BOARD OF REGENTS
NEVADA SYSTEM OF HIGHER EDUCATION

Fitness Center
Great Basin College
1500 College Parkway, Elko

Thursday, September 17, 2009, 9:00 a.m.
Friday, September 18, 2009, 8:00 a.m.

Members Present:	Mr. James Dean Leavitt, Chairman Dr. Jason Geddes, Vice Chairman Dr. Andrea Anderson Mr. Robert Blakely Mr. William G. Cobb Mr. Cedric Crear Mrs. Dorothy S. Gallagher Mr. Ron Knecht Mr. Kevin J. Page Dr. Raymond D. Rawson Dr. Jack Lund Schofield Mr. Michael B. Wixom
Members Absent:	Mr. Mark Alden
Others Present:	Chancellor Daniel J. Klaich Executive Vice Chancellor & CEO, HSS, Maurizio Trevisan Vice Chancellor, Academic & Student Affairs, Jane Nichols Vice Chancellor, Administrative & Legal Affairs, Bart Patterson Vice Chancellor, Finance, Mike Reed Vice Chancellor, Health Sciences System, Marcia Turner Vice Chancellor, Information Technology, Robyn Render CEO & Special Counsel to the Board, Scott Wasserman Special Counsel Brooke Nielsen President Michael D. Richards, CSN President Stephen G. Wells, DRI President Carl Diekhans, GBC Provost Lesley Di Mare, NSC President Maria C. Sheehan, TMCC President Neal J. Smatresk, UNLV President Milton D. Glick, UNR President Carol A. Lucey, WNC

Also present were faculty senate chairs Mr. N. Mark Rauls, CSN; Dr. Alan Gertler, DRI; Dr. Frank Daniels, GBC; Mr. Gregory Robinson, NSC; Mr. Jim Lowe, NSHE; Dr. John Filler, UNLV; Dr. P. Elliott Parker, UNR; Mr. Scott Huber, TMCC; and Mr. Gil Martin, WNC. Student government leaders present included Mr. Nathaniel Waugh, ASCSN President, CSN; Ms. Paulette Batayola, SGA President, GBC; Ms. Amsala Alemu-Johnson, NSSA President, NSC; Mr. Adam Cronis, CSUN President, UNLV; Mr. Kyle George, GPSA President, UNLV; Mr. Eli Reilly, ASUN President, UNR; Ms. Jillian D. Murdock, GSA President, UNR; Mr. Adam Porsborg, ASTM Board Chair, TMCC; and Mr. Andy Pozun, ASWN President, WNC.

Chairman James Dean Leavitt called the meeting to order at 9:08 a.m. on Thursday, September 17, 2009, with all members present except Regent Alden.

1. Information Only – Introductions *(Agenda Item #1)* – Chairman Leavitt welcomed newly appointed Regent, Dr. Andrea Anderson.

   Regent Crear acknowledged the passing of Mr. Frank Fertitta, Jr., personal friend and founder of Station Casinos. Regent Crear related that he had spent a great deal of his childhood in the Fertitta home. He felt that Mr. Fertitta was the epitome of class and success and had been a tremendous benefactor to higher education in Nevada. Regent Crear hoped that the Board of Regents would find a way to recognize Mr. Fertitta in the future.

   Regent Knecht related that Regent Alden was recovering well from recent surgery.

   On behalf of the Board, Chairman Leavitt sent his best wishes to President Maryanski who had also been unable to attend the meeting.

   President Smatresk introduced UNLV Interim Executive Vice President and Provost, Dr. Michael Bowers, and announced that Dr. Juanita Fain had accepted the permanent position of Vice President of Student Affairs. President Smatresk also introduced Mr. Kyle George, Vice President of the GPSA.

   President Diekhans introduced incoming SGA President, Ms. Paulette Batayola.

   President Sheehan introduced Dr. Kyle Dalpe, Interim Director of Public Information for TMCC.

2. Information Only - Chair's Report *(Agenda Item #2)* - Chairman James Dean Leavitt, as part of the Chairman'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 will also discuss current NSHE events and his current activities as Chairman.

   President Diekhans introduced Ms. Megan Gates, a spring 2009 graduate of Great Basin College with an Associate of Applied Science in Nursing. Ms. Gates began taking courses in the fall of 2005 and was accepted into the Nursing program in the fall of 2007. While she was completing her associate's degree in nursing, she also began to take courses required of GBC's RN-BSN program in anticipation of her participation in that

2. Information Only - Chair's Report *(Agenda Item #2) – (Cont'd.)*

program. Ms. Gates is currently enrolled in two upper division nursing courses and a chemistry course while working full time as a Registered Nurse and commuting between Battle Mountain and Elko. President Diekhans related that Ms. Gates' commitment to advancing her education and desire to give back to her community was typical of the students at GBC.

Ms. Gates related that her graduating class was the first to achieve a 100% success rate in passing the state nursing board examinations on the first attempt. As part of their education, the GBC nursing students are required to work at Northern Nevada Regional Hospital. She felt very fortunate to have been employed permanently upon her graduation, adding that employers in the Elko region would prefer to hire GBC graduates. Ms. Gates related that her goal was to become a school nurse upon completion of her Bachelor's degree. One of the disadvantages of living in a rural area is distance. Ms. Gates drove 70 miles, one-way, between Battle Mountain and Elko to attend classes and clinical courses. She was drawn to GBC by its reputation. The high level of student involvement at GBC has also served as an advantage to her. She related that the team leadership courses have increased her ability to work as a team member. She felt that the instructors at GBC have also been role models.

President Diekhans introduced Dr. Tom Reagan, program supervisor for Secondary Teacher Education at Great Basin College. Dr. Reagan is currently in his third year at GBC and had previously taught math and psychology for 12 years in the Elko County School District. He holds a Bachelor of Science in Secondary Education from Idaho State University and a Master of Science in Natural Sciences from Rensselaer Polytechnic Institute. Dr. Reagan is in his second year in UNLV's Executive Doctorate program in Educational Leadership.

Dr. Reagan related that he had a passion for rural education. He felt there was not so much a teacher shortage, as there was a teacher distribution and retention issue. Studies have shown that the best way to train and retain teachers is to conduct those training activities within a context that is similar to what they will be functioning in. He also related that rural students tend to be place-bound and therefore attend GBC because of accessibility. For example, he related that recently an already thriving member of the Ely community had taken courses to become a full-time science teacher for White Pine High School.

The meeting recessed at 9:30 a.m. and reconvened at 2:14 p.m. on Thursday, September 17, 2009, with all members present except for Regent Alden.

2. Information Only - Chair's Report *(Agenda Item #2) – (Cont'd.)*

Chairman Leavitt related that his first three months as Chairman had been very busy and full of changes. Some of the changes that have taken place include the move to quarterly meetings and the hosting of dinners by Regents on the Thursday evening of the Board meetings. The Chairman and Vice Chairman of the Board will now also meet with the

2. Information Only - Chair's Report *(Agenda Item #2) – (Cont'd.)*

Faculty Senate on the Wednesday evening prior to the Board meetings, and with the student government leaders on the Friday morning of the Board meeting. Chairman Leavitt reported that there will also be an official suggestion box available at each Board meeting and encouraged all participants to feel free to make comments for improvement. He related that he had initiated a weekly publication, the Chairman's Week-in-Review, to briefly communicate the highlights of his activities as Chairman. An additional change was in the assignment of a Chairman and Vice Chairman to each committee to encourage Board member partnership and collaboration.

3. Information Only – Chancellor's Report *(Agenda Item #3)* - Chancellor Daniel J. Klaich discussed his goals as Chancellor for the coming year.

Chancellor Klaich felt that his goals as Chancellor should mirror those of the Board. Rather than working on new programs, the current economic climate has dictated that he focus on the funding of higher education and what could be done to assist the institutions in surviving. In terms of what the Board could do to help the System and institutions, over the next two years there would be an extraordinary effort involved in the re-evaluation of higher education's funding mechanism. He also felt that, in addition to diversity, there needed to be discussion on access to higher education for all.

Chancellor Klaich felt that the future of Nevada depended upon its ability to inculcate the value of higher education into its citizens as the state moves out of its reliance upon the service industry. He also felt that Nevada would be a fundamentally different state when the economy recovered, provided that higher education was allowed to help lead the way out. Those efforts would need to include workforce training at the community colleges and that the research universities be allowed to support master and Ph.D. programs that will drive a new economy. It will also be important to transfer baccalaureate degrees to Nevada State College to relieve the pressure on the research universities.

Chancellor Klaich related that through its committees, the Board has been asked to suspend critical policies on inventory and space utilization that relate directly to the capital budget to be prepared in the future. There has also been a request to suspend the tuition and fee policies so that the issues can be addressed. In the meantime, the System needs to determine if the way that higher education is funded today meets mission and mission differentiation goals.

Chancellor Klaich related that while the economic downturn has caused the institutions to be partners, he did not feel that provided an honest representation of the impact of the budget reductions to the Board or the state. Chancellor Klaich related that CSN is extremely well funded to handle 16,000 students. However, their current student body is approximately 23,000. He also emphasized that student success does not necessarily follow student access. If there is not true success in graduation rates, the student access becomes a hollow promise. He believed that the immediate future needed to be about how higher education is funded and modeled, how it approaches the next legislature and how the System will go about conducting studies.

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

Chancellor Klaich related that over the next year, the presidents and the Chancellor will work with the Board to prepare a model for how the System will create the next biennial budget based on likely static appropriations, how the System will move beyond this biennium in creating a funding model that will advance the missions of the institutions and how the System emerges from the current economic crisis with greater transparency, accountability and a culture that values higher education.

4. Information Only – Public Comment *(Agenda Item #4)* – President Wells related that DRI has been working diligently to partner with private organizations to reestablish the cloud seeding program. He was pleased to announce that the Truckee Meadows Water Authority has agreed to provide funding of $165,000, with the intent to raise that to the $210,000 necessary to reestablish sites in the Truckee River Basin and have them in operation for a period of one year. A proposal is also being submitted to the Southern Nevada Water Authority to support the program operating in Elko and eastern Nevada.

In response to the criticism for the elimination of this particular program, President Wells clarified that program and budget cuts had occurred throughout the institution, not just this one program. He related that the cloud seeding program had been funded by the state for 30 years and its elimination had not been an easy decision to make. Although a very public program, the loss of the program would not damage the core aspect of DRI. These types of decisions are real and reflect the resulting consequence of the economy and budget reductions.

Regent Cobb related that he and Regent Geddes had met with President Wells to discuss this program and asked if money was available from the Walker Basin or Tahoe Basin funds. President Wells related that he will be discussing those options with representatives in Washington D.C. However, those discussions will occur over a great period of time.

Agenda items 5 and 6 were taken together.

5. Approved – Initial Salary, Vice Chancellor of Administrative and Legal Affairs *(Agenda Item #13)* – The Board of Regents approved the request for the initial salary for Mr. Bart Patterson's promotion to the Vice Chancellor of Administrative and Legal Affairs *(Ref. BOR-13 on file in the Board office).*

6. Approved – Appointment, Special Counsel to the Board of Regents *(Agenda Item #14)* – The Board of Regents approved the request for a promotional assignment of the Chief Executive Officer of the Board as Special Counsel to the Board including the assignment of specific legal duties and responsibilities as Special Counsel to the Board, compensation and other terms of employment and a change in title to Chief Executive Officer and Special Counsel to the Board of Regents *(Ref. BOR-14 on file in the Board office).*

Chancellor Klaich felt that there was a difference between additional duties and additional responsibilities, adding that both Mr. Patterson and Mr. Wasserman were being asked to take on additional roles. He strongly recommended the promotion and reassignment of both individuals.

