blakely also felt this was a great opportunity to attract some young students and asked if a motion could be considered at the next meeting to express the Board's support.

Chair Wixom asked Mr. Wasserman to prepare a letter for signature to the faculty and staff that reflected the support of the Board. Mr. Wasserman indicated that he would work with the DRI's President's office.

The meeting recessed at 3:32 p.m. and reconvened at 3:43 p.m. on Thursday, February 5, 2009, with all present except for Regent Anthony.

13. Information Only – Nevada Biotechnology & Bioscience Consortium and Activities at UNLV (Agenda Item #17) – The Board of Regents heard a presentation from Mr. John Laub, Co-founder and Executive Director of Nevada Biotechnology & Bioscience Consortium about the future of biotechnology, specific biotech efforts underway in Las Vegas and at UNLV, and the impact of biotechnology on economic development (*Ref. J on file in the Board office*).

- What is Biotechnology?
 - Industry based on Molecular Biology.
 - Biomedical drugs.
 - Biofuels.
 - Biomaterials.
 - Bioagriculture.
 - Bioindustrial.
 - Bioinformatics.

Regent Anthony entered the meeting.

- Biotechnology is the Future.
 - Use the genome & epigenetics to fight disease.
 - Use proteins to treat cancers.
 - New body parts and organs.
 - Fuels from algae, bacteria.
 - New bio-engineered materials.
 - Enzymes & food.

Regent Geddes asked how the biotechnology efforts at all three research institutions were coordinated. Mr. Laub replied that although the institutions in Reno have been very responsive, a biotechnology group such as Nevada Biotechnology Group has not been created in the north.

Regent Geddes asked what Nevada Biotechnology Group's connection was to economic development. Mr. Laub indicated that the Nevada Development Authority has asked him to Chair their Live Science Committee. They are seeking increased presence in Nevada in the form of laboratories, factories and company headquarters.

Regent Anthony asked Mr. Laub how successful Nevada was in attracting biotechnology companies to the state. Mr. Laub replied that the biotechnology field is not motivated by taxes, but by the type of community and support that can be offered, specifically the quality of education and the quality of life. Nevada has those benefits but it does not market it well.

Regent Anthony asked what the Board could do to show its support for these initiatives. Mr. Laub replied that the System and institutions need to continue what they are doing.

Regent Schofield related that teamwork was very important to the process. Mr. Laub added that it will require visionaries to make this all happen.

13. Information Only – Nevada Biotechnology & Bioscience Consortium and Activities at UNLV (Agenda Item #17) – (Cont'd.)

Chair Wixom expressed his concern that the Board was not doing enough to encourage research in the areas of biotechnology and alternative energy. He felt it had become clear over the last few years that global issues will only be solved with technology and global research.

Chair Wixom requested that an action item be placed on the April agenda for the Board to consider what specifically could be done to further research in the biotechnology fields in Nevada. Regent Leavitt asked if that extended to the offering of scholarships in these areas at the earliest educational levels. Chair Wixom replied that would include whatever steps the System needed to take to attract and recruit students as well as industry.

Regent Schofield expressed concern that whatever action is taken, that it be pragmatic and that the available funds be spent in the most efficient manner possible.

Chair Wixom asked how such an agenda item would be coordinated. Vice Chancellor Nichols replied that since this was a statewide issue, the Research Affairs officers should work together to consider all perspectives in order to bring a recommendation to the Board.

14. Approved – Former Regents, NSHE (Agenda Item #19) - The Board approved providing direction to the Chancellor and the presidents to ensure that former Regents are invited to major System and institutional events. The Board office would then work with the institutions to ensure that names and correct contact information is available.

Regent Leavitt asked how many former Regents were living. Mr. Wasserman replied that the Board office has identified 29 former living Regents.

Regent Leavitt observed that when Regents are no longer active on the Board, the System loses contact with them. He felt that this could be a small measure to thank them and to keep them in the higher education family.

Chair Wixom requested that the actions being requested be itemized. Mr. Wasserman clarified that the action being contemplated was to direct the presidents and the Chancellor to ensure that former Regents are invited to major System and institutional events. The Board office would then work with the institutions to ensure that names and correct contact information is available.

Regent Crear agreed that it was important to engage former Regents as ambassadors of higher education and requested clarification of exactly what would be done. Mr. Wasserman replied that as discussed by the Board, former Regents would be invited to the same events as sitting Regents at both the System and institutional level. He added that the request as presented is not contemplating that the costs of any event would be absorbed, just that the invitation was being extended.

14. Approved – Former Regents, NSHE (Agenda Item #19) – (Cont'd.)

Regent Alden left the meeting.

Regent Leavitt stated that he personally felt it was appropriate to establish a fund for former Regents to attend these events. This would not include travel arrangements. He felt it was appropriate to discuss some modest amount of funding of this effort.

Regent Cobb expressed concern regarding imposing the cost of attendance at foundation events on the foundations.

Regent Gallagher stated that former Regents make great ambassadors for the System.

Regent Knecht expressed his support of the motion.

Regent Wixom expressed concern regarding the cost and scope of the request, and urged that the proposal be approved, with the understanding that the cost issue would be addressed at a future meeting. Regent Leavitt requested that a specificity of events being contemplated and the issue of looking at funding sources be placed on the next agenda of the Board Development Committee.

Regent Schofield moved to approve the directing of the Chancellor and presidents to ensure that former Regents are invited to major System and institutional events, with referral to the Board Development Committee for consideration of the funding issue. Regent Gallagher seconded. Motion carried. Regent Alden was absent.

The meeting recessed at 4:33 p.m. on Thursday, February 5, 2009, and reconvened at 8:00 a.m. on Friday, February 6, 2009, with all Regents present except for Regents Anthony and Crear.

CONSENT AGENDA ITEMS CONSIDERED SEPARATELY – (Cont'd.)

(3). Deferred – Procedures & Guidelines Manual Revision, Summer Term Salary Schedules (Consent Agenda Item (3)) – (Cont'd.)

Chair Wixom suggested moving this item to the April Board meeting to allow staff to prepare further information to resolve the Regents' questions.

Regent Cobb moved to defer consent agenda item (#3) *Procedures & Guidelines Manual Revision, Summer Term Salary Schedules* to the April agenda.

Regent Cobb requested more substantive information regarding the fee request, the number of students involved in the summer programs, the numbers that may be

CONSENT AGENDA ITEMS CONSIDERED SEPARATELY – (Cont'd.)

- (3). Deferred – Procedures & Guidelines Manual Revision, Summer Term Salary Schedules (Consent Agenda Item (3)) – (Cont'd.)

adversely affected if the nominal increase is not approved, a comparison of summer school fees or salaries paid by other WICHE schools as well as a comparison of summer term salaries between NSHE institutions.

Regent Leavitt seconded.

Regent Leavitt also requested a discussion related to why certain items are or are not on the consent agenda. He noted that many of those items are operational matters and not policy related. He felt very strongly that those operational matters needed to be left at the discretion of the presidents.

Chair Wixom requested that the issues raised be addressed by staff at the April Board meeting.

Motion carried. Regents Anthony and Crear were absent.

Regent Leavitt asked President Glick if delaying Board decision on this item will impact the 2009 summer term. President Glick indicated that a decision in April would be fine.

15. Approved – Fire Science Academy (FSA), UNR (Agenda Item #15) – The Board approved the recommendation of UNR President Milton D. Glick relative to the Fire Science Academy, including the pursuit of the sale of the FSA facility to the Nevada National Guard, the moving forward with the implementation of the first two years of the proposed FSA stakeholder Financial Sustainability Plan and to utilize the time between now and December 2010 to make the case for co-location of the FSA program (*Ref. H, as well as a revised Briefing Paper and additional reference materials on file in the Board office*).

President Glick introduced Mr. Charlie Myers and Mr. John Ellison, Elko County Commissioners, Mr. Don Newman, Executive Director of the Elko Convention and Visitors Authority, and Mayor Mike Franzoia and Mr. John Patrick Rice as representatives of the City of Elko. President Glick indicated that the recommendation being presented was supported by the Blue Ribbon Advisory Committee as well as the various representatives on the stakeholders group.

Regent Crear entered the meeting.

President Glick presented the following three part recommendation. First, that the Board adopt the first two-years of the FSA stakeholder group's proposed 3-year Financial Sustainability Plan which will commit a minimum of \$1.1 million per year (*total of \$2.2 million minimum over the course of two years*). This will ensure that no further operating losses are incurred and to provide some assistance towards the existing debt. The stakeholders group will also work to seek long term federal support from the federal government and homeland security.

15. Approved – Fire Science Academy (FSA), UNR (Agenda Item #15) – (Cont'd.)

Secondly, President Glick related that in the Governor's 2009-2011 CIP budget, under the Nevada Department of Military, there is a request for \$8 million in state appropriations. This request was initially for construction of the Nevada National Guard Readiness Center. However, President Glick related that the Governor would put that \$8 million towards acquiring the FSA site at a cost of \$10 million. That \$10 million would be achieved through a combination of federal and state money which the university would then use toward the debt.