5. Approved – Initial Salary, Vice Chancellor of Administrative and Legal Affairs *(Agenda Item #13)* – *(Cont'd.)*

6. Approved – Appointment, Special Counsel to the Board of Regents *(Agenda Item #14)* – *(Cont'd.)*

Chancellor Klaich felt that Mr. Patterson's promotion bore directly on his ability to succeed as Chancellor. He added that his ability to do his job involved spending a great deal of time out of the office in all corners of the state seeking the solutions to the challenges facing the System and its institutions. Mr. Patterson is also being asked to take over the currently unfilled position of Chief Human Resources Officer. The complexities of that position include managing issues that rise from the legislatively mandated furloughs. Mr. Patterson has also been asked to organize purchasing functions, to look at agreement and maintenance contracts and determine where efficiencies could be made.

With regard to Mr. Wasserman, Chancellor Klaich related that when Mr. Wasserman was hired, it was understood that his qualifications exceeded the job for which he was being hired and that duties involving legal counsel would not be his. Mr. Wasserman was now being asked to perform duties currently performed by Special Counsel, Ms. Brooke Nielsen.

Chancellor Klaich related that Ms. Nielsen will then be shifted to other high priority projects that take advantage of her multiple decades of work within the System. He indicated that a number of Board members have been concerned about potential conflicts of interest with Board counsel. Chancellor Klaich related that he has been very much opposed to the Board hiring its own separate counsel, feeling that the expense of such a position was not justifiable. However, he could justify the combining of job descriptions. Chancellor Klaich also felt that Mr. Wasserman's significant experience with the legislature's enormously complex redistricting procedures would prove invaluable.

Rather than hiring additional expertise to fill one of the 7 positions *(approximately $700,000)* that are currently vacant in the System office, Chancellor Klaich requested that the Board approve the reassignment of duties to current staff thereby utilizing relatively small dollars.

Chairman Leavitt stated that he had pledged his support to Chancellor Klaich to provide him the support and resources necessary to allow him to succeed in that position. Chairman Leavitt also felt that the Board needed more resources to be more successful. However, out of sensitivity to the current economy and political climate, he strongly supported the recommendation to promote two exceptional individuals that were already on staff.

Regent Gallagher felt that the System would be using these two individuals to better serve the System and she strongly supported the recommendations.

Regent Schofield related that when he was first elected as a Regent, the Board was experiencing some issues and did not have the support that it needed. The System now had a strong team of Board members. He related that it was the Board's responsibility to govern the System and he supported the promotion of these two individuals into greater positions so that they could, in turn, support the Board. He urged the Regents to support the recommendations.

5. Approved – Initial Salary, Vice Chancellor of Administrative and Legal Affairs *(Agenda Item #13)* – *(Cont'd.)*

6. Approved – Appointment, Special Counsel to the Board of Regents *(Agenda Item #14)* – *(Cont'd.)*

Regent Page understood the concerns related to the timing of the recommendations. However, he felt that the System was receiving a bargain in the credentials and qualifications of both individuals.

Regent Rawson related that the redistricting process was very demanding. It was very important that the System interface with the legislature during that process. He felt Mr. Wasserman had that experience and would handle it correctly. He expressed his support for the recommendations.

Regent Blakely also expressed support of the recommendations.

Regent Knecht related that he urged Chancellor Klaich not to replace the Executive Vice Chancellor position. Overall, he felt that Chancellor Klaich had done a masterful job of stating the rationale for these recommendations and indicated his support. He felt that this proposal would allow the System to operate more efficiently and effectively and gain more economies.

Regent Knecht moved approval of the promotion and initial salary of the Vice Chancellor of Administrative and Legal Affairs and approval for a promotional assignment of the Chief Executive Officer of the Board as Special Counsel to the Board. Regent Page seconded.

Regent Cobb also expressed his complements to Mr. Patterson and Mr. Wasserman, adding that he had the utmost respect for both individuals and for their professional abilities. He also agreed that they both possessed tremendous work ethics and the System was very fortunate to have each gentleman in their current positions. However, Regent Cobb expressed concern for the significant additional workload involved for both gentlemen and felt that the System would be better served by hiring a separate individual for the Human Resources Officer position. He also realized that by not filling the Executive Vice Chancellor position, Chancellor Klaich was being asked to perform the duties of two positions. However, having said that, he would go back to Chancellor Klaich's comments that everyone could provide numerous examples of staff taking on additional duties. In a society where perception becomes reality, and with the current budget situation, Regent Cobb felt that now was the wrong time for the System to increase salaries. He hated to say that but felt it was important given the way that the System has been asked to absorb budget reductions and furloughs. He stated that his vote against this recommendation solely reflected upon his opinion that this was the wrong time for such a recommendation.

Regent Wixom felt that Regent Cobb's comments were very important and should not be minimized. He felt that the Board needed to be careful in articulating the reason for the recommendations. Positions were being combined, thereby saving dollars for the System.

5. Approved – Initial Salary, Vice Chancellor of Administrative and Legal Affairs *(Agenda Item #13)* – *(Cont'd.)*

6. Approved – Appointment, Special Counsel to the Board of Regents *(Agenda Item #14)* – *(Cont'd.)*

Regent Wixom emphasized that Regent Cobb's point could not be lost in this process. The System was asking these two individuals to take on significantly more duties. The Board needed to be cognizant of that and not fall into a self-defeating organizational behavior of piling on work duties in order to save dollars. He indicated his cautious support of the recommendation.

Regent Knecht felt that the important factor was that the recommendations allowed for net economies. The motion was made in full awareness of the points that Regent Cobb had made. He thanked Regent Cobb for his thoughtful and helpful approach to this recommendation.

Upon a roll call vote, Regents Rawson, Schofield, Wixom, Anderson, Blakely, Crear, Gallagher, Geddes, Knecht, Leavitt and Page voted in favor. Regent Cobb voted against. Motion carried. Regent Alden was absent.

Regent Cobb also thanked the Regents for a thoughtful discussion. He emphasized that he was not voting against the dollar amounts involved, he was more concerned about the impact of the additional duties for each individual. Chancellor Klaich replied that he and Mr. Patterson have discussed that concern on several occasions, adding that the workload would be monitored carefully.

7. Approved – Consent Agenda *(Agenda Item #5)* – The Board of Regents approved the Consent Agenda in its entirety *(Consent Agenda on file in the Board office).*

(1) Approved – Minutes *(Consent Agenda Item #1)* – The Board of Regents approved the following meeting minutes *(Refs. C-1a through C-1j on file in the Board office)*:

- August 6, 2009, Special Board of Regents' meeting
- July 11, 2009, Board of Regents' Workshop
- July 10, 2009, Special Board of Regents' meeting
- June 18-19, 2009, Board of Regents' meeting
- June 16, 2009, ad hoc Technology Committee
- June 12, 2009, Board Development Committee
- June 11, 2009, Research & Economic Development Committee
- May 12 & 14, 2009, Special Board of Regents' meeting
- April 30-May 1, 2009, UNLV Periodic President Evaluation Committee

(2) Approved – Annual Reports of Tenure Granted to Academic Faculty Upon Hire *(Consent Agenda Item #2)* – The Board of Regents approved Mr. Scott G. Wasserman's request for acceptance of the annual reports to the Board from the Presidents of each institution naming any individual to whom tenure upon hire was granted pursuant to the provisions of Title 2, Chapter 3, Section 3.3.1 (b2) *(Ref. C-2 on file in the Board office).*

7. Approved – Consent Agenda *(Agenda Item #5)* – *(Cont'd.)*

(3) Approved – Capital Improvement Fee Request, CSN *(Consent Agenda Item #3)* – The Board of Regents approved the request of CSN President Michael Richards' for the expenditure of Capital Improvement Fee funds in the amount of $1,000,000 for the CSN Cheyenne Campus Science Laboratory Renovation *(Ref. C-3 on file in the Board office).*

Regent Cobb asked President Richards to elaborate on this request. President Richards explained that as part of an appropriation that CSN received in the 2009 legislative session to renovate some laboratories on the Cheyenne campus, CSN had committed to contributing $1 million in institution funds. This request was to transfer $1million to the State Public Works Board in order for that project to begin.

(4) Approved – New Endowment, TMCC *(Consent Agenda Item #4)* - Consistent with the Board of Regents' policy, Title 4, Chapter 10, Section 9.C.2 (b), the Board of Regents approved the request of TMCC President Maria C. Sheehan to accept a $5,005.00 donation from various donors to establish the new V. James and Barbara Eardley Memorial Endowment Account. The new endowment account will benefit students of Truckee Meadows Community College through general scholarships. The donors have expressly requested for this endowment account to be invested in and managed by the NSHE Endowment pool *(Ref. C-4 on file in the Board office).*

Regent Knecht expressed his gratitude to the Eardley family for their generosity.

Chancellor Klaich added that former Regent James Eardley was one of the most passionate people that he had ever known, adding that Dr. Eardley's life was dedicated to children and to higher education. In addition to being a former Regent, Dr. Eardley was also the founding President of TMCC.

(5) Approved – Appointments, Nevada's K-12 Regional Training Program Boards *(Consent Agenda Item #5)* – The Board of Regents approved the request of Vice Chancellor Jane Nichols for the following appointments to Nevada's K-12 Regional Training Program boards *(Ref. C-5a on file in the Board office).*

- Dr. Christene Cheney, Northwestern Nevada Regional Training Program Board *(Ref. C-5b on file in the Board office);*
- Dr. Marilyn Sue Ford, Southern Nevada Regional Training Program Board *(Ref. C-5c on file in the Board office);*
- Ms. Sarah Negrete, Northeastern Nevada Regional Training Program Board *(Ref. C-5d on file in the Board office).*

(6) Approved – Appointment, WestEd Board of Directors *(Consent Agenda Item #6)* – The Board of Regents approved the request of Vice Chancellor Jane Nichols for the appointment of Dr. William Speer, Interim Dean of the UNLV College of Education, to the WestEd Board of Directors. WestEd is a nonprofit research, development and service agency that enhances and increases education and human development within schools, families and communities. The Board of Regents appoints three members of the Board to represent the Nevada System of Higher Education. Dr. Speer will immediately fill a vacancy in one of the Board's three appointed members, through May 31, 2011 *(Ref. C-6 on file in the Board office).*

7. Approved – Consent Agenda *(Agenda Item #5)* – *(Cont'd.)*

(7) Approved – Appointment, Nevada Academy of Health *(Consent Agenda Item #7)* – The board of Regents approved the request of Board Chairman James Dean Leavitt and Health Sciences System Committee Chair Dorothy S. Gallagher for the appointment of Executive Vice Chancellor Maurizio Trevisan to the Nevada Academy of Health *(Ref. C-7 on file in the Board office).*

Regent Gallagher moved approval of the Consent agenda. Regent Geddes seconded. Motion carried. Regent Alden was absent.

8. Approved – Honorary Doctorates, UNLV *(Agenda Item #6)* – The Board of Regents approved the request of UNLV President Neal J. Smatresk to award Honorary Doctorates to the following individuals:

- Mr. Kirk Kerkorian *(Ref. BOR-6a on file in the Board office)*
- Mr. Irwin Molasky *(Ref. BOR-6b on file in the Board office)*

Regent Crear moved approval of the awarding of Honorary Doctorates to Mr. Kirk Kerkorian and Mr. Irwin Molasky. Regent Geddes seconded. Motion carried. Regent Alden was absent

The meeting recessed at 3:29 p.m. and reconvened at 3:43 p.m. on Thursday, September 17, 2009, with all members present except for Regent Alden.

9. Approved - UNLV School of Dental Medicine *(SDM)* Faculty Practice Plan *(Agenda Item #8)* – The Board of Regents approved UNLV President Neal J. Smatresk's request to approve the UNLV School of Dental Medicine *(SDM)* Faculty Practice Plan *(Ref. BOR-8 on file in the Board office).*

President Smatresk explained that the purpose of establishing a Faculty Practice Plan was to create a more competitive work environment that allows the faculty to maintain their clinical skills while also helping the School of Dental Medicine to generate income. This plan also allows the School to further its mission in offering relatively low cost dental care to a large number of citizens.

In summary, President Smatresk related that this Plan will make sure that a modest up-front investment for start up costs is used effectively to launch a practice plan that will be self contained within the School of Dental Medicine. The plan involves a 60/40 split in revenue between the School and the faculty and is renegotiable if the projections are not reached. However, the projections and clinic revenues to-date indicate that the fiscal models are solid and perhaps even conservative.

9. Approved - UNLV School of Dental Medicine *(SDM)* Faculty Practice Plan *(Agenda Item #8) – (Cont'd.)*

Regent Rawson related that it was important for the faculty to actively practice in order keep their skills current. It was also important to note that the students refer many of the more complex cases to the general practitioners in the community. By having the faculty practice at the School, the patients can be treated and students taught at the same time. It is a tremendous resource to the students if the faculty is allowed to sharpen their skills while also contributing in revenue.

Chancellor Klaich related that one of the missions of the School of Dental Medicine was to provide services to the under-served and minority communities in and around Las Vegas. The School has done that remarkably well and has received too little credit. He asked if the Faculty Practice Plan detracts from that mission and if the income projections had taken the mission into account. Dr. Karen West, Dean of the School of Dental Medicine, UNLV, related that the School's current policy allows the faculty to practice privately outside of the School one day per week. This Plan would bring the faculty into the School for that one day. Although the Plan would require the faculty to charge regular outside fees as specialists in their field, it would also allow them to accept Medicaid as well as all insurance plans. Dean West added that she saw no conflict between any aspect of this Plan and the School's mission.

Regent Schofield related that he has personally referred several citizens to the School of Dental Medicine. The students and faculty are very dedicated to serving the Las Vegas community.

Regent Knecht observed that this Plan would not increase the available practitioners in the area and it would not increase the number of hours that the faculty spent in their private practice. Dean West stated that was correct.

Regent Knecht noted that the System would also receive the benefit of reduced travel while allowing the faculty to perform their clinical skills more efficiently relative to their service to the dental school. Dean West indicated that was also accurate, adding that the Plan also provides a good mentoring model while creating more efficiency.

Regent Page moved approval of UNLV School of Dental Medicine Faculty Practice Plan. Regent Schofield seconded.

Regent Cobb asked if an increase in overhead would occur in order to implement the Plan. Dean West indicated there were associated start-up costs. However, the Plan included payment for facilities and was also self-supporting.

Chancellor Klaich asked the effective date of the Plan. Dean West estimated the effective date to be in approximately three months. Chancellor Klaich asked when a comparison of the projections would be available. Dean West indicated that information would be available at the end of the year.

Motion carried. Regent Alden was absent.

10. Approved – Overview of the Health Sciences System of the Nevada System of Higher Education *(Agenda Item #7)* - Executive Vice Chancellor Maurizio Trevisan provided an overview presentation regarding past and current Health Sciences System activities. Mr. Greg Heart from Larson Allen also provided an overview of an analysis conducted of the Health Sciences System. The Board accepted the reports, endorsed the clarification of the Health Sciences System purpose and roles as presented, and directed periodic updates from the Chancellor and Executive Vice Chancellor on the progress on the major initiatives*(Ref. BOR-7 on file in the Board office).*

Regent Gallagher related that it was critical for the Board to know what is occurring within the Health Sciences System. If the Board is to go forward with this, it is incumbent upon them to be on the same page. She has asked Dr. Trevisan and consultants, LarsonAllen, to provide an objective overview of what is being done right and wrong, and what can be expected.

Dr. Trevisan provided the following presentation:

- The Challenge: Poor Health Outcomes in Nevada.
  - Nevada ranks in the bottom 20% of states in nearly every indicator.
- Poor Access to Health Care in Nevada.
  - Acute shortage of medical professionals.
    - Ranked 49th Registered Nurses.
    - Ranked 47th Physicians.
    - Ranked 50th Nursing Aides/Orderlies.
    - Ranked 45th Medical Technologists.
    - Ranked 50th Dieticians.
    - Ranked 46th Respiratory Therapists.
- Regents Health Sciences System Committee: Mission.
  - The Health Sciences System Committee shall promote quality education, research, patient care and community health across health care disciplines, driven by access, quality, value and the needs of the people of the State of Nevada.
- The goals of the Health Sciences System include:
  - Promoting a Systems Approach: Work to promote a systems view/approach to enhancing NSHE's ability to meet Nevada's health care needs through education, research and training.
  - Promoting Efficiency & Effectiveness: Work to increase effectiveness and efficiency of NSHE health sciences programs.
  - Promoting Program Development: Work to foster further development of NSHE health sciences programs.
  - Promoting Collaborative Opportunities: Work to foster enhanced internal and external collaboration.

Mr. Greg Larson, Larson Allen, related that in March 2006, the Health Sciences System was created to be the focal point of the good work that is being done across the NSHE.

10. Approved – Overview of the Health Sciences System of the Nevada System of Higher Education *(Agenda Item #7)* – *(Cont'd.)*

- Introduction:
  - The Board of Regents approved the Health Sciences Strategic Vision and Plan in March of 2006.
  - The Health Sciences System was formed and charged with developing an implementation plan for the strategic vision under the oversight of the Board of Regents Health Sciences Committee.
  - The Health Sciences System is at a critical crossroads.
    - Nevada's health care challenges continue to mount.
    - Budget constraints make programmatic efficiency and effectiveness even more critical.
    - While progress has been made to-date, and there remains a general consensus that the Health Sciences System is the right thing to do, progress has been limited by a lack of consensus among some key stakeholders relative to the purpose, roles, relationships, expectations, and accountabilities.
    - Changes in key roles over the next 6-18 months could have a significant impact on the role of the Health Sciences System.
      - ◊ A new Chancellor.
      - ◊ Changes in Board of Regents leadership roles.
      - ◊ A new Medical School Dean.

- The Health Sciences System – Strategic Assessment
  - The HSS in its early years, has worked to bring inter-institutional focus to a number of key initiatives and issues, such as:
    - Joint Public Health PhD program
    - Nursing – NSHE and state-wide efforts
    - Internally funded inter-institutional, inter-disciplinary research grant programs
    - Legislative requests
    - Shadow Lane campus master planning
  - The HSS has also worked with the NSHE institutions on a number of important external partnership issues:
    - NVCI
    - Ruvo/Cleveland Clinic
    - UMC
    - The HSS has been successful in early philanthropic efforts:
    - Lincy Foundation
    - Andre Agassi event
  - While there have been early successes, for this HSS initiative to achieve its maximum potential and "value added," the future will demand greater impact from the HSS.
  - Increased collaboration among the NSHE institutions and the HSS will be needed to achieve this higher level of impact. The Stakeholder Analysis provides insight into the current barriers to, and future needs for, more effective collaboration.

10. Approved – Overview of the Health Sciences System of the Nevada System of Higher Education *(Agenda Item #7)* – *(Cont'd.)*

- What's Next
  - The analysis of the Health Sciences System operations and stakeholders has shown that NSHE is now at the point where consensus and clarity can and need to be achieved:
    1. There needs to be a clearly understood and endorsed purpose and set of roles for the HSS.
    2. There needs to be a focused and endorsed agenda and set of major projects for the HSS jointly agreed upon by NSHE system leaders and institutional leadership.
    3. There needs to be an agreed upon set of organizational behavior norms relative to the HSS.
    4. There needs to be a set of expected results and accountabilities for the HSS and health sciences programs across NSHE.
  - All of the above needs to be consistently understood and supported by the BOR, the NSHE institutional and system-wide leaders, major health sciences program leaders, and the HSS leadership team.

- Proposed NSHE Organizational Behavior Change:
  - Organizational behavior will need to change if the Health Sciences System is to provide sustainable value. The current organizational perception and behavior patterns include:
    - The Health Sciences System is currently seen as something outside of the NSHE institutions' scope, rather than a BOR-sanctioned initiative and part of the NSHE institutions' scope.
    - Too much time and energy is spent on explaining and justifying the existence and purpose of the HSS rather than adding real value with a common vision with the institutions.
  - What is needed includes:
    1. A clear sense of vision and specific goals that are agreed upon between the HSS and the individual units. Conflicts arise when priorities are not in sync.
    2. Mutual communication/interaction between the HSS and NSHE institutional leadership.
    3. HSS staff should become more outwardly engaged as a partner with the NSHE institutions and should define itself as a resource to the NSHE institutions and engage with them accordingly.
    4. NSHE institutional leaders, *(Presidents, Provosts, Deans, Program Directors)* need to be more willing to embrace the Health Sciences System initiative and actively welcome the engagement of the Health Sciences System within the institutions. Mutual exchange is vital. NSHE/HSS policy direction should be formulated in conjunction with the institutional leadership and supported by institutional leadership once defined.

10. Approved – Overview of the Health Sciences System of the Nevada System of Higher Education *(Agenda Item #7)* – *(Cont'd.)*

- Proposed NSHE Organizational Behavior Change: - *(Cont'd.)*

    5. Accountability at both the HSS and the individual institution level for achievement of the mutually agreed upon goals. More active and programmed engagement needs to occur among the Health Sciences System leaders, the NSHE institutional leaders, and major health sciences program leaders:
    6. Reconfigure a senior level HSS Advisory Group that includes institutional leadership, health sciences program leaders, and faculty *(specific configuration to be defined)* to provide the forum for fulfillment of the shared vision for the Health Sciences
    7. The purpose of the Advisory Group is to be the forum for engagement, commitment, ownership, and accountability around the shared vision for the Health Sciences
    8. The Health Sciences System should continue to engage more of the NSHE institutional leaders and faculty into leadership roles for the Health Sciences System agenda and priority activities, as has begun, i.e., library resources/nursing education capacity. The HSS staff resources and the NSHE institution resources can be better mutually leveraged through this form of broader engagement.
    9. Clarification of Regents' Health Sciences System Committee By-Laws and/or other organizational measures to clarify the HSS initiative, as needed.