Regent Geddes asked if the source of the \$2 million difference was known. President Glick replied that the state would contribute \$8 million and the federal government would contribute \$6 million, either by redirecting the already approved appropriation or through a new appropriation. The recommendation was for a period of two years to allow some of these details to be worked out. Of the total \$14 million, \$10 million would be used to acquire the FSA site for the Readiness Center and the remaining \$4 million would be used for facilities development at that site for the Nevada National Guard. President Glick felt that the Governor had two purposes for making his recommendation. The first was to maximize the benefit for the state, university and federal government by locating the Readiness Center at the Carlin FSA site, and the second was that the Governor hoped that eventually a western regional National Guard training center could be located at the FSA site. President Glick reported that the Governor's recommendation was currently silent on UNR's goal that upon acquisition, the Nevada National Guard would allow the FSA to co-locate so that it may continue operating indefinitely. With the Board's support, co-location would continue to be pursued although it could not be guaranteed. This aspect of the recommendation would provide \$10 million to \$12 million toward the \$39 million debt. In addition it would avoid the projected \$3.5 million shut down costs because the Nevada National Guard proposal would take the FSA facility as is.

Third, President Glick related that approximately 2.5 years ago, the Board approved the sale of a portion of the Main Station Farm for the Truckee River Flood Project in the amount of \$13 million. Per the direction of the Board, expenditure of those funds requires Board approval. To-date, \$4 million has been expended with the Board's approval on a state of the art greenhouse for the College of Agriculture, Biotechnology and Natural Resources (CABNR) and for other essential engineering laboratory renovations. Of the remaining \$9 million, the Board will be asked to spend \$4.5 million toward the balance of the debt. The Board will be asked to apply some of those funds to both the operating and capital debt. President Glick stated that if UNR fails in its goal of co-location, the university would still be in a slightly better or no worse position than it was that day.

President Glick felt that the university is a public institution with ethic and fiduciary responsibilities that it needed to honor. He added that although this was a good solution, it will not be an easy accomplishment. The continued support of the executive branch, stakeholders, legislators, and Nevada's congressional delegation will continue to be necessary.

15. Approved – Fire Science Academy (FSA), UNR (Agenda Item #15) – (Cont'd.)

Chair Wixom asked for an explanation of the source of the \$2.2 million stakeholders' contribution and clarification for the level of commitment that existed. Ms. Denise Baclawski, Executive Director of the Fire Science Academy, UNR, replied that a tuition increase applicable only to program-specific certification courses (*not traditional course or tuition fees*) will yield approximately \$97,000 per year. In addition, the City of Carlin has committed \$2,000 annually; the City of Elko has committed \$25,000 annually; the Elko County Commission has committed \$25,000 annually and the Elko County Convention and Visitors Authority (*through the City of Elko*) has committed \$25,000 annually, for a total of \$77,000. Chair Wixom asked what form those commitments were in. Ms. Baclawski replied that those commitments were approved by resolution through each entity's public meeting process. Also, depending upon the individual stakeholder corporation, there will either be a cash donation or a self-imposed 30% surcharge to the training fees already being paid. Those commitments and pledges were also in writing.

Chair Wixom asked for the breakdown between cash donations and surcharges. Ms. Baclawski replied that the approximate total for each year was \$805,000. Of that, approximately \$150,000 to \$175,000 would be in the form of straight cash donations with the balance to be received through the self-imposed surcharge.

Ms. Baclawski added that other initiatives include potential partnership opportunities with Texas A&M. Although the numbers are not certain, that collaboration should generate between \$25,000 and \$50,000 per year through programs that would serve mutual clientele.

Chair Wixom observed that, in total, those combined sources would contribute approximately \$1.1 million. Ms. Baclawski indicated that was correct.

Chair Wixom asked what the FSA's current operating deficit was. Ms. Baclawski replied that in fiscal year 2009 there would not be an operating deficit. In fiscal year 2008, the operating deficit had been approximately \$620,000.

Chair Wixom asked if the lack of operating deficit in 2009 was due to the previously indicated contributions. Ms. Baclawski replied that there would not be an operating debt due to a grant received from the federal government that allowed the facility to break even. In 2010, it is expected that the facility will experience a \$250,000 loss, followed by a loss of \$130,000 in 2011 and then the facility is expected to break even in 2012. The FSA programs have experienced between 12% and 20% growth each year. In 2010 and 2011 the funds from the stakeholders Financial Sustainability Plan will be used to ensure that an operating deficit does not occur. Any revenue above that will be used for needed capital deferred maintenance projects and the continued lowering of the existing debt.

Chair Wixom asked what was different about these projections versus previous projections that have not come to fruition. Ms. Baclawski clarified that over the last six years, there was only one year that the facility did not meet its operating projections, and that was clearly a result of the fuel prices and volatility within that market. Although she

15. Approved – Fire Science Academy (FSA), UNR (Agenda Item #15) – (Cont'd.)

could not guarantee that the facility would meet the newest projections, she and her staff were confident that they were achievable and that the projected loss over the next two years was reasonable.

Chair Wixom requested clarification that out of the last six years there has only been one year in which projections were not reached and that was due to fuel costs. Ms. Baclawski replied that was correct. President Glick reinforced that, except for one year, the facility has met the business plan endorsed by the Board. Whether that business plan was debatable, but he felt it important to note that the FSA had delivered on its projections.

Chair Wixom requested that President Glick elaborate on the contingencies that were apparent in the Governor's proposal. President Glick stated that the \$10 million purchase of the facility depends on the Nevada National Guard Readiness Center being located in Carlin. It was not dependent on co-location. The National Guard could acquire the entire site and then tell the university that it cannot be located there.

Chair Wixom asked if it was known how the Nevada National Guard felt about the facility being located in Carlin and when a decision would be made. President Glick replied that the leadership of the Nevada National Guard would prefer the Elko location. However, he noted that the Governor is the Commander in Chief and that a decision would be made by the end of the legislative session. Even if the legislature approves Nevada's expenditure of \$8 million, the support of the federal government was still needed. There is some question whether the \$11 million already in this year's federal budget could be redirected. If that is not possible, that would require a new appropriation being requested in one of the next two congressional cycles. President Glick related that this would save considerable funds by lowering the Readiness Center initially estimated investment of \$25 million to approximately \$14 million.

Chair Wixom asked how the \$2.2 million contribution from the stakeholders would be allocated to cover the projected operating deficit of \$150,000 to \$250,000 over the next two years. President Glick stated that this plan guaranteed no operating losses in that the projected operating deficit would be deducted from the \$2.2 million, allowing the balance to be applied toward the debt. Ms. Baclawski added that the stakeholders' plan also ensures that deferred maintenance items will be covered without loss to the university.

In summary, Chair Wixom related that based on the proposed plan, no additional operating losses would be incurred and \$1 million to \$1.5 million (*aggregate*) would be applied towards the debt. He asked if it was possible to set aside that \$1 million to \$1.5 million in a separate account to cover the costs of potential shut down. President Glick felt that would be wise, adding that by June it will become apparent whether state support would be forthcoming or not.

15. Approved – Fire Science Academy (FSA), UNR (Agenda Item #15) – (Cont'd.)

President Glick indicated that state support was contingent upon the federal support, adding that without the federal government's support the entire Readiness Center project disappears.

Chair Wixom asked when it would be known if there was support from the federal government. President Glick stated that was not known, adding that the Elko City Council has already started to communicate how important this project is. He appreciated the Elko City Council's support on this plan as there were some valid concerns that the Readiness Center be located at the Elko Municipal Airport.

Mr. Ron Zurek, Vice President of Business and Finance Administration, UNR, cautioned that placement of the \$1 million to \$1.5 million of stakeholders' contribution into a fund for potential closure of the facility would require further discussion.

Regent Geddes expressed his support for the recommended plan. He asked for further information on the breakdown of the estimated \$3.5 million needed to close the facility. Ms. Baclawski replied that the facility's design was so unique that it would require remediation of millions of gallons of process water and of the contaminated soil above the liners. The facility has also been deemed an "attractive nuisance" that requires dismantling of the training structures, fuel lines, tanks and process system "in order to save the public from itself." That process would require approximately 18 months and \$3.5 million. However, that estimated cost could be less or significantly more.

Regent Geddes asked if, as long as co-location is a goal, remediation costs are not an issue. President Glick clarified that acquisition of the FSA site by the Nevada National Guard is on an as-is basis. Mr. Zurek added that is one of the compelling reasons to allow the FSA to co-locate.

Regent Alden commended President Glick for attempting to find a solution. However, he expressed concern regarding the concreteness of the recommendation. The Board of Regents job was not to enter into private enterprise, adding that any funds are fungible. He asked what the current bond debt was. President Glick replied that the current bond debt was \$27 million. Regent Alden noted that was funded by the \$6.50 per student credit hour.