- Resource Requirements:
    - Achieving these goals requires:
        - The resources of the HSS.
        - Active participation of system administration, institutions and their faculty/staff in the HSS projects.
        - Collaboration with external partners.
    - Strong case statements, i.e., Skills Lab and ACTC building, to meet fund raising goals.

- Recommendations to the Board of Regents:
    1. Accept the report.
    2. Endorse clarification of HSS purpose and roles.
    3. Receive periodic updates from Chancellor on progress on the major initiatives.

Regent Schofield related that when former Chancellor, James E. Rogers, came to the NSHE, they had discussed many times how Las Vegas needed certain things, especially in terms of a health plan. He felt that the Board needed to take a more positive attitude in terms of supporting a plan to propel the Health Sciences System forward. He felt that there existed the opportunity to achieve these goals but the System could not drag its feet and lose its momentum.

10. Approved – Overview of the Health Sciences System of the Nevada System of Higher Education *(Agenda Item #7)* – *(Cont'd.)*

Regent Crear expressed his support of the Health Sciences System but felt that the report did not reveal anything that the Board did not already know. He was looking to the report to indicate more of a plan where the Health Sciences System currently is, where it needed to be and how it was going to get there.

Chancellor Klaich related that the concept that most appealed to him was that if the Health Sciences System was allowed to act on a strategic level within the System, it would become a change agent. He related that the Health Sciences System Executive Committee will be meeting the following week to evaluate the concept of the Health Sciences System, revisit long-standing issues and determine how this initiative specifically fits into the institutions' strategic planning. Chancellor Klaich felt that it was time for the questioning about the Health Sciences System to stop and for the presidents to work together. He stated that from the meeting with the Health Sciences System Executive Committee, specific measurable goals for the Health Sciences System will be identified and reported back to the Board.

Regent Rawson moved approval of and acceptance of the report. Regent Page seconded.

Regent Rawson felt that the current players did not sincerely believe in the Health Sciences System and because of that, they are not enthusiastically acting upon it. He felt that the presidents' support of the Health Sciences System was a key component of its success.

Regent Schofield suggested that former Chancellor Rogers be invited to become involved in the Health Sciences System.

Regent Wixom clarified that the recommendations from Mr. Larson were to 1) accept the report; 2) endorse clarification of the Health Sciences System purpose and roles and 3) receive periodic updates from the Chancellor and Executive Vice Chancellor on the progress of the major initiatives. Regent Rawson's motion was to approve and accept the report. He asked what would occur for the 2nd and 3rd recommendations. Chairman Leavitt felt that all three recommendations were included in the motion to accept the report.

Regent Wixom felt that if the Board is going to support, endorse and convey enthusiastically the mission of the Health Sciences System, it needed to be able to provide an "elevator" explanation of what the Health Sciences System was about. He found the report informational but felt that the Board's focus should be on the second and third recommendations in order to distill an explanation that the Board could convey in a unified and thoughtful manner.

Regent Crear concurred with Regent Wixom, adding that the purpose of hiring a consultant was to do just that. However, he felt that the same conversation was occurring and nothing had been clarified.

Chairman Leavitt felt that there continued to be more definition as the project moved forward. He recognized that there is some frustration in terms of vagueness on some level. He felt that much had been accomplished from very modest beginnings and expected that more specifics would be seen going forward.

10. Approved – Overview of the Health Sciences System of the Nevada System of Higher Education *(Agenda Item #7)* – *(Cont'd.)*

Regent Blakely felt that the Board needed to define a clear role for the institutions and the System within the Health Sciences System concept. The System office would then be the change agent to promote the Health Sciences System in an effective and efficient manner. He also felt that a review of the 2009/2010 major Health Sciences System project endorsements needed to occur in order to determine if the accomplishments were being met.

Regent Gallagher felt that is was important for the Board to endorse the Health Sciences System purpose and roles in order for the project to move forward. Although she understood the concerns raised by Regents Crear and Wixom, she felt that the System was not yet in a position to be specific. She suggested that perhaps the Chancellor would be able to report any progress made by the Health Sciences System Executive Committee at the December Board meeting. She emphasized that it was important for this Board to endorse the report because there was great uncertainty whether the Board was in support of the Health Sciences System concept.

Regent Schofield offered a friendly amendment to include the 2nd and 3rd recommendations *(endorsement of the clarification of the HSS purpose and roles and to receive periodic updates from the Chancellor and Executive Vice Chancellor on progress on the major initiatives)* to the motion.

Regents Rawson and Page accepted the friendly amendment.

Motion carried. Regent Alden was absent.

11. Approved – Extension of Contract, TMCC President Maria C. Sheehan *(Agenda Item #10)* – The Board of Regents approved the request of Chancellor Daniel J. Klaich for a one year extension of Dr. Maria C. Sheehan's contract through June 30, 2012 *(Ref. BOR-10 on file in the Board office).*

Chancellor Klaich related that the purpose of this request was to allow for a more reasonable period of time to view President Sheehan's performance.

Chairman Leavitt added that President Sheehan's original contract had been for the period of three years, not the standard four year term.

Regent Page moved approval of a one year extension of Dr. Maria C. Sheehan's contract through June 30, 2012. Regent Wixom seconded. Motion carried. Regent Alden was absent.

Agenda items 12 and 13 were taken together.

12. Approved – Resolution in Honor of Mr. John W. Marvel *(Agenda Items #11)* – The Board of Regents adopted a resolution in honor of former Nevada State Assembly Minority Leader, Mr. John W. Marvel, for his dedication and service to the state of Nevada and support of the Nevada System of Higher Education.

13. Approved - Resolution in Honor of Mr. Joseph E. Dini, Jr. *(Agenda Item #12)* – The Board of Regents adopted a resolution in honor of former Speaker- of the Nevada State Assembly, Mr. Joseph E. Dini, Jr., for his dedication and service to the state of Nevada and support of the Nevada System of Higher Education.

Regent Knecht moved approval of acceptance of the Resolutions in honor of Mr. John W. Marvel and Mr. Joseph E. Dini, Jr. Regent Geddes seconded.

Mr. Scott Wasserman, Chief Executive Officer of the Board, read the resolutions into the record *(see Exhibits A and B*).

Regent Knecht had the pleasure of serving with Mr. Marvel in the legislature and for serving Mr. Dini as a constituent.

Regent Schofield related that he had also enjoyed serving in the legislature with Mr. Dini.

Regent Rawson related that he had learned the meaning of statesmanship from both Mr. Marvel and Mr. Dini.

Regent Geddes expressed his admiration of both Mr. Marvel and Mr. Dini.

Motion carried. Regent Alden was absent.

The meeting recessed at 5:19 p.m. on Thursday, September 17, 2009, and reconvened at 10:37 a.m. on Friday, September 18, 2009, with all members present except for Regent Alden.

14. Withdrawn – Institutional Strategic Plan 2009-2015 and Revised Mission Statement, UNR - *(Agenda Item #9)* - At the request of UNR President Milton D. Glick, this item was withdrawn *(Ref. BOR-9 on file in the Board office).*

Regent Crear left the meeting.

15. Approved - *Handbook* Revision, Personnel Policy For Faculty, Unpaid Leave Or Temporary Workload Increase *(Agenda Item #15)* - The Board of Regents approved the adoption of an amendment to the NSHE Code *(Title 2, Chapter 5, Section 5.5.7)* that provides a mechanism for the implementation of unpaid leave or temporary workload increases of the faculty and professional staff consistent with the intent of Senate Bill 433 *(Ref. BOR-15 on file in the Board office).*

Chancellor Klaich indicated that possible changes may be brought to the Board in December.

15. Approved - *Handbook* Revision, Personnel Policy for Faculty, Unpaid Leave Or Temporary Workload Increase *(Agenda Item #15)* – *(Cont'd.)*

Regent Geddes moved approval of a revision to the NSHE *Handbook (Title 2, Chapter 5, Section 5.5.7)*. Regent Page seconded.

Vice Chancellor Patterson added that this revision reflected the same provisions as outlined at the June Board meetings.

Regent Cobb asked if the Board could further discuss the implications of the affects of this policy on faculty and staff that are funded by grants or outside contracts. Chancellor Klaich indicated that it was his intention to continue that discussion between this and the December meeting and to present any possible changes to the Board at that time.

Motion carried. Regents Alden and Crear were absent.

Regent Crear entered the meeting.

16. Approved - Modification to Revenue-Based Incentive Program in Employment Agreement of Head Men's Basketball Coach, UNLV *(Agenda Item #16)* – The Board of Regents approved UNLV President Neal J. Smatresk's request for approval of modifications to the revenue based incentive program for Coach Lon Kruger contained in a proposed amendment to Section 2.02.g of his employment agreement, which was previously approved by the Board, with the provision that the method of payment between the parties involved is clarified in the contract and that a clause is added to clarify that LK Hardwood LLC is not a third-party beneficiary of the contract *(Ref. BOR-16 on file in the Board office).*

President Smatresk explained that, under the existing agreement, the established target goal for ticket sales was $3.3 million before any revenue would be shared between UNLV and Coach Kruger. That agreement also required that Coach Kruger assume approximately $200,000 in marketing costs. The total ticket sales for that year were $3.49 million which allowed Coach Kruger to cover his marketing costs but did not provide for any additional revenue.

President Smatresk related that the proposal before the Board was for a restructured agreement that transferred the $200,000 for marketing costs from Coach Kruger back to UNLV. However, the targeted ticket sales would increase by $200,000 to cover those costs, requiring ticket sales to reach $3.5 million before revenue will be shared. The major difference in this proposed structure is that Coach Kruger would not hold the tax liability on the marketing dollars as income. President Smatresk related that, apart from the chance of not reaching last year's ticket sales target, there was very little risk to the University.

Chairman Leavitt asked President Smatresk to elaborate on what would occur if the target was not reached. President Smatresk replied that this year's target was based on last year's ticket sales. The contract does not deal expressly with regular ticket sales as much as with corporate sales and advertising. It is incumbent upon the university to assume a

16. Approved - Modification to Revenue-Based Incentive Program in Employment Agreement of Head Men's Basketball Coach, UNLV *(Agenda Item #16)* – *(Cont'd.)*

greater role in the promotion of individual ticket sales. Although the Athletic Department would assume some risk in the event that the minimum target for ticket sales was not reached, it was a very low risk.

Regent Wixom referred to Section 2.02.g of the contract that indicates the "employee is doing business as LK Hardwood LLC." He expressed concern that typically that is not how a contract should be structured. He asked if there were currently any contracts between the Board of Regents and LK Hardwood LLC, and if that LLC was then a third-party beneficiary to the contract.

Mr. Gerry Bomotti, Vice President of Finance, UNLV, replied that, to his understanding, LK Hardwood LLC is Coach Kruger's sole proprietorship. Regent Wixom asked if Coach Kruger had not created a separate limited liability company. Mr. Bomotti replied that, to his knowledge, Coach Kruger had not.

Mr. Bomotti related that last year, business was conducted indirectly with LK Hardwood LLC through Coach Kruger as that was the company that was used to do the marketing. When UNLV reimbursed Coach Kruger for the marketing costs, he then in turn would deal directly with LK Hardwood LLC. The briefing paper discloses that UNLV is requesting to work directly with that private company and that Coach Kruger act as his own agent with LK Hardwood LLC.

Regent Wixom confirmed with the Nevada Secretary of State's Office that LK Hardwood LLC was a separate LLC, currently in good standing, with Coach Kruger listed as the manager. From a contractual perspective, he felt it was unwise for the contract language to reflect that the employee *(Coach Kruger)* was doing business as LK Hardwood LLC. That language created ambiguities for the System and for Coach Kruger. Furthermore, with the current language, arguably LK Hardwood LLC becomes a third-party beneficiary of the contract and he expressed concerned with that.

Vice Chancellor Patterson stated that subject to the Board's approval, that language could be changed. In terms of intent of the structure of the contract, Vice Chancellor Patterson asked Mr. Bomotti to clarify if the expenditures were being applied through LK Hardwood LLC with any potential revenue sharing payments to be handled in a different manner. Mr. Bomotti replied that the intent of the structure was that UNLV would work with LK Hardwood LLC to conduct the marketing that Coach Kruger would then supervise. Upon reaching the ticket sales threshold, any applicable shared revenue would be paid directly to Coach Kruger.

Regent Wixom noted that LK Hardwood LLC was going to be given $200,000 for marketing. However, the revenue sharing payments would go directly to Coach Kruger. Mr. Bomotti indicated that was correct, adding that in essence, LK Hardwood LLC is a vendor managed by Coach Kruger that UNLV will outsource with for up to $200,000.

16. Approved - Modification to Revenue-Based Incentive Program in Employment Agreement of Head Men's Basketball Coach, UNLV *(Agenda Item #16)* – *(Cont'd.)*

Vice Chancellor Patterson understood Regent Wixom's concern adding that the structure needed to be clarified and that payment to LK Hardwood LLC would occur through a purchase order. Regent Wixom asked that be referenced in the contract with an additional clause that LK Hardwood LLC is not a third-party beneficiary of the contract.

Regent Wixom moved approval of the modification of the incentive program in the employment agreement for Coach Lon Kruger with the provision that the method of payment between the parties involved is clarified in the contract and that a clause is added to clarify that LK Hardwood LLC is not a third-party beneficiary of the contract. Regent Gallagher seconded.

Regent Page asked why the marketing for the basketball program was not being conducted internally. Secondly, he noted that when comparing the original incentive program with the recommended amendment, the percentage of revenue sharing escalated more rapidly. Mr. Bomotti replied that the difference with the new contract was that it was based on a threshold of $3.5 million and included the 200,000 for the costs of marketing, adding that was the University's attempt to equalize the base.

President Smatresk related that UNLV was in the process of making several structural changes within the Athletic Department, adding that the current interim Athletic Director was aggressively looking at revenue opportunities. It was also felt that these types of incentives will help UNLV to better understand their marketing efforts.

Regent Geddes expressed a general concern for a proposal that was reworked after the fact although he indicated that he was supportive. Mr. Bomotti replied that one of the unintended consequences of the previous incentive program was that UNLV's payments made to Coach Kruger were fully taxable as income.

Regent Geddes asked if the revenue sharing affected the contract buyout clause. Mr. Bomotti indicated that the incentive program did not affect the buyout clause in any way.

Regent Knecht observed that Coach Kruger, under the existing arrangement incurs certain marketing expenses and asked what those were. Mr. Bomotti replied that Coach Kruger has hired individuals to initiate marketing activities.

Regent Knecht stated that he wished to explore UNLV's opinion that this was essentially risk and revenue neutral to the University. He asked what types of expenses were being incurred by Coach Kruger. Mr. Bomotti replied that Coach Kruger hires his own staff to initiate marketing activities.

Regent Knecht observed that right now UNLV was paying Coach Kruger directly for those costs. Although that income was taxable, Regent Knecht asked if that income was also deductible. Mr. Bomotti replied that he was not aware of Coach Kruger's individual

16. Approved - Modification to Revenue-Based Incentive Program in Employment Agreement of Head Men's Basketball Coach, UNLV *(Agenda Item #16)* – *(Cont'd.)*

tax situation. However, given the experience of the first year, he felt that having the vendor working directly with the University made for a cleaner arrangement. He did acknowledge that the modest shift of risk from Coach Kruger to the University did exist, but was minimal.

Regent Knecht asked what the threshold was before the amendment. Mr. Bomotti replied that the previous year's threshold had been $3.3 million, which was revised to $3.5 million to allow the University to recoup the costs of marketing. He added that last year's actual ticket sales reached approximately $3.5 million and it was hoped that would increase the next year.

Regent Knecht referenced page 4 of Amendment 1 and asked if the 100% to employee was the current status. Mr. Bomotti replied that the current status was that up to $400,000 was 100% to the employee. However, that has shifted due to the additional $200,000 in the ticket sales threshold.

Regent Blakely asked what would occur if the threshold remained $3.3 million. President Smatresk replied that if the threshold remained $3.3 million, then the University would have paid LK Hardwood LLC to sell tickets unsuccessfully and would have also assumed another $200,000 in expenses. Regent Blakely stated that would mean that the university was assuming another $200,000 in liability.

Mr. Bomotti explained that the Athletics Department had been spending approximately $200,000 annually for their internal marketing efforts. They were willing then to provide that same amount to Coach Kruger if he thought he could do it better. Ultimately, the Athletics Department would have incurred that amount of expense normally.

Regent Blakely asked why other vendors were not being given the opportunity to participate. Mr. Bomotti replied that was because Coach Kruger directly managed and controlled that company. If another third-party vendor was introduced to work with Coach Kruger, the contract would be much more difficult to negotiate.

In summary, Regent Blakely felt that UNLV was incurring an additional $200,000 risk assuming that Coach Kruger was able to sell $3.5 million in tickets, with no built-in assurances. Under the existing contract, Coach Kruger had more incentive to reach that $3.5 million. Mr. Bomotti agreed, except for the amount of risk as the University would have spent $200,000 on marketing efforts regardless.

Regent Blakely understood but felt that the amended contract was really taking $200,000 of the risk from Coach Kruger and transferring it to the University. President Smatresk agreed that technically the risk was being transferred. However, he clarified that the university had already been spending $200,000 on its marketing efforts.

Regent Blakely asked what the average annual ticket revenue was. Mr. Bomotti replied that ticket sales have steadily increased by an average of 3% to 5% over the last five years.

16. Approved - Modification to Revenue-Based Incentive Program in Employment Agreement of Head Men's Basketball Coach, UNLV *(Agenda Item #16)* – *(Cont'd.)*

Chancellor Klaich related that an additional boon for the System in supporting this contract is that the successful marketing techniques that Coach Kruger discovers will be used for all other sports at UNLV, which will help mitigate the slight risk being transferred to University.

Regent Page noted that the contract does not list the actual threshold dollar amounts. Mr. Bomotti replied that was correct, adding that the threshold is set every year by the Athletic Department.

Regent Knecht referred to Page 1 of Amendment 1, noting that it states that the employee shall be reimbursed for documented expenses as described herein but only if proof of such expenditures has been submitted by the employee. However, on Page 4 of Amendment 1, it indicates that employee explicitly agrees to indemnify, defend and hold UNLV harmless from all obligations and liabilities arising from his conduct and those of his employees and adequately insure against foreseeable risks in this regard. He asked if the cost of any insurance and indemnification that Coach Kruger might occur was compensable within the $200,000 expense claim that LK Hardwood LLC would be able to submit. Mr. Bomotti stated that it was not.

Regent Cobb asked if UNLV felt that this was a good contract for UNLV. President Smatresk stated that it was, primarily because it allowed the University to retain a great coach and does not require the University to change the base salary in that coach's contract. Mr. Bomotti added that the concessions with the Thomas & Mack Center was a significant profit generator, so the more people that attend the more that revenue is multiplied.

Motion carried. Regent Alden was absent.

17. Approved - Amendment of Employment Contract, Director of Intercollegiate Athletics, UNR *(Agenda Item #17)* – The Board of Regents approved UNR President Milton D. Glick's request for approval of an amendment to the contract of Ms. Cary Groth as the Director of Intercollegiate Athletics, extending the contract through June 30, 2013 *(Ref. BOR-17 on file in the Board office).*

President Glick related that the proposed changes include clearing up of some general language and inherent contradictions and the removal of automatic raises. Ms. Groth's salary will remain at its current level.

President Glick related that Ms. Groth is nationally recognized and serves on such committees as the NCAA Basketball Advisory Committee. Two years ago, UNR won the Commissioner's Cup for having the best Athletics Department in the WAC, this year they placed second. UNR's Athletic Department has received a rating of either 1 or 2 for Title 9 compliance. They have been rated in the top 10 in the country for diversity for the last two years according to the Laboratory for Diversity in College Athletics. Ms. Groth

17. Approved - Amendment of Employment Contract, Director of Intercollegiate Athletics, UNR *(Agenda Item #17)* – *(Cont'd.)*

has doubled the annual fundraising since she has become Athletic Director. Attendance at football games has also doubled. When considering the percentage of the Athletic Department's budget that is raised by the department, as opposed to funds from the University or the State, they are well above the median for the WAC. In addition, unlike any other athletic department, UNR's department pays Lawlor Event Center for parking and rent rather than receiving any support funds. In order to protect academics due to the 15% reduction in the university's budget this year, the Athletic Department's budget was cut 21% but there has not been a single complaint in the media for it. Ms. Groth is also one of the few women Athletic Directors in the country. President Glick stated that most importantly, the Wolf Pack is the only Athletic Department in the WAC or in the region in which every sport meets or exceeds the NCAA academic performance thresholds.

Regent Knecht moved approval of an amendment to the contract of Ms. Cary Groth as the Director of Intercollegiate Athletics, extending the contract through June 30, 2013. Regent Blakely seconded.

Regent Geddes expressed his support of this contract extension, adding that he was particularly proud of UNR's student athlete academic record. He related that he had received some concerns regarding other issues in the department but was comfortable that President Glick would continue to address those concerns.

Regent Page expressed his support but felt that the contract needed to include a clause for liquidated damages, noting that Coach Kruger's contract included such a clause. President Glick understood the concern but felt that was the nature of the personal service contracts. He noted that Coach Kruger was making over $1 million per year whereas Ms. Groth was making $280,000 and could be reassigned to other areas of the University if she were to be dismissed. He also noted that the NCAA could enforce the relocation of coaches, but they do not enforce the movement of athletic directors.

Regent Page agreed that Coach Kruger did earn more. However, if Ms. Groth resigned, her position would be highly sought after.

Regent Cobb expressed the same concern as Regent Page noting that the briefing paper indicates the impetus for extending Ms. Groth's contract as she is highly respectable and that UNR "risks losing her to another university." He noted that if Ms. Groth was so highly marketable, and she decided to move, that would leave the University without a reciprocal penalty. President Glick replied that Ms. Groth has made a significant personal commitment to the larger community of northern Nevada. He felt that this was the right thing to do and that is was easier to hire coaches when a long term commitment from the Athletic Director existed.

Chairman Leavitt asked if the inclusion of a provision for liquidated damages would have precluded Ms. Groth from signing the contract extension. President Glick doubted that it would have.

17. Approved - Amendment of Employment Contract, Director of Intercollegiate Athletics, UNR *(Agenda Item #17)* – *(Cont'd.)*

Regent Knecht related that he had moved approval of this request not only because of Ms. Groth's commitment to the University and the community but because he was impressed with UNR's academic record. Although he shared the concerns expressed by Regents Cobb and Page, he recognized that there was a certain nature to these types of contracts. He asked that a provision for liquidated damages be built into the Athletic Director contracts in the future. President Glick agreed to do that.