Regent Alden asked what the current operating debt was. President Glick replied that the current operating debt was \$12 million.

Regent Alden felt that there were other ways to handle the situation. One option could be to declare bankruptcy and reaffirm all other debt except for the FSA. Regent Alden clarified that the Board of Regents could declare reorganization as a government entity but would then have to immediately reaffirm all other debt to salvage its bond rating. A second option would be to shut the facility down immediately, but the student surcharge would continue to be assessed. He acknowledged that the Board of Regents made a mistake several years ago. He stated that he could not support this recommendation.

15. Approved – Fire Science Academy (FSA), UNR (Agenda Item #15) – (Cont'd.)

Regent Cobb asked Regent Alden which of those options he was supporting. Regent Alden replied that he was not supporting the recommendation being presented.

Regent Cobb asked if either way the students would still continue to be assessed the \$6.50 per student credit hour. President Glick replied that was correct adding that the resources gained through the combination of the purchase by the Department of Military, by the stakeholders' commitment and the partial proceeds from the Main Station Farm property would be split in some way between the operating and the capital debt. From a pure audit viewpoint, it should go entirely to the operating debt but the surcharge is affecting the students and they need to have some relief.

Regent Cobb asked what happens to the residual capital and operating debt. President Glick replied that the university would continue to lower the outstanding balance through possible sale of what little property the university has, potential sale of a conservation easement at the Main Station Farm and future revenue generated by the FSA if it is allowed to co-locate.

Regent Cobb asked if Senator Reid's position on the proposal was known. President Glick related that Senator Reid was willing to consider the recommendation but had not made any commitments. He added that in the past, Senator Reid had facilitated heavy contributions to the facility. President Glick felt that support for this plan would need to be forthcoming from the entire Nevada Congressional Delegation.

Regent Knecht asked what the worst case scenario would be for all those involved. President Glick replied that, in his opinion, the worst case scenario would be that in two years, they would be in the same position having the same discussion. Ms. Baclawski agreed with President Glick, adding that if there was not Board approval of the recommendation, the plans put into place thus far would completely fail. Mr. Zurek added that it was important to remember that during the next two years a parallel effort would be occurring at the federal level.

Regent Crear felt that a solid plan had yet to be presented over the course of the last four Board meetings. President Glick stated that he was sympathetic to Regent Crear's concerns. He related that the state's \$8 million was targeted for acquisition of the FSA but would only be available for that use if the federal government's \$6 million match was forthcoming. President Glick felt that real progress had been made but acknowledged that it was a plan without a guarantee.

Regent Crear observed that the students continue to fund this project and for the most part with little or no progress being made towards the System's exposure. President Glick replied that without the money to acquire the property for the Readiness Center, only modest progress is being made.

Regent Crear asked what the total available annual amount would be, including the student surcharge. President Glick stated that would be \$2.5 million.

15. Approved – Fire Science Academy (FSA), UNR (Agenda Item #15) – (Cont'd.)

Regent Crear stated that if the facility was shut down, \$3.5 million would be added to the total debt but the students would continue to be assessed. President Glick clarified that the \$6.50 surcharge only applies toward the capital debt (\$27 million) which has approximately 24 years remaining. It does not apply to the operating debt (\$12 million).

Regent Crear asked if there had been any discussion for the state taking over the facility. President Glick stated that there was no real hope for anyone taking over this facility, and therefore the debt. He added that there were ongoing discussions with Texas A&M related to developing a partnership. He noted that last year Texas A&M received \$20 million in federal support, in addition to the \$5 million that is received annually. Mr. Zurek added that as a specialized facility, UNR had engaged in discussions with investment banking as well as with specialized real estate.

Regent Crear asked if the facility were to be shut down, could the land be sold. Mr. Zurek clarified that if the facility were to be closed, the land would revert back to the County of Elko.

Regent Crear felt that the same discussion had occurred time and time again and that it needed to seriously be considered to cut the losses and deal with the consequences. President Glick stated that the difference in this and previous plans was the \$8 million designated by the Executive branch in the 2009-11 CIP request. Regent Crear expressed concern for the intention of the Executive branch noting its significant reduction in the System's budget request.

Regent Geddes stated that the student surcharge weighs heavily upon him. He felt that the proposed recommendation was the best possible plan given the situation.

Regent Geddes moved approval to pursue the sale of the FSA facility to the Nevada National Guard, move forward with the implementation of the first two years of the FSA stakeholder Financial Sustainability Plan and utilize the time between now and December 2010 to make the case for co-location of the FSA program. Regent Gallagher seconded.

Regent Leavitt stated that the Board asked President Glick to come back with a plan that would reduce the greatest number of potential contingencies. He accepted President Glick's position that in two years, the System would be in a better position and that the right people would have been engaged for a positive outcome. He commended Regent Gallagher for her efforts on behalf of the facility.

Regent Page requested clarification of the tuition increase totaling \$300,000 per year. Ms. Baclawski stated that was over a three year period (\$97,000 for each of the first two years and \$102,500 for the third).

15. Approved – Fire Science Academy (FSA), UNR (Agenda Item #15) – (Cont'd.)

Regent Page then asked for clarification of the funds from a potential partnership with Texas A&M, indicated as \$190,000 over three years. Ms. Baclawski replied that some of the reference materials reflect the original four-year plan. However, that was since clarified to reflect a three year plan to begin in 2010.

Regent Page noted that for state and local funding, it was indicated that there would be \$317,000 over five years. However the numbers reported earlier in the presentation indicate \$385,000. He asked for clarification of the difference. Ms. Baclawski replied that the original projection was for \$77,000 in 2009 and \$80,000 in years 2010-2012 (*respectively*). The difference indicates a fluctuation in lodging taxes and fees which is the source for some of the funding. President Glick added that the stakeholders would prefer a longer timeframe. It is the university that is recommending two years.

Regent Blakely expressed support for the recommended plan.

Chair Wixom was anxious to bring some resolution to the situation. Like Regent Crear, he expressed concern that this has been discussed at length and that a firm resolution had not yet been found. The alternatives presented were not pleasant. If the facility is shut down then \$3.5 million is immediately added to the total debt. However, actual closure would be delayed another ten to twelve months due to certain contractual relationships, plus the debt would still exist.

Regent Gallagher expressed her pride in the City of and County of Elko and in Ms. Baclawski and Mr. Zurek. She did not feel that closing the facility would minimize the System's losses. The worst case scenario was that in two years the System would be in the same place, not a worse place. She did appreciate that the Board would prefer to see an absolute outcome. She suggested that the Board support the recommendation.

Regent Schofield expressed his support for the motion.

Regent Rawson did not feel that it was prudent to incur additional expenses in an already difficult budget year. He also felt that it was important to consider the full faith and credit of the state, adding that when something is bonded, it sends a very bad message to fail. He added that a commitment existed that needed to be honored.

Chair Wixom expressed his disappointment in not having a firm resolution established. However, he felt that the proposed resolution was supported. He recognized that there were aspects of the recommendation that would require follow-up and further discussion, perhaps at the June Board meeting.

President Glick felt that the stakeholders needed at least a two year commitment from the System to allow the FSA to remain open while pursuing the proposed recommendations. Chair Wixom requested clarification that the stakeholders were committed regardless of what happens with the state or federal funding. President Glick stated that was correct.

15. Approved – Fire Science Academy (FSA), UNR (Agenda Item #15) – (Cont'd.)

Upon a roll call vote Regents Gallagher, Geddes, Knecht, Leavitt, Page, Rawson, Schofield, Wixom, Blakely and Cobb voted yes. Regents Alden and Crear voted no. Motion carried. Regent Anthony was absent.

President Glick expressed his appreciation to the Board, the stakeholders and the Governor's office.

Regent Cobb felt that the Board did owe a level of gratitude to the Governor for his support in finding a viable option to the situation. Chair Wixom noted that he has expressed his personal appreciation to the Governor but that a letter expressing their appreciation would be appropriate. He asked Mr. Wasserman to prepare such a letter on behalf of the Board.

Regent Crear requested that the letter to the Governor not only express the Board's appreciation but that much of the plan's viability was dependent upon the Governor's office.

The meeting recessed at 9:34 a.m. and reconvened at 9:44 a.m. on Friday, February 6, 2009, with all Regents present except for Regents Alden and Anthony.

16. Informational – Discussion of 2009-2011 NSHE Biennial Budget (Agenda Item #7) - The Board continued its discussion of the 2009-2011 NSHE Biennial Budget Request that was submitted to the Governor, including a report on the Executive Budget and a comparison of the Executive Budget to the budget as submitted by the Board, new developments from the 2009 legislative session and updates on the financial status of the state and the corresponding impact on budgets.

Chair Wixom requested that the Regents limit their comments to the Governor's budget, adding that it would not be appropriate under the Open Meeting Law to discuss the performance, character or competence of any individual.

Executive Vice Chancellor Klaich related that Chancellor Rogers was participating in a conference call with Senator Reid regarding the stimulus legislation and would join the Board meeting as soon as possible.

Executive Vice Chancellor Klaich reported that although the legislative process is normally complex the requested budget remains mostly intact over the course of the session. However, in these difficult times, the process becomes much more complicated which has been compounded by the unacceptable budget proposed by the Governor's office and that the leadership in the legislature has indicated a desire to create a legislative budget. This places a different dynamic and strain on the process because it is different and because that is not normally what the legislature does. The State

16. Informational – Discussion of 2009-2011 NSHE Biennial Budget (Agenda Item #7) – (Cont'd.)

Stabilization Fund provision of the recent federal stimulus legislation has also added to the complexities of the situation.

Executive Vice Chancellor Klaich related that the overall recommended cut to the NSHE's requested budget was approximately 36%, which translates to 38% due to the way the second year of the biennium is cut short for higher education's purposes. It is understood that there is a serious problem in the state and nationally and that many other states are struggling with the same issues. Although Nevada is not alone in this fight, there is one difference in that no other state is attempting to balance the budget on the back of higher education. In the Governor's proposed budget, approximately 75% of the recommended cuts come from higher education. In the testimony in front of the legislature at the pre-session hearing, the System was not going to make any serious comment on the adequacy or inadequacy of funding for higher education in the past. The System did feel it necessary to reply to the Governor's statement that Nevada was funding higher education at a greater percentage than nationally. Executive Vice Chancellor Klaich said that although that is a correct statistic, it does not tell the real story that, on a per capita basis, higher education is funded at the bottom third of states and if you look at state and local funding, we are less than that. We are trying to put into perspective what we believe the reality of the situation to be. Reference material had been distributed demonstrating what happens with different cuts throughout the System.

Executive Vice Chancellor Klaich indicated that funding formula, under this budget drops by greater than 30% (from the mid-80% to the low 50%) for all institutions.

Another recommendation that affects the NSHE is the proposed 6% pay cut for state employees as well as the recommended cuts for the Public Employees Benefit Program (PEBP). Those recommended cuts would impact past, current and future employees.

In regard to the stimulus legislation, Executive Vice Chancellor Klaich reported that some of the potentially positive aspects of the legislation could include a State Stabilization Fund that may yield approximately \$500 million for Nevada (*distribution based on population*). However, in order to qualify for any of the State Stabilization Fund money, there has to be a return to the 2006 funding levels. At the January 28, 2009, pre-session hearing, Executive Vice Chancellor Klaich reported that his calculations for the 2006 funding level indicated approximately \$276 million. The incorrect fiscal year may have been used, and if that were the case, the state would still have to come up with approximately \$140 million in additional funding for higher education to bring it to the 2006 level to qualify for the \$500 million. Sixty one percent of the State Stabilization Fund would have to be spent on education (*K-12 or higher education*) and there is great flexibility in how that money could be spent. The natural implication of the State Stabilization Fund is that a number of the recommended cuts could be filled out of these federal stimulus dollars if the legislation is passed in its present form. The good news is that the deficits may be filled. The bad news is that it is not good practice to fill operating deficits with one shot dollars.

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(Cont'd.)

Executive Vice Chancellor Klaich indicated that the stimulus legislation has many opportunities for federal funding including increases in Pell grants, increases in tax deductions, potential modernization and capital funds and green technology pools. A team led by Vice Chancellors Nichols and Reed, put together a package that scoured as much of the proposed legislation as possible to determine where the NSHE could benefit and that information has been submitted to the Governor, Senator Reid and other legislative leaders.

In regards to tuition, Executive Vice Chancellor Klaich reported that he was asked at the hearing in January about tuition increases and elasticity. The bottom line is that the deficit cannot be filled by charging students enough in tuition to fill the gap. It would break the System's covenant with students to the point that there would no longer be any students. Among the many discussions that need to occur is who should be included and excluded in relation to financial aid and the need to recognize the increasing minority populations that are already underserved.

Executive Vice Chancellor Klaich related that he was heartened by the reception the System received by the legislature. He had never attended an initial hearing where there was more bipartisan support expressed for the Nevada System of Higher Education expressed by both the Assembly and the Senate. He noted Senator Hardy's comments that he had served in the legislature for many years and would not participate in the dismantling of higher education on his watch. This was going to be an amazingly difficult session. The disproportionate level of the cuts on higher education places the System in the center of all discussions. He cautioned that this was day five of 120 of the legislative session and he encouraged everyone to be cautious about what is said.

Chair Wixom related that currently there were several spheres of information including the stimulus legislation, the Governor's requested budget and the legislature's response to that budget, which are all moving and turning at the same time. It is very difficult to triangulate a response due to the rapidly changing information. He felt that a special meeting of the Board would need to be called when more information was known, potentially sometime in the beginning of March. Until that time it will be difficult for the Board and System to respond specifically. He begged the Board's indulgence in the scheduling of a special meeting. The current conversations also impact agenda item #8, 2009 Legislative Proposals, in that the System does not know what legislative proposals to request until more information about the stimulus package and the Governor's proposed budget is known.

Executive Vice Chancellor Klaich added that the other budget of concern was the capital budget. The recommendations that came out of the Governor's office were small and not necessarily in line with this Board's priorities. He assured the Board that System staff understood the priorities as set by the Board and intend to pursue those priorities.

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Chancellor Rogers related that he had just returned from participation in a conference call with Senator Reid in which the stabilization fund and its requirements were discussed. One specific question was what the requirement really was for the level of funding by the state for the 2010 and 2011 and was it going to be required that the 2006 level be restored and maintained for both 2010 and 2011. State Senator Raggio has acknowledged that reinstating the 2006 funding levels would be very difficult and it was not sure where that money would come from. If the State Stabilization Fund remains a provision of the stimulus legislation, those conditions will continue to be on there. He felt that everyone needed to be skeptical about the information they receive from the media because there is a lot of posturing that goes on. He added that many of the discussions that the legislature and System has had have been very productive and positive.

Regent Knecht thanked the Chancellor, Executive Vice Chancellor Klaich and the System staff for their work in preparing for the pre-session hearing. He read the following prepared statement into the record.

“When NSHE was faced with budget cuts well in excess of those proposed for other state agencies in late 2007, at my urging and that of Regent Whipple, the Board passed a resolution calling on Governor Gibbons for a more equitable and economically efficient solution. We got it, and the relief I saw throughout the ranks was palpable. In mid-2008, as the budget process was cranking up for the next biennium, the Board, following the lead of Chancellor Rogers and over my express objections timely repeated at every step, went the other direction: to overt non-cooperation and recalcitrance. That unfortunate choice was damaging to the Board, the NSHE and higher education and the public interest in Nevada. Our earlier constructive approach gave clearly better results than the irresponsible path we followed in 2008.

We are at the beginning of the public part of budget process, not its end, but it is not really the beginning of the budget process for the Governor, Budget office and Legislature, nor for the NSHE or other state agencies that are directly involved. The Governor has recognized expressly that his budget is a starting point – even if some people say they reject it as such – and that there will be change and compromise in the process between his proposal and those of other parties. He has said that he welcomes their concrete and specific proposals and looks forward to a frank assessment of the full effects and ramifications of their proposals – and I fully agree with him on that point.

One may disagree, as I do, with the distribution of cuts the Governor has proposed, but he has done the honorable thing that no one else in this process has done: He stated expressly in his election campaign what his policy on tax increases is and why – no tax increases, because increases are not in the public interest – and when elected based on that candid and forthcoming message to the

16. Informational – Discussion of 2009-2011 NSHE Biennial Budget (Agenda Item #7) –
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voters, he kept his word. His critics are now making spurious arguments that they were surprised by his budget and that they have not had a fair opportunity at this point in the process to bring forth their proposals. Utter nonsense on all counts!

His critics have no reasonable claim of surprise on these matters or other reasonable excuse for not being timely and just as forthcoming about matters as he has been. Everyone knew that he campaigned and was elected on a pledge to oppose tax increases. Everyone knew that the revenues have been coming in lower than expected each month and either that: 1) there would be cuts, 2) there would be tax increases, or 3) more recently that there would be a federal bailout - - or some combination of all three. Everyone knew that the action would switch to the Legislature after the presentation of the Governor's budget proposal.

The people carping and sniping at him now should have had the integrity and competence to campaign on tax increases in September and October when the problems were already fully apparent and the voters were preparing to make their choices. Had those people done so, then they could claim after their elections some kind of mandate, and the voters and public interest would have been better served. At the very least, instead of the unproductive rhetorical sniping they are practicing now, they could step forward now and say exactly what their proposals are. More particularly, if they support increasing taxes, they could make specific proposals and have the integrity to say what the social damage of those proposals is so that folks can weigh the damage inherent in those taxes against the benefits that may be facilitated by the increased revenues.