Chancellor Klaich related that the presidents could only act upon the directives of the Board. Five years ago the Board requested that all head coach contracts include a clause for liquidated damages and the presidents' followed through with that. If the Board is now requesting that such a liquidated damages clause be included in all athletic director contracts, the presidents will also follow that direction on a going forward basis.

Regent Geddes asked that before a clause imposing liquidated damages becomes standard for athletic directors, that some research be conducted to determine if that type of clause is standard throughout the country. President Glick stated that their institution would gather that data.

Regent Crear asked what Ms. Groth's record was in terms of fundraising. President Glick indicated that Ms. Groth has raised approximately $4 million per year, which was double the level being raised prior to her arrival. He acknowledged that, compared to its competitors, UNR will need to raise more funds. A group is being created to discuss how to support Ms. Groth in terms of financial accountability. President Glick felt that all areas of the athletic department needed to increase their revenue diversity, adding that the elimination of sports is the most difficult thing that an Athletic Director could be faced with.

Regent Wixom stated that he would hate to see an immediate jump to severance penalties. He encouraged a careful consideration of the rationale behind such a clause and its possible consequences before making it a standard contractual requirement.

Regent Cobb indicated that he had received several concerns from season ticket holders regarding how the basketball game seating had been handled and requested that be handled more carefully in the future. President Glick replied that reseating of season ticket holders had been delayed due to those very concerns.

Regent Cobb stated that in the new contract, it did appear that Ms. Groth's salary had increased from $270,000 to $285,000 per year. Dr. Jannet Vreeland, Vice Provost, UNR, related that the way in which the first amendment to the contract was written left the annual salary increase open to interpretation, adding that Ms. Groth is currently not eligible to receive COLA or merit. Because of that ambiguity, President Glick felt that the $10,000 increase should be provided for the current year. However, Ms. Groth would not be eligible for further salary increases unless the legislature approves COLA and/or merit increases.

17. Approved - Amendment of Employment Contract, Director of Intercollegiate Athletics, UNR *(Agenda Item #17)* – *(Cont'd.)*

Regent Cobb felt that, given that information, there was not a negative fiscal impact and therefore the fiscal note on the agenda was inaccurate. He emphasized that his concern was for the propriety of providing salary increases in light of the budget situation. Dr. Vreeland replied that the fiscal impact statement had been included out of concern for full disclosure. In the event that the legislature did provide COLA and/or merit increases, Ms. Groth's base salary may be significantly affected.

President Glick clarified that Ms. Groth's salary for the current year was based upon his interpretation of the existing contract which included an automatic annual raise of $10,000. That automatic raise has now been removed from the contract that is before the Board. Ms. Groth will also be subject to a 4.6% reduction which is consistent with Board policy.

Motion carried. Regent Alden was absent.

18. Approved - Faculty Hire Above Salary, Department of Sociology, UNLV *(Agenda Item #18)* – The Board of Regents approved UNLV President Neal J. Smatresk's request for the employment salary above schedule for Dr. Robert Lang as Professor of Sociology and Director of the Brookings Mountain West Initiative *(Ref. BOR-18 on file in the Board office).*

In light of the Board's current efforts to streamline its processes, President Smatresk suggested that the Board consider delegating such requests to the Chancellor in the future.

President Smatresk clarified that the salary offered to Dr. Lang matched that from his previous employer and that his first year's salary will be paid for through a grant from the Lincy Institute. President Smatresk also stated that it was important to note that Dr. Lang had a significant contract record that indicates he will receive contributions that match approximately half of his salary.

Regent Crear moved approval of the employment salary above schedule for Dr. Robert Lang as Professor of Sociology and Director of the Brookings Mountain West Initiative. Regent Page seconded. Motion carried. Regent Alden was absent.

19. Withdrawn – Continuation of PERS Retirees, UNLV *(Agenda Item #19)* – At the request of UNLV President Neal J. Smatresk, this item was withdrawn.

20. Approved – Continuation of PERS Retiree, UNR *(Agenda Request #20)* - President Milton D. Glick requested recertification of the following position within the UNR School of Medicine for which there is a critical labor shortage as outlined by NRS 286.523 as amended by Chapter 346, Statutes of Nevada 2009. Pursuant to the NSHE Procedures & Guidelines Manual, Chapter 2, Section 4, Board recertification of the position is required to continue employment *(Ref. BOR-20a on file in the Board office).*

- Sterling M. Tanner, M.D., Associate Professor, Pediatric Endocrinology, Pediatrics, Las Vegas *(Ref. BOR-20b on file in the Board office).*

President Glick related in the last five years, three national searches have been conducted for this position. In 2004, the search resulted in no candidates. In 2006, there were two candidates but neither accepted an offer. In 2007, a candidate was found but could only be available at .6 FTE. He added that there are currently only five certified Pediatric Endocrinologists within the state of Nevada. This most recent search resulted in three candidates, of which Dr. Tanner was being recommended.

Regent Wixom indicated his support for this recommendation. However, for the record, he noted that there have been issues with PERS rehires in the past and requested that the System make sure that it has complied with all statutory requirements.

Regent Gallagher moved approval of the recertification of Sterling M. Tanner, M.D., Associate Professor, Pediatric Endocrinology, Pediatrics, Las Vegas. Regent Rawson seconded.

Regent Rawson asked if this request ensured the continuation of the Pediatric Endocrinology program. President Glick replied that it would.

Mr. Wasserman stated that the motion should include the approval of the critical need position documentation *(handout available in the Board office)* that is consistent with the information included in the briefing paper and is required by statute to be filed with PERS.

Regents Gallagher and Rawson accepted the amendment to the motion.

Motion carried. Regent Alden was absent.

21. Approved – *Handbook Revision*, NSHE Mission Statement *(Agenda Item #21)* - The Board of Regents approved changes to the NSHE Mission Statement *(Title 4, Chapter 1, Section 1)* (*Ref. BOR-21 on file in the Board office).*

Vice Chancellor Nichols expressed appreciation to Regents Rawson and Knecht for their input during the revision process.

Chairman Leavitt expressed his support of the new mission statement.

21. Approved – *Handbook Revision*, NSHE Mission Statement *(Agenda Item #21)* – *(Cont'd.)*

Regent Knecht moved approval of the changes to the NSHE Mission Statement *(Title 4, Chapter 1, Section 1)* with an additional revision to paragraph 3, by replacing the words "prevent duplication and" with the word "minimize."

Regent Knecht explained that he had made that motion because it was necessary for the institutions to duplicate some of their efforts in order to gain a certain level of efficiency.

Regent Rawson seconded.

For the record, Chairman Leavitt read the last sentence of Paragraph 3 of the proposed revision with Regent Knecht's proposed changes.

> "To this end, it provides appropriate administration to ensure coordination and accountability and establishes an appropriate mission statement for each institution to ~~prevent duplication~~ minimize inefficiency."

Referring to the first sentence, Regent Gallagher asked why "higher education" had been changed to "post secondary." Vice Chancellor Nichols felt that based on discussions with various stakeholders, "post secondary" was the more current term being used. However, she indicated that she also preferred the term "higher education."

Regent Gallagher asked if this would then require that terminology to be changed throughout the System. Vice Chancellor Nichols felt that was a valid point, adding that the term "higher education" could be placed back in the document.

Regents Knecht and Rawson accepted the friendly amendment.

Regent Wixom requested an update on the status of each institution's mission statement. Vice Chancellor Nichols replied that with this and with UNR's presentation soon to be heard, the Board will have addressed the statements for all institutions.

Regent Wixom asked that each Regent be provided a copy of the mission statements so that they may be immediately available and referred to as a guiding document. Chairman Leavitt indicated those documents would be provided both electronically and in hard copy to each Regent.

Vice Chancellor Nichols noted that recently Mr. Wasserman forwarded a document from the NWCCU regarding a draft revision to their accreditation standards. The proposed revisions to those standards also place an emphasis on mission statements.

Regent Knecht thanked Dr. Bill Follette, former UNR Faculty Senate Chair, for his assistance and input on this matter.

Motion carried. Regent Alden was absent.

The meeting recessed at 11:53 a.m. and reconvened at 12:00 p.m. on Friday, September 18, 2009, with all members present except for Regent Alden.

21. Approved – *Handbook Revision*, NSHE Mission Statement *(Agenda Item #21) – (Cont'd.)*

Regent Rawson asked that a statement be added to each mission statement that promotes the Health Sciences System.

22. Information Only– Required Board Approvals *(Agenda Item #22)* - Vice Chancellor Bart Patterson led a review and discussion of items currently requiring Board approval *(Ref. BOR-22 on file in the Board office).*

Vice Chancellor Patterson related that the general question before the Board was to what extent it wanted to move toward more of an oversight and policy role or stay engaged in managerial items. He noted that on the current main Board agenda, approximately 50% of the items were devoted to personnel matters. He requested that the Board provide him with enough feedback so that he could prepare some specific policy changes to be considered at the December meeting. Particularly, he asked that the Board focus on the list of personnel items beginning on Page 2 of Ref. BOR-22.

Vice Chancellor Patterson highlighted a few of the items listed, beginning with Board Secretary Compensation. He indicated that the Board may consider allowing the Chairman to approve standard COLA and/or merit increases with more substantive increases to be brought before the Board.

The second item related to Chancellor and/or President Search Committees. Vice Chancellor Patterson stated that due to the quarterly meeting schedule, it may not be feasible to have those items heard by the Board a second time.

Vice Chancellor Patterson stated that consideration should also be given to appeals of student expulsions and employee terminations. He related that although it is important for individuals to have an appeal right, under Nevada's open meeting law, it is enormously difficult for the Board to discuss those items and come to a resolution as part of an open Board meeting. He suggested that the Board consider whether those items should be addressed with the Chancellor first or if some restriction should be placed on the circumstances involved before being brought to the Board.

Regent Gallagher felt that if such issues where to be delegated to the Chancellor, it would still be important for the Board to remain informed of the situation. Vice Chancellor Patterson agreed, adding that most of the items would be included in a reporting mechanism.

Regent Crear stated that he personally had not seen that many appeals come before the Board. He felt that the appeal process seemed to work within the requirements of the open meeting law, adding that the time was justified if the Board could help one student rectify a situation. He did agree that the Board could consider the delegation of certain types of contracts.

22. Information Only– Required Board Approvals *(Agenda Item #22)* – *(Cont'd.)*

Regent Wixom also felt that the few personnel issues that have been brought to the Board were appropriately done so. He also felt that because the Board was a publicly elected body there were certain expectations of its role, adding that constituents need to know that some form of redress in place.

Regent Knecht also felt that there were a number of situations, both in terms of personnel and student appeals, that could be dealt with and then notification provided to the Regents with discretion for the Board to then take further action as necessary. However, he was less inclined to use the open meeting law constraints as a reason to delegate these issues downward, adding that each issue should be delegated on its own merit. Finally, he felt that consideration needed to be given to the amount of detailed information provided to the Board, particularly in the area of multi-year contracts. He questioned how much detailed information the Board needed and if there could be more reliance upon the legal counsel and System Administration.