Over two weeks ago, the outlines of the ill-advised federal bailout legislation began to be clear as the House version was introduced and then passed last week. While I do not support this legislation and believe it to be a major economic, public policy and social disaster in the making that will long damage our country, our economy and our future and unfairly burden our children, it is nonetheless inescapable that it is going forward and the only question is whether it will infuse even more funds into Nevada's general fund than currently scheduled. In fact, as I have monitored the matter, Nevada's total expected allocations have grown from \$0.6-billion to perhaps \$1.6-billion, and the figure continues to climb, never going down.

It is now clear that the general-fund infusion from the bailout bill will be about \$850-million or more, enough to raise the Governor's \$6.17-billion general fund proposal to over \$7-billion. The \$7-billion or more that a reasonable estimate can anticipate for general fund revenues is enough to maintain actual current services levels of all public spending on reasonable terms. That is, while the state general fund budget for the 2007-2009 biennium was \$6.8-billion as passed, Nevada will actually end up spending only \$6.3-billion of that, and that establishes the true current-services baseline. Roll-ups for increased unemployment, Medicaid and

16. Informational – Discussion of 2009-2011 NSHE Biennial Budget (Agenda Item #7) – (Cont'd.)

other HHS head-count increases due to the current awful recession, and for modest increases in community-college enrollments for the same reason, as well as for previously granted state employee pay increases, will be mitigated by some other factors. Thus, inflation over most of the next biennium will be very low, until the hyper-inflation to be caused by the disastrous bailout pork-fest kicks in, and reduced local revenues for K-12 education that the State would otherwise be expected to cover will be somewhat mitigated by direct injections from the bailout.

In short, the amount that will be needed to maintain the actual current services levels for the 2009-2011 biennium – without any 6% cuts for state employees and teachers, without any SAGE Commission pension and benefit cuts and without 36% cuts to NSHE and similar daunting cuts to a few other parts of the budget – will be just over \$7-billion dollars. Thus, the expected revenues will roughly equal a tight current-services expenditure budget going forward. There is, of course, some uncertainty in all these numbers, but I have not seen a more reasonable and informed projection than the one just outlined.

In view of these developments, it is unproductive and unreasonable for anyone to sit here and flog this issue (or the Governor) or otherwise engage in histrionics, poor theater and other similar self-administered therapy. There is an opportunity cost to the time and energy of everyone involved in this process: We could be using our time to improve the performance of the Nevada System of Higher Education and its institutions, instead of trying to make headlines and get pictures in the papers and on TV and sound bites on radio.

I appreciate the work of the System and institutional administrations, of the faculty and staff, of the students and my colleagues to present our budget, even as I note that the Board, at the behest of the Chancellor, followed a non-productive approach this last few months. I suggest that we all rededicate ourselves anew to working with the Governor, the Budget office, the Legislature and its staff in light of the developing reality that there will not be 9.3% overall cuts in the state general fund, but instead maintenance of current service levels.

My concern from the start was that, while not supporting tax increases because they are in fact contrary to the public interest, nonetheless NHSE and higher education should carry only its share and not more of whatever cuts are actually required, if any. I have been very explicit and consistent about that point throughout this matter, and when we focused at the start on that point, as I counseled, we had good success. When we followed other strategies based on serving other political and personal agendas, we reaped an ugly result.

The *deus ex machina* of the bailout will be an awful burden down the road for our whole society, but since it will be imposed upon us by Washington, the

16. Informational – Discussion of 2009-2011 NSHE Biennial Budget (Agenda Item #7) –
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temporary silver lining is that this Board will be rescued from the fruits of our folly of the last year. Let's at least make the best of that small grace by now turning back to a constructive path. Instead of a lot of posturing in response to last month's news, let's focus on the task going forward based on today's reality and on taking care of the day-to-day business of this Board, the NSHE and our institutions. In that regard, we have a budget that we proposed, and we should, without a lot of debate and posturing, simply instruct staff to continue to press that budget in the Legislature."

Regent Knecht moved approval of continuing to press the NSHE budget request in the Legislature.

Chair Wixom felt strongly that the Board had taken the right action, the right way at the right time in a respectful and thoughtful manner. He did not agree with Regent Knecht's statement.

Regent Gallagher felt that, given where we are right now, it is important not to be overly critical. She related that she has witnessed cuts before, although not to this magnitude. She possessed enough confidence with the leadership in the legislature, both in the majority and minority parties, to have enough faith that they will not completely destroy higher education. She felt that the System will get through this. The System and Board need to take whatever action is necessary with a very intelligent approach.

Regent Cobb asked for clarification of the projected drop in formula funding from 85% to 50%. Executive Vice Chancellor Klaich explained that the System's institutions are funded by a formula mechanism and there are approximately 16 drivers for those formulas. The primary driver that makes our budget go up and down in the formula sense is enrollment and the full-time equivalent students that attend the institutions. In approximately 1999, when the formula was last reviewed and modified, those changes shifted the way funds were distributed and the manner in which the drivers work. There is a tendency when those formulas get changed to say this is the way we want things to happen, but these are the dollars that we have to make it happen. Therefore, when the formula was last changed, when comparing the drivers and the available dollars, the System only received 85.5% of funding. What the Board has consistently done is ask the legislature to increase that percent to the full-funding of the formulas which the study committee stated was necessary for the proper functioning of the institutions. Limited progress has been made in that regard. In a different way the formula is the mechanism that provides the institutions more dollars for faculty, advisors, operations and maintenance, and all other things that make the System go.

Regent Cobb asked if the formula ideal would be 100% but the legislature only allocates 85% of the demonstrated need. Executive Vice Chancellor Klaich indicated that was correct.

16. Informational – Discussion of 2009-2011 NSHE Biennial Budget (Agenda Item #7) – (Cont'd.)

Regent Rawson related that the legislature has recognized that higher education is underfunded and therefore the formula was developed to create equity throughout the system. However, it was also recognized that it was not possible in one session or even two sessions to get that percentage to 100%. If not for the current economic situation, further progress may have been made. However, it is alarming to contemplate that the System may lose 20 years of progress because of one bad economic year. Regent Rawson stated that in his experience, it was the tough times when real statesmen or demagogues come forward. It was important to work with the people that hold the purse strings and to respect their authority. Also, in his experience, his most effective sessions were when he was in the minority, adding that cannot be accomplished if enemies are made with the people that hold the power. He felt this was the most impressive group of Regents that he has seen and that the situation can be navigated by working with each other.

Regent Leavitt felt that Chair Wixom had shown great prudence in the budget process during a very difficult time, demonstrating leadership and cooperation with the Executive branch while not sacrificing the integrity or autonomy of the System and the path that it is on. He concurred with Regent Rawson that diplomacy, restraint, cooperation and teamwork were necessary. He indicated his respect for Regent Knecht's comments and understands his desire to have a working relationship with the Governor .

Regent Schofield echoed Regent Rawson's comments, adding that it was important to work as a team.

Regent Cobb complimented Executive Vice Chancellor Klaich for his handling and representation of the Board's interests before the legislature. He felt that the NSHE was very fortunate to be guided at this very strenuous time by Chair Wixom.

17. Approved - 2009 Legislative Proposals (Agenda Item #8) – Senate Bill 490 (Chapter 524, Statutes of Nevada 2007) eliminated through the 2011 legislative session the Board's authorization to request up to five bill drafts for consideration during each 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 of Regents approved allowing staff to take forward to the legislature a bill draft request for stabilization that will allow what would otherwise be reverting dollars at the end of the biennium to be placed into a rainy day fund for higher education.

Executive Vice Chancellor Klaich related that the presidents have indicated that the current situation is an appropriate opportunity to review the System's processes, including an initiative to try and create a stabilization fund for higher education. K-12 has also submitted a similar bill draft. The System has developed a bill draft to that end, and with the Board's approval, would like to take that forward to the legislature. Potential opportunities for other bill drafts will be brought to the Board throughout the legislative process.

17. Approved - 2009 Legislative Proposals (Agenda Item #8) – (Cont'd.)

Regent Gallagher moved approval of allowing staff to take forward to the legislature a bill draft request for stabilization that will allow the System to place otherwise reverting dollars at the end of the biennium into a rainy day fund. Regent Cobb seconded. Motion carried. Regents Alden and Anthony were absent.

18. Information Only – Public Relations, Branding, Marketing and Recruitment Efforts, CSN and GBC (Agenda Item #18) - Each of the institutions and System Administration were requested to provide a report on their efforts undertaken in relation to their public relations, branding, marketing and recruitment. At this meeting, representatives from CSN and GBC provided an overview of their current and planned public relations, branding, marketing and recruiting efforts. Both in-state and out-of-state strategies were discussed, as appropriate (*Refs. K-1 and K-2 on file in the Board office*).

Mr. Dave Morgan, Director of Marketing, CSN, provided a presentation: Advancing the CSN Brand (*Marketing, Public Relations & Recruitment*).

➤ Segmentation & Message:

- Plan Around “Enrollment Periods.”
 - Fall & Spring Awareness & Call-To-Action – “Dreams” / “I Can Be.”
 - Lost Chance – “Final Week to Enroll” / “Hurry Before Class Is Full.”
 - Mid-Summer – “Take a Fast Class.”
- Use Recognizable Career Images & Names.
- Use Benefit Driven Points.
 - Online Courses & Degrees.
 - Nevada’s Largest College & No. 1 Transfer College.
 - Small Classes, State-of-the-Art Facilities, Top-Notch Support Services.
 - Free Tutoring, Scholarship Assistance, Financial Aid.
 - Go To School While You Work or Attend Full-Time.
- Use Multi-Ethnic Messaging With Cross-Media Exposure:
 - 69% General Market.
 - 18% Hispanic Specific.
 - 11% African American Specific.
 - 2% Asian Specific.

18. Information Only – Public Relations, Branding, Marketing and Recruitment Efforts, CSN and GBC (Agenda Item #18) – (Cont'd.)

➤ Marketing Channels:

- Awareness & Call-to-Action:
 - Large Format Signage – Mall, Bus, Mobile, Outdoor.
 - Online, Chambers, Relocation Guides, Directories, Special Education Publications.
 - Social Medium – Facebook & MySpace.
- Last Chance:
 - Frequency-Based Radio – 60's & Adlet Combination.
 - Niche Cable & Broadcast TV – 15/30-second, packages (*Football/Basketball*).
 - Targeted Print -Weekly, CityLife, El Tiempo, Asian News, Class, Nellis.
 - Interactive Media – Text, E-mail.
- Mid-Semester:
 - Frequency-Based Radio – 60's & Adlet Combination.
 - Targeted Print – LV Weekly, CityLife, Rebel Yell, El Tiempo Libre, AFB.
- Special Purpose Media & Events.
- Grass Roots Efforts:
 - Participatory Atmosphere is Key to Marketing Integration.
 - Brand Champions – Internal Branding = Delivery of Brand Promise.

➤ Environment:

- Challenges:
 - Overall Economic Climate.
 - Possible Budget Reductions & Increasing Class Sizes.
 - Sheer Number of CSN Programs & Options Available.
 - Gaps between Enrollment Periods.
- Opportunities:
 - Increasing Awareness of Importance of Higher Ed. Marketing.
 - Improvements to Student Services Web Site / Student Portal.
 - Increasing TV / Cable Viewership As Economy Slows.
 - Increasing Acceptance of Online Learning.
 - Interactive Media as Recruitment Tool.
 - Increasing Use of Social Media.

➤ Social Media (*a.k.a. Web 2.0 – The Concept that the Internet is Becoming More a Social Medium than a Commerce Medium*):

- We have a presence on MySpace & Facebook; add Flickr in 2009.
- We have launched a Virtual Tour.
- We have a campus-wide video monitor communication system.
- We have an expanding podcast offering.
- We have used text messaging to recruit.
- We have plans for video tours & on demand programming.
- Researching forums such as second life as both learning & social mediums.

18. Information Only – Public Relations, Branding, Marketing and Recruitment Efforts, CSN and GBC (Agenda Item #18) – (Cont'd.)

➤ How It Happens:

- Leveraging every broadcast outlet & partner.
- Creation of Style Guide & Enforcement of Design Standards.
- Developing Creative partnerships with faculty/staff.
- Developing as much collateral in-house as possible.
- Better communication with in-house printing services.
- Standardizing materials wherever possible.
- Utilizing talented and dedicated agency.
- Maximizing the expertise of a small, but talented staff.
- Use of effective media with high production values.

Dr. Art Byrd, Vice President for Student Affairs, CSN, continued the presentation:

➤ Recruitment:

• Mission Statement:

The mission of the Office of Student Recruitment is to provide a seamless transition to potential CSN students by offering accurate, comprehensive and quality information regarding the college's programs and services. This is accomplished by developing and maintaining collaborative efforts with are K-12's, community agencies, business and industry and colleges and universities.

➤ Recruitment:

• Goals:

- Incorporate institution vision and mission into a comprehensive recruitment plan.
- Develop annual calendar of activities and major events for the recruitment office.
- Promote CSN as the college of first choice.
- Increase the number and percentage of area high school students who select CSN as their college of first choice.
- Expand recruitment efforts for CSN's centers/sites.
- Initiate an early outreach program to area middle and elementary schools.
- Expand collaboration with community groups, institutions, private industry and social service organization/agencies to inform their clients and constituents of educational opportunities at CSN.
- Initiate specific recruitment efforts aimed at increasing the CSN college attendance rate of underrepresented groups.
- Regularly review and make adjustments to the recruitment plan based on target populations and enrollment trends.

18. Information Only – Public Relations, Branding, Marketing and Recruitment Efforts, CSN and GBC (Agenda Item #18) – (Cont'd.)

➤ Recruitment:

- Selected Objectives:
 - Maintain a comprehensive calendar of visits to high schools, career fairs, internal college-wide activities, business/industry fairs and community festivals.
 - Develop and deliver a uniform/standard recruitment message to CCSD high school students.
 - Increase enrollment of underrepresented groups.

Executive Vice Chancellor Klaich asked how the last enrollment numbers related to FTE. Dr. Byrd replied that the FTE increased slightly more than the headcount which indicates the students are taking more units. There has also been a significant increase in students enrolled in the 24-28 age bracket.

Regent Crear commended CSN on doing the best job of any System institution in getting their message out to the public. He urged the institutions not to decrease their marketing budget as that is what will allow continued grow.

Regent Knecht asked what CSN's total marketing, advertising and public relations budget was per year. Mr. Morgan replied that for marketing, CSN's budget averaged approximately \$700,000 per year, including media and materials. Mr. Morgan would be able to respond to the public relations aspect if given more time. Regent Knecht asked how much goes to outside consultants and outside vendors to design and produce materials. Mr. Morgan replied that all radio and television advertising is produced by the outlets that they are on, additional talent or editing are paid for from time to time. Their local advertising agency, WG Communications Group, is on retainer at \$8750 per month.

Robert Blakely expressed his pride in CSN, President Richards and the CSN staff.

2. Information Only – Introductions (Agenda Item #2) – (Cont'd.)

President Diekhans introduced CSN Student Body Senators from Pahrump, Ms Shannon Hadfield and Ms. Paulette Batayola.

18. Information Only – Public Relations, Branding, Marketing and Recruitment Efforts, CSN and GBC (Agenda Item #18) – (Cont'd.)

Mr. John Patrick Rice, Director of Institutional Advancement and Executive Director of the Great Basin College Foundation, GBC, presented the Great Basin College Marketing Plan 2008-2009 (*full presentation on file in the Board office*).

18. Information Only – Public Relations, Branding, Marketing and Recruitment Efforts, CSN and GBC (Agenda Item #18) – (Cont'd.)

Mr. Rice felt that GBC's marketing was successful because they have created a strong identity involving student services (*recruiting and retention*), academic affairs (*academic programming*), and the President's office (*advancement office*). GBC's current student enrollment was approximately 3,400, with approximately 1,800 FTE. Mr. Rice reported that over the last ten years, GBC's enrollments have increased approximately 3% to 4%, with a 10% increase last fall. Over the last few years, GBC's virtual campus has grown by 133% and its enrollment at branch campuses has grown by 330%.

- Getting the Word Out (*service area statistics*):
 - 62,000 square miles.
 - 118,000 people.
 - 1.9 people per square mile.
 - \$44,000 annual advertising budget.
 - .37 cents per capita.
 - .71 cents per square mile.
 - \$13 per enrolled student.

Mr. Rice related that the communities of northern Nevada consider higher education as a staple, not a luxury.

- Getting the Word Out:
 - Recruitment Visits:
 - 19 high schools within service area.
 - Each school visited every six to eight weeks.
 - 35 Career and Education Fairs (*in-state and out-of-state*).
 - Reaching 900 to 1,300 students each semester.
- Getting the Word Out:
 - Print.
 - Radio.
 - Television.
 - Supplemental Videos (*specific to particular programs*).
 - The Internet.
 - 62,000 square miles.
 - 600 miles between the most distant reaches of service area.
 - Some degree of out-of-state recruitment.
 - Idaho
 - Utah
 - Oregon

Regent Crear felt that GBC seemed to utilize all available resources to get their message out. He asked if GBC's diversity statistics were consistent with the overall population of the service area. Ms. Lynn Mahlberg, Vice President of Student Services, GBC, replied that GBC's statistics compared very well with the population within their service area:

18. Information Only – Public Relations, Branding, Marketing and Recruitment Efforts, CSN and GBC (Agenda Item #18) – (Cont'd.)

percentage of Caucasian student population was 69%, compared to 77% within the service area; African American was 2%, compared to 1% in their service area; Hispanic was 17%, compared to 15% in their service area; Asian was 2%, compared to .8% in the service area; Native American was 3%, compared to 4% in the service area. With regard to their graduation statistics, GBC's minority populations have experienced more success than the Caucasian population.

Regent Crear asked what progress had been made in relation to social networking. Mr. Rice replied that GBC has a presence on My Space and Facebook. Their on-line learning platform blackboard will be integrating Facebook into its platform as well. Social networking is a resource that their institution is paying far more attention to now than previously. Regent Crear added that each institution should consider creating their own blog, including the president's office, to draw more attraction to their website and institution.