Regent Knecht also requested a future agenda item that would address the construction and use of the term "advisory and legislative" that is indicated in the first line of the mission statement.

Vice Chancellor Patterson indicated that all student expulsions and employee terminations are required to go through a peer hearing process at the institution level, with a recommendation being reported to the president. In a situation where the president chooses not to follow the recommendation made by that committee, the situation may then rise to the level of the Board. Vice Chancellor Patterson stated that he had not intended to indicate that the open meeting law was something to be worked around. The reason for his suggestion was that the open meeting law procedures tend to be difficult for the student or employee to come to terms with.

Regent Wixom indicated that he was generally satisfied with the personnel issues that have been brought before the Board. However, he expressed a real concern with the board chairman being delegated the authority to employ an interim chancellor or the delegating of the authority to appoint an interim-president to the chancellor. He felt that those were crucial appointments with serious ramifications that should be handled by the full Board. Vice Chancellor Patterson replied that the process would likely not change for those two specific items.

Regent Crear asked what step should occur next. Chairman Leavitt replied that this discussion was simply to gain input from the Board so that Vice Chancellor Patterson could formulate specific recommendations to be presented at the December meeting.

Vice Chancellor Patterson stated that tenure would continue to be addressed on the Consent Agenda, adding that was due to the sense that the Board's approval was important to the faculty. However, the transfer of tenure between institutions was rarely brought before the Board and perhaps could be handled through the request for tenure upon hire.

22. Information Only– Required Board Approvals *(Agenda Item #22)* – *(Cont'd.)*

Vice Chancellor Patterson indicated that there were three areas of significance in which the Board may consider policy changes. The first was in regard to current Board policy that requires all contracts of more than one year in length to be brought before the Board. The exception to that policy being that the Chancellor may approve coach contracts that are no more than two years in length and with salaries of $150,000 or less. Vice Chancellor Patterson indicated that the Board could reconsider that policy to allow the presidents more flexibility in offering longer contracts.

A second policy change could be considered in regard to the change in administrative units. Vice Chancellor Patterson indicated those particular requests occurred infrequently, possibly due to the lack of clarification on how extensive the changes need to be in order to be brought to the level requiring consideration of the Board. He recommended that the Board address that ambiguity and decide at what level there is sufficient change to be brought before the Board.

Vice Chancellor Patterson related that there was also a significant issue in terms of the salary schedules and requests for employment with salary above the schedule. He explained that although the Board sees a number of those requests, they are not seeing the vast majority of contracts that are within the salary schedule. He felt that one of the issues that has developed is that the Chancellor has the authority to approve the initial placement and salary, including above schedule, for administrative faculty, but not for academic tenure or tenure track faculty. The Board could consider also granting the Chancellor authority over academic tenure or tenure track faculty contracts within specific guidelines with regular reporting.

Regent Anderson asked Vice Chancellor Patterson to elaborate on the elimination of salary schedules. Vice Chancellor Patterson related that the Board has had some discussion in the past as to whether or not salary schedules were meaningful and if the presidents should be given more flexibility to consider market based salaries.

Vice Chancellor Nichols related that the salary schedules for the four-year institutions should be considered separately from those of the community colleges. Vice Chancellor Patterson related that although that item was listed in the reference material, it would require a much more in-depth discussion.

In terms of initial salaries, Vice Chancellor Patterson related that in the past, the Board approved the hire of vice chancellors and vice presidents. That provision was then changed so that the Board only approved the salary of vice chancellors, not the actual hire. That places the Chancellor in a difficult position and may have created an unintended consequence that the Board may wish to reconsider.

In terms of executive perquisites beyond standard criteria, the Board may also want to reconsider the ability of the presidents to negotiate such points such as the payment of health coverage in order to more successfully recruit.

Finally, Vice Chancellor Patterson indicated that the Board may want to consider allowing the Chancellor to handle the details in terms of a president transitioning back to the faculty.

22. Information Only– Required Board Approvals *(Agenda Item #22) – (Cont'd.)*

Chairman Leavitt asked Vice Chancellor Patterson to note the frequency and amount of time involved with the various items and to include that information in December's presentation to the Board. Vice Chancellor Patterson indicated that he would prepare a list of items that he felt the Board was in a position to act upon. He added that the list contained many subject-matter areas that could be delegated to the various committees. Chairman Leavitt agreed with that recommendation.

Regent Gallagher felt that the items could be categorized. However, she did not feel that length of discussion time would be part of the appropriate criteria. She asked if Vice Chancellor Patterson could send that information to the Regents in advance or if that would be a violation of the open meeting law. Chancellor Klaich stated that providing information would not be a violation of the open meeting law provided that consensus is not being solicited. He added that the items could be divided into categories such as policy-related versus ministerial.

Regent Wixom cautioned that some of the items, such as degree programs or graduate students affect the funding formula. The Board needed to be very cautious and aware of those financial impacts.

Regent Wixom also reminded the Board that the quarterly meeting schedule had been approved on an experimental basis to determine if that schedule met the Board's oversight function. He expressed some concern in that regard, adding that he was in support of the quarterly meetings schedule as long as it allowed proper governance and oversight. If the Board could not properly govern within a quarterly meeting schedule, then that schedule should not be enforced. Chairman Leavitt appreciated Regent Wixom's caution. He indicated that the Board would do what was necessary to perform its duties and to meet its responsibilities.

Chancellor Klaich indicated that the basic function of this exercise was to review the list of items and reports that the Board has asked for over the decades to determine if any may no longer be appropriate.

Regent Wixom related that the corollary of his previous comment was that if the Board was required to review too much, it could not effectively govern. Chairman Leavitt thanked Regent Wixom for his comments, adding that there was also the concern that duties previously delegated elsewhere needed to be restored to the Board.

Regent Page noted that the list of agenda items contained the recommendation that the selection of investment managers be delegated to System staff. Although he had confidence in the staff, he was not comfortable with that recommendation as the Board was ultimately responsible. Chairman Leavitt emphasized that this was a preliminary discussion to provide the Board an opportunity for input.

Regent Gallagher agreed with Regent Page that the selection of investment managers needed to be approved by the Board. She also agreed with Regent Wixom's concern for the quarterly meeting schedule, adding that she did not want items to be cut from the agenda because there was not time to discuss them. Chairman Leavitt stated that was not the intent of the quarterly meeting schedule.

23. Approved – Tuition & Fee Review Process and Timeline *(Agenda Item #23)* – The Board of Regents approved the request of Chancellor Daniel J. Klaich for a temporary suspension of the Board's policy on the setting of tuition and fees *(Title 4, Chapter 17, Section 1).* The Tuition and Fees Committee defined in Board policy will convene as required and will focus on developing a new policy for establishing tuition and fees. Suspension of the policy will not preclude the Committee from recommending an appropriate increase in tuition and fees for academic years 2011-12 and 2012-13.

Regent Crear asked why a suspension of the current policy needed to occur in order to develop a different policy. Chancellor Klaich explained that although current Board policy requires the appointment of a Tuition and Fee Committee every biennium, he was concerned that Committee's intensive efforts would be futile given the current uncertainty surrounding the funding formula, Letter of Intent and the likely level of state appropriations. However, so as not to ignore Board policy, a temporary suspension of the policy was being requested for this biennium.

Regent Crear asked if this request was to excuse the process of reviewing tuition and fees. Chancellor Klaich indicated that it would excuse the process of reviewing tuition and fees within the way the policy was currently written.

Regent Crear observed that since the state does not recognize "tuition," he asked that the terminology used be consistent with that policy.

Regent Gallagher agreed that the tuition and fee process has needed to be improved for some time and was pleased to see that Chancellor Klaich recognized that.

Regent Gallagher moved approval of the temporary suspension of the Board's policy on the setting of tuition and fees *(Title 4, Chapter 17, Section 1)* for the current biennium. Regent Geddes seconded.

Regent Cobb commended Ms. Crystal Abba, Assistant Vice Chancellor of Academic and Student Affairs, for her efforts in preparing the reference material for item #10 on the Academic, Research and Student Affairs Committee agenda and recommended that the Regents refer to that material. He felt that it may take an act by the legislature to change the laws that prohibit the assessment of tuition, adding that it was important to face the reality that fees are in essence tuition.

Chancellor Klaich related that one positive aspect of the Board's current policy was that it provided for small and level increases to occur over time so as not to overly reward or penalize students based on when they happened to attend college. He understood that raising tuition and fees was very difficult for the Board and wanted there to be a policy to provide the Regents with some guidance.

Regent Wixom asked if the Letter of Intent would also be included in the review during this process. Chancellor Klaich emphatically stated that it would.

Motion carried. Regent Alden was absent.

24. Approved – Biennial Budget Timelines and Reports Requiring Board Action *(Agenda Item #24)* – The Board of Regents approved Vice Chancellor Mike Reed's request for approval of the proposed 2011-2013 biennial budget cycle meeting dates and the agenda items that require Board action *(Ref. BOR-24 on file in the Board office).*

Vice Chancellor Reed stated that given the new quarterly Board meeting schedule, it was necessary to compress the review and approval processes for the 2011-2013 biennial budget cycle and to require additional meetings of the Board or its committees in order to meet the State's timelines. Chancellor Klaich emphasized that the special meetings scheduled in February and August of 2010 were entirely necessary.

Chairman Leavitt asked for Mr. Wasserman to state the dates of the special meetings for the record. Mr. Wasserman stated that special meetings of the Board were scheduled for February 2, 2010, and August 22, 2010.

Regent Geddes requested that other timely matters be included on the special meeting agendas as needed and that, in terms of the budget discussions, that the Regents receive as much information as possible in advance of meetings.

Regent Knecht echoed Regent Geddes comment. He observed that a special meeting was typically held in late February and asked if the capital improvement request could not be handled at the regular March Board meeting. Vice Chancellor Reed replied that, in part, this request was to develop metrics for determining priorities.

Chancellor Klaich explained that the timeline being presented consolidates the number of times and ways in which the Board has requested that budget information be presented and fits them into the new quarterly meeting schedule. However, he understood Regent Knecht's concern for limited resources.

Regent Knecht moved approval of the proposed 2011-2013 biennial budget cycle meeting dates and the agenda items that require Board action. Regent Page seconded.

Regent Blakely asked if these items could be heard by the Business and Finance Committee or if they required the attention of the full Board. Chancellor Klaich explained that in the typical schedule, that first meeting in February was a Business and Finance Committee meeting. However, due to its intense interest, it was a very well attended committee meeting.

Regent Gallagher felt that two specials meetings should be sufficient. However, if there was concern that a third special meeting may be needed, she asked that it be scheduled now and then cancelled if necessary.

Regent Cobb felt that Regent Blakely made an excellent suggestion that perhaps that first special meeting could be handled by the Business and Finance Committee. He added that it may be less of an expense to have that Committee meet at the full Board meeting in March than at a special meeting of the Board at a separate time. He requested that the Board follow Regent Blakely's suggestion to the best of its ability.

24. Approved – Biennial Budget Timelines and Reports Requiring Board Action *(Agenda Item #24)* – *(Cont'd.)*

Regent Knecht indicated that the intent of his motion included the philosophy that the special meetings be scheduled with the understanding that they may need to be rescheduled or cancelled.

Motion carried. Regent Alden was absent.