Regent Cobb asked what the requirements were at the community colleges for students seeking a degree versus those that may want to take one or two classes of interest. Ms. Mahlberg replied that GBC was an open door college. However, depending on the class, there may be a placement test or other prerequisites.

Regent Cobb asked if that open door policy was true for all of the System's community colleges. Ms. Mahlberg replied that was correct except in specific cases such as the nursing or radiology programs.

Regent Cobb related that he was impressed with the approach to urge students not admitted to universities to consider attending one of the community colleges. Ms. Mahlberg related that both universities were very cooperative with the community colleges.

Regent Rawson felt that GBC's radio and television advertisements were very effective in directly relating higher education to improved quality of life.

Regent Gallagher left the meeting.

19. Approved - Audit Committee (Agenda Item #20) – Regent Knecht reported that the Audit Committee met on February 5, 2009, and received a report on the status of the institution bank reconciliations. All institutions are current in preparing their bank reconciliations other than Western Nevada College.

Regent Knecht requested Board action on the following Committee recommendations:

- Minutes – The Committee recommended approval of the minutes from the December 4, 2008, Committee meeting (*Ref. A-1 on file in the Board office*).
- The Committee recommended approval of the Audit Exception Report for the six months ended December 31, 2008 (*Ref. A-3 on file in the Board office*).
- The Committee recommended approval of the Single Audit Report: NSHE Compliance with Office of Management & Budget (*OMB*) Circular A-133, for the year ended June 30, 2008 (*Ref. A-4 on file in the Board office*).

19. Approved - Audit Committee (Agenda Item #20) – (Cont'd.)

- The Committee recommended approval of the Report of Communications concerning the Audit of NSHE Financial Statements as presented by NSHE external auditing firm Moss Adams (*Ref. A-5 on file in the Board office*).
- The Committee recommended approval of the UNSOM Multispecialty Group Practice North, Inc., Multispecialty Group Practice South Inc., and Nevada Family Practice Residency Program, Inc. (*Medschool Associates*) Combined Financial Statements as presented by NSHE external auditing firm Moss Adams (*Ref. A-6 on file in the Board office*).
- The Committee recommended approval of the UNSOM Multispecialty Group Practice North, Inc., Multispecialty Group Practice South Inc., and Nevada Family Practice Residency Program, Inc. (*Medschool Associates*) Communication of Internal Control Related Matters report as presented by NSHE external auditing firm Moss Adams (*Ref. A-7 on file in the Board office*).
- The Committee recommended approval of the UNSOM Multispecialty Group Practice North, Inc., Multispecialty Group Practice South Inc., and Nevada Family Practice Residency Program, Inc. (*Medschool Associates*) Communication to the Board of Regents Relating to the Audited Financial Statements report as presented by the NSHE external auditing firm Moss Adams (*Ref. A-8 on file in the Board office*).
- The Committee interviewed two firms as NSHE external auditors for the years ending June 30, 2009, 2010 and 2011 and recommended Grant Thornton as the new external auditor (*Refs. A-9a and A-9b on file in the Board office*).

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

20. Approved – Budget & Finance Committee (Agenda Item #21) - Chair Ron Knecht reported that the Budget & Finance Committee met on February 5, 2009, and heard a report on the 2008 Self Supporting Summer School/Calendar Year Budgets, Budget to Actual Comparison. The Committee also discussed NSHE peer institutions.

Chair Knecht requested Board action on the following Committee recommendations:

- Minutes – The Committee recommended approval of the minutes from the December 4, 2008, Committee meeting (*Ref. BF-1 on file in the Board office*).
- The Committee recommended approval of the NSHE Mid-Year Fiscal Year 2008-2009 NSHE Self-Supporting Budgets & 2009 Summer School/Calendar Year Budgets (*Ref. BF-2 on file in the Board office*).
- The Committee recommended approval a *Handbook* revision addressing the use of funds generated from registration fees (*Ref. BF-4 on file in the Board office*).
- The Committee recommended approval a *Handbook* revision addressing special course fees. NSHE staff will bring a report on the Special Course fees to the Board at a date after July 1, 2009 (*Ref. BF-5 on file in the Board office*).

20. Approved – Budget & Finance Committee (Agenda Item #21) – (Cont'd.)
- The Committee recommended approval of the UNLV Hotel College Academic Building 2009 Scope Modification (*Ref. BF-6 on file in the Board office*).

Regent Gallagher entered the meeting.

Regent Knecht indicated that UNR had provided a detailed explanation of questions that arose during the Committee meeting (*explanation on file in the Board office*).

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

21. Approved – Student & Academic Affairs Committee (Agenda Item #23) - Chair Stavros S. Anthony reported that the Student & Academic Affairs Committee met on February 5, 2009, and heard a report by Special Counsel Brooke Nielsen on the recent changes to the Family Educational Rights and Privacy Act including changes that positively impact the iNtegrate project and NSHE's ability to share information related to a significant risk to the safety of a student or others. The UNLV Division of Student Affairs' Students of Concern Training Committee also reported on a training program developed by the institution as a guide for faculty and staff on strategies for dealing with distresses, disruptive or potentially dangerous student behavior.

Chair Anthony requested Board action on the following Committee recommendations:

- Minutes – The Committee recommended approval of the minutes from the December 4, 2008, Committee meeting (*Ref. SAA-1 on file in the Board office*).
- The Committee recommended approval of the Bachelor of Science in General Business at the University of Nevada, Reno (*Ref. SAA-2 on file in the Board office*).
- The Committee recommended revision to Board policy regarding the ACT and SAT cut-scores used for placing students into a remedial mathematics or English course (*Title 4, Chapter 16, Section 1*) (*Ref. SAA-3 on file in the Board office*).
- The Committee recommended a revision to Board policy regarding transfer courses, clarifying that if general elective credit from a non-NSHE institution is granted by one NSHE institution, that all NSHE institutions must accept the credit unless the facts on which the original decision was based have changed (*Title 4, Chapter 14, Section 15*) (*Ref. SAA-4 on file in the Board office*).

21. Approved – Student & Academic Affairs Committee (Agenda Item #23) – (Cont'd.)

- The Committee also recommended the approval of the following individuals nominated for the 2009 Regents' Awards (*Ref. SAA-5 on file in the Board office*).
 - ✓ Nevada Regents' Creative Activity Award.
Mr. Glenn Casale, UNLV.
 - ✓ Nevada Regents' Teaching Award.
Dr. Patrick Leary, CSN (*Community College Faculty*).
Dr. Eric Wang, UNR (*University, State College & DRI Faculty*).
 - ✓ Nevada Regents' Academic Advisor Award.
Mr. Tony Villalobos, GBC.
Dr. Elliott Parker, UNR (*Undergraduate*).
Dr. Marta Meana, UNLV (*Graduate*).

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

22. Approved – Board Development Committee (Agenda Item #24) - Chair James Dean Leavitt reported that the Board Development Committee met on January 30, 2009, and held a luncheon and orientation meeting for new Regents on January 30, 2009. All of the Regents were in attendance, along with the Chancellor, members of the Chancellor's cabinet and the NSHE presidents. Dr. Jill Derby, former Chair of the Board of Regents, provided a presentation on the role of the Regent and Regent best practices which included the following key recommendations: Support and advocate the System's mission and purpose; Advise the Chancellor on the advancement and development of the System; Review, approve and monitor progress on the strategic plans; Be knowledgeable and confident about System and institutional performance; Be informed about educational programs and confident about quality; Support and ensure good management; Ensure adequate financial resources; Preserve institutional independence; Hire, support and evaluate the Chancellor; Relate the campus to community and community to campus; and Assess Board performance. Chancellor Rogers welcomed the new Regents and provided advice based upon his experience as Chancellor. The presidents gave a summary of their personal and professional background and discussed their institution, its mission and what differentiates their institution from others in the System. Executive Vice Chancellor, and former Regent, Dan Klaich discussed the role of the Regent and effective "Regenteering". Members of the Chancellor's System Administration staff and Board of Regents staff provided information on the operation of their respective departments. Chief Counsel Bart Patterson provided an overview of the open meeting law and ethics requirements of Regents.

22. Approved – Board Development Committee (Agenda Item #24) – (Cont'd.)

Chair Leavitt requested Board action on the following Committee recommendation:

- Minutes – The Committee recommended approval of the minutes from the July 30, 2008, Committee meeting (*Ref. BD-1 on file in the Board office*).

Regent Leavitt moved approval of the Committee recommendation and acceptance of the report.
Regent Geddes seconded. Motion carried. Regents Alden and Anthony were absent.

23. Approved – Cultural Diversity & Security Committee (Agenda Item #22) -Chair Cedric Crear reported that the Cultural Diversity and Security Committee met on February 5, 2009, and heard a report from Mr. Jeff Varnes, Southern Nevada Chapter of the American Red Cross, on the American Red Cross Safety Net initiative, on the services the Red Cross offers that enhance readiness for disasters and on opportunities to collaborate with NSHE institutions. The Committee also reviewed the hate crimes policies developed by each institution as required by Board policy. Next, Dr. Christine Clark and Mr. Larry Mason, co-chairs of the Equity, Diversity and Inclusion Council reported on the work of the Council and outcome of their recent meetings. The Committee also received a report from UNLV representatives on the current initiatives of the institution that are designed to promote diversity and inclusive practices. Finally, representatives from UNLV presented a report of the Faculty Senate Campus Affairs Committee regarding campus security for all UNLV entities.

Chair Crear requested Board action on the following Committee recommendation:

- Minutes – The Committee recommended approval of the minutes from the December 4, 2008, Committee meeting (*Ref. CDS-1 on file in the Board office*)

Regent Crear moved approval of the Committee recommendation and acceptance of the report.
Regent Rawson seconded. Motion carried. Regents Alden and Anthony were absent.

24. Approved – Investment Committee (Agenda Item #25) - Chair James Dean Leavitt reported that the Investment Committee met on December 30, 2008, and January 30, 2009, and provided the following reports.A. December 30, 2008, Investment Committee Report: - Chair Leavitt reported that the Investment Committee met on December 30, 2008, and requested Board action on the following Committee recommendation:

- The Committee recommended approval to rescind the previously approved endowment pool rebalancing of \$7 million dollars to the PIMCO funds.

24. Approved – Investment Committee (Agenda Item #25) – (Cont'd.)

A. Approved - December 30, 2008, Investment Committee Report: - (Cont'd.)

Regent Knecht requested reconsideration of NSHE's current policy to invest in passive accounts only.

Regent Leavitt moved approval of the December 30, 2008, Committee recommendation and acceptance of the report. Regent Geddes seconded. Motion carried. Regents Alden and Anthony were absent. Regent Page abstained.

B. Approved - January 30, 2009, Investment Committee Report: -Chair Leavitt reported that the Investment Committee met on January 30, 2009, and heard a report from Vice Chancellor Reed and System Office staff on NSHE's cash management protocol to demonstrate that the current procedures are in conformity with best practices and attesting to the adequacy of existing internal controls.

Chair Leavitt requested Board action on the following Committee recommendations:

- Minutes – The Committee recommended approval of the minutes from the December 2, 2008, and December 30, 2008, Committee meetings (*Refs. INV-1a and INV-1b on file in the Board office*).
- Based on Cambridge Associates' presentation, the Committee recommended approval of the banking relationship of the Endowment cash account with Wells Fargo Bank and directed staff to close the existing Commonfund cash account and open an account with Wells Fargo Bank. The funds will be split 50-50 between the Government (*Agency*) Money Market Fund and the Heritage Money Market Fund, contingent upon Wells Fargo acceptance of the account below the minimum investment, otherwise all of the funds will be invested in the Government Money Market Fund. The Committee also recommended approval of changing the comfort zone of the cash position in the operating pool from \$120 million to \$150 million.
- Based on Cambridge Associates' presentation, the Committee recommended approval of the modification of the existing benchmark to the recommended benchmark that will provide more accurate tracking performance of the absolute returns and hedge funds. Given the current market volatility, the Committee requested redundancy in reporting both versions of the benchmarks for a period of one year.
- The Committee recommended approval of the request to assess a 1.5% management fee from the System Endowment accounts held in the NSHE Endowment Pool. The fee will be allocated to the designated campus beneficiaries (*Ref. INV-5 on file in the Board office*).

24. Approved – Investment Committee (Agenda Item #25) – (Cont'd.)B. Approved - January 30, 2009, Investment Committee Report: - (Cont'd.)

- The Committee recommended approval of suspending the Endowment distribution on all underperforming accounts effective July 1, 2009, or immediately upon the request of the institution.
- The Committee recommended approval of UNR President Glick's request for a lease with Role Model, LLC, for retail food space in the Joe Crowley Student Union (*Ref. INV-7 on file in the Board office*).
- The Committee recommended approval of UNR President Glick's request for a lease with Spudistros, Inc., for retail food space in the Joe Crowley Student Union (*Ref. INV-8 on file in the Board office*).
- The Committee recommended approval of an update to the Land Use section of the Capital Assets "Flow Process" Checklist. The modifications were requested during the previous Committee meeting, and the updates were developed through the Business Officers Council (*Ref. INV-9 on file in the Board office*).

Chair Leavitt also reported that Regent Alden requested the Committee explore at a future meeting the efficiencies that may be realized if the Investment Committee were to meet four times per year to coincide with the closing of each quarter of the business cycle. In addition, System Office staff advised the Committee that a draft policy has been developed to address a formula-driven mechanism for requesting and budgeting deferred maintenance funding. The draft policy will be reviewed by the Business Officers Council next week and is expected to be presented to the Committee for final review during the next meeting.

Regent Leavitt moved approval of the January 30, 2009, Committee recommendations and acceptance of the report. Regent Geddes seconded. Motion carried. Regents Alden and Anthony were absent. Regent Page abstained.

25. Approved – Research & Economic Development Committee (Agenda Item #26) - Chair Jack Lund Schofield reported that the Research & Economic Development Committee met on January 29, 2009, and received an update on the Walker Basin project, including communications projects, status reports on research projects, meetings of the stakeholders committee, activities of the acquisitions team, and details on the upcoming report to the Basin and the International Desert Terminal Lakes Symposium. The Committee also heard an overview of the history and the status of the activities related to the Inter-Institutional Biomedical Research Activities Fund grants offered through the Health Sciences System.

25. Approved – Research & Economic Development Committee (Agenda Item #26) – (Cont'd.)

Chair Schofield requested Board action on the following Committee recommendations:

- Minutes – The Committee recommended approval of the minutes from the November 25, 2008, Committee meeting (*Ref. RED-2 on file in the Board office*).
- The Committee recommended approval of the recommended candidates for the Regents' Rising Researcher Awards: Dr. Frank van Breukelen, UNLV; Dr. Wei Yan, UNR; and Dr. Alison Murray, DRI (*Ref. RED-5 on file in the Board office*).
- The Committee recommended approval of the recommended candidate for the Regents' Researcher Award, Dr. Alan Gertler, DRI (*Ref. RED-6 on file in the Board office*).

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

Regent Rawson seconded. Motion carried. Regents Alden and Anthony were absent

26. Approved – Health Sciences System Committee (Agenda Item #27) -Chair Dorothy S. Gallagher reported that the Health Sciences System Committee met on January 29, 2009, and heard an update on the Health Sciences System Work Plan by Executive Vice Chancellor Trevisan, including details on progress that is being made in various initiatives highlighted in the Plan. The Committee was provided with an overview from Executive Vice Chancellor Trevisan regarding the results of the Inter-institutional biomedical research grant competition, including an overview of the selected proposals. He also reminded the Committee of the intention for this grant program which is to promote interdisciplinary and inter-institutional research and to provide seed funding to help these researchers develop proposals to seek additional grant funding. The Committee was provided with an overview by Executive Vice Chancellor Trevisan and representatives from UNLV and UNR regarding a proposal to transfer the Dental Residency Program from the University of Nevada School of Medicine to the University of Nevada, Las Vegas School of Dental Medicine. This presentation included information on the history and purpose of the transfer, the programmatic design and related procedural requirements to complete the transfer.

Chair Gallagher requested Board action on the following Committee recommendations:

- Minutes – The Committee recommended approval of the minutes from the September 25, 2008, and November 25, 2008, Committee meetings (*Ref. HSS-1 and Ref. L on file in the Board office*).
- The Committee recommended approval of the transfer of the Dental Residency Program from the UNSOM to the UNLV School of Dental Medicine, including the transition from a hospital to clinic based program, and recommended approval of all related procedural and budgetary actions necessary to complete this transaction (*Ref. HSS-5 on file in the Board office*).

26. Approved – Health Sciences System Committee (Agenda Item #27) – (Cont'd.)

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

Regent Rawson seconded. Motion carried. Regents Alden and Anthony were absent

27. Information Only – New Business (Agenda Item #28) – Regent Cobb inquired if Chair Wixom would provide an update on the progress of establishing an Efficiency and Effectiveness Committee at the next Board meeting. Chair Wixom replied that he had been waiting due to the quickly evolving elements of the budget process, adding that the Chancellor will be releasing a memo next week related to efficiencies.

Secondly, Regent Cobb asked if there could be an agenda item for the next Board meeting to address the Board's duty to support and advocate the System's mission and purpose. He felt that the Regents, System administration and faculty were not doing as a good a job as they could in that regard. Chair Wixom related that last year, one of his objectives was to readdress all of the mission statements which will be presented at the April Board meeting. He suggested that Regent Cobb's request be addressed in the agenda language.

The meeting adjourned at 12:00 p.m.

Prepared by: Jessica C. 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 April 2-3, 2009, meeting.