The meeting recessed at 1:20 p.m. and reconvened on 1:30 p.m. on Friday, September 18, 2009, with all members present except for Regent Alden.

25. Information Only – Public Relations, Branding, Marketing and Recruitment Efforts, TMCC *(Agenda Item #25)* - At this meeting, representatives from TMCC provided an overview of their current and planned public relations, branding, marketing and recruiting efforts. Both in-state and out-of-state strategies will be discussed, as appropriate. Examples were shared with the Board *(Ref. BOR-25 on file in the Board office).*

Dr. J. Kyle Dalpe, TMCC's Public Information Officer, and Ms. Estela Levario-Gutierrez, Director of Counseling/Support Services, provided the following presentation:

- Overview:
  - TMCC serves 13,000 students at five sites in the Reno-Sparks area and online:
    - Dandini Campus
    - Meadowood Center
    - IGT Applied Technology Center
    - High Tech Center at Redfield
    - Nell J. Redfield Foundation Performing Arts Center
  - Enrollment continues to grow 15% as of August 4, 2009.

- Brand Development:
  - Research-based.
  - Faculty, staff, students and community members.
  - Integrated marketing communications approach *(IMC)*.

- Research Results:
  - Major Brand Attributes:
    - Positive Attributes:
      - Quality academic instruction, friendly faculty and staff, cost-effectiveness, pretty, clean and safe facilities.
    - Negative Attributes:
      - Transferability of classes.
      - Value of TMCC certificates and degrees to employers.
  - Former students and employers are the most credible sources to current students.
  - How current students use various media *(TV, radio, print, online, etcetera)* – maximize the college's marketing resources.
  - Posters on campus not effective.

25. Information Only – Public Relations, Branding, Marketing and Recruitment Efforts, TMCC *(Agenda Item #25) – (Cont'd.)*

- Research Results: - *(Cont'd.)*
  - Students wanted to receive e-mail/e-newsletters.
    - TMCC This Month – current students.
    - Think College – prospective students.
    - E-mail marketing of special classes to targeted groups.
  - Students wanted program videos *(85%).*
  - Defined brand colors.
  - TMCC most frequently named college in the area *(UNR is the first mentioned).*
  - 4 out of 5 respondents felt that TMCC offers high quality education.
  - 3 out of 4 respondents felt that faculty members are dedicated to high quality teaching.
  - TMCC is a core source for job training.
  - Only a few negative voices; no strong "bad feelings" to overcome in order for TMCC to be viewed as effective.
  - 24% of people "don't know" anything about TMCC.
  - 94.1% could not name a specific TMCC program.
  - Lack of program specifics creates a vulnerability to outside competition.

- Flagship Programs:
  - Selection Criteria:
    - Impact on our Northern Nevada community with the number and quality of TMCC graduates.
    - The viability of the degree in Northern Nevada job market.
    - Regional or national credentials from external sources, such as certification award, licensing exam pass rate, competition wins.
    - Documented excellence of program, such as graduate survey, community benchmark survey, accreditation survey, testimonial or validation from four-year institution.
  - Flagship Programs:
    - Allied Health: Dental Hygiene and Nursing.
    - Public Safety: Fire Science, Fire Academy, Criminal Justice and Policy Academy.
    - University Transfer: Business Associate's of Arts Degree.

- I Stand for TMCC Ad Campaign:
  - The marketing department created the "I Stand for TMCC" campaign to underscore the satisfaction of TMCC graduates and local employers.

- Marketing and Advertising:
  - Traditional Media *(TV, Radio, Cinema, Print and Publications)*
  - New Media *(Online and Social Media)*

- Online Marketing:
  - TMCC Web Site *(282,994 hits in April 2009)* and online advertising.

25. Information Only – Public Relations, Branding, Marketing and Recruitment Efforts, TMCC *(Agenda Item #25) – (Cont'd.)*

- Social Networking *(Facebook, Twitter, YouTube, MySpace)*

- Gifts and Tradouts:
  - Charter Media:
    - Channel 200 gift *($500,000)*
    - Advertising trade *($160,000)*
  - Lotus Communications (radio) trade *($20,000)*
  - Regional Transportation Commission trade *($8,000)*

- Public Information Office Budgets:
  - Salaries *(2009-2010)* - $308,001
  - Research Consultants *(2006-2009)*
    - Community Image Study *(2004, BBC, $40,000)*
    - Media Preferences Survey *(2006-2008, Interact, $6,000)*
    - Focus Groups – External *(2006, Interact, $9,000)*
    - Focus Groups – Internal *(2007, PIO, $0)*
    - Community Benchmark Survey *(2008, Interact, $18,500)*
    - Latino Focus Groups *(2009, translation, $2,190)*
    - Reach and frequency analysis *(2008, The Glenn Group, $3,500)*
  - Operations *($213,000)*

- Outreach and Recruitment:
  - Washoe County School District High School
    - Steps to TMCC presentations
    - College nights
    - African, Latino, Native American minority outreach.
    - Parent multi-generational presentations.
    - On-site ACCUPLACER testing.
    - Bilingual presentations to parents/prospective students.
    - On-campus programs: Open House, Grad Saturday, Heritage Days, Latino Convocation, Guardian Day.
  - Rural High Schools – Services by invitation.
  - Early Outreach:
    - Gear Up Grant
    - On-campus programs: Middle School Day
  - Community Outreach:
    - Booths at community events
    - Business partnership
    - Employee resource fairs.

- Future Marketing:
  - Continue research to maximize marketing and outreach efforts.
  - Enhance the "I Stand for TMCC" campaign to include minority business leaders and videos targeting specific audiences.

25. Information Only – Public Relations, Branding, Marketing and Recruitment Efforts, TMCC *(Agenda Item #25)* – *(Cont'd.)*

- Future Outreach:
  - Transform/new approach to outreach services (strengthen K-16 partnership).
    - Use technology to promote outreach activities.
    - Orientation.
    - 9th grade ACCUPLACER.
    - Registration at the high schools.
    - Student ambassadors.

- Future - Overall:
  - TMCC is an economic driver.
    - By educating and training a global competitive and diverse workforce.
    - Now by utilizing the recent American Graduation Initiative *(Obama Plan)* funding as an additional resource that will continue to support.
    - TMCC as a major player in economic and workforce development player in our region and in our state.

Regent Crear urged TMCC to continue their partnerships for the media buys and asked if there were more buys than those listed in the presentation. Dr. Dalpe indicated that the list presented was current. He added that the trade out with Lotus Communications was essentially a gift as TMCC was not able to commit to a buy. Last year The Glenn Group, a local firm based in Reno, was hired to conduct media placement that targeted a primary and secondary group that included most of the local TV and radio stations.

Regent Crear asked if there was a paid media budget. Dr. Dalpe indicated that there had been in the 2008/2009 fiscal year. Currently an RFP is being drafted for the next fiscal year.

Regent Anderson indicated that she had been impressed with TMCC's growth in degrees and certificates and asked what that could be attributed to. Ms. Levario-Gutierrez replied that the growth was attributed to becoming more strategic in the area of student services.

Regent Knecht asked if anything new had been prepared for this presentation. Dr. Dalpe indicated that the information presented was part of TMCC's planned marketing program.

Regent Knecht related that Ms. Levario-Gutierrez was actively involved in the community, including as Vice President of the Washoe County School District Board of Trustees. Ms. Levario-Gutierrez replied that she could not be as involved in the community without the support of her supervisor and TMCC.

Regent Wixom referred to the high school capture rates indicated in the report and TMCC's outreach and recruitment efforts. He was impressed with the data as those were exactly the types of programs that have been found to be successful, particularly in the Latino communities. He asked how long TMCC has had those programs in place and if the results could yet be quantified. Ms. Levario-Gutierrez related that the outreach programs have been in place for approximately three years. President Sheehan clarified that although some results had been seen, the programs had not previously been as focused as they were currently.

25. Information Only – Public Relations, Branding, marketing and Recruitment Efforts, TMCC *(Agenda Item #25) – (Cont'd.)*

Regent Wixom asked if those programs were also in place at the other institutions. President Lucey indicated that they were being done at WNC.

Regent Wixom asked if there were quantifiable results from those efforts. Ms. Levario-Gutierrez related that multiple approaches were needed to achieve success including early outreach and early registration of high school students. Regent Wixom asked what Ms.

Levario-Gutierrez meant by early outreach. Ms. Levario-Gutierrez indicated that for high school seniors, early meant March. However, initial contact should be made with students in the sixth grade with tracking through high school. Regent Wixom agreed that if a long term difference was going to be made, outreach needed to occur in the fifth and sixth grades. Ms. Levario-Gutierrez related that the key for these particular communities were the parents.

Regent Wixom asked if the results of these programs could be quantified and tracked so that the outcome of these efforts could be related to the legislature and constituents. Vice Chancellor Nichols indicated that the System has recently applied to the Department of Education for stimulus funds to establish a data base that will enable identification of students whose families have been touched by outreach programs.

Regent Wixom asked if the process of developing a common student number was also occurring in Clark County. Vice Chancellor Nichols replied that it was. However, even without that common student number, System staff had the ability to match every K-12 student with every higher education student.

Regent Wixom emphasized the importance of this issue and requested that it be brought back to the Cultural Diversity Committee as there was much that hinged on these types of efforts. Although he did not want another report, it was important to be able to understand and manage what was being done.

Chancellor Klaich related that a consultant, Dr. Magdalena Martinez, had been hired to assist the southern NSHE institutions and Clark County School District in developing best practices in terms of community outreach. That program's efforts will be brought back to the Regents at a future time.

Regent Wixom reiterated his concern that the System not lose track of this issue.

26. Approved – Institutional Strategic Plan, 2009-2016, GBC *(Agenda Item #26)* – The Board of Regents approved GBC President Carl A. Diekhans' request for acceptance of the Great Basin College Strategic Plan 2009-2016 *(Refs. BOR-26a and BOR-26b on file in the Board office).*

Dr. Mike McFarlane, Vice President of Academic Affairs, GBC, related that this Plan had been created in coordination with Dr. Cliff Ferry, consultant and retired GBC administrator, and had involved many campus constituencies.

26. Approved – Institutional Strategic Plan, 2009-2016, GBC *(Agenda Item #26) – (Cont'd.)*

Dr. McFarlane reported that the NWCCU recently revised its accreditation standards to include the concept of "themes" instead of goals. After learning of that change, GBC has incorporated that concept into the Plan. In addition, assessment at all levels of function throughout the College has been directly incorporated into the Plan. Dr. McFarlane related that a structural framework was developed to show the relationship between planning and assessment. Frame 1 dealt with the institution as a whole; Frame 2 dealt with departments and programs *(academic, student and administrative services)*; Frame 3 dealt with students in the learning programs, and Frame 4 delved into the courses and services.

Dr. McFarlane continued that GBC's mission statement includes several commitment statements as well as four themes, each with four goals. Each of those goals is further supported by objectives. Different administrative areas will then create action plans to attain and track the indicated objectives. Each department was consulted to create their own individual mission statements that will also lead to their own goals and objectives. This creates a hierarchy of planning within each Frame.

Dr. McFarlane then provided a visual presentation of the on-line software used to define, create and track objectives and action plans *(on file in the Board office)*.

Regent Gallagher was very impressed with the concise manner in which GBC has developed their Plan. Dr. McFarlane related that although some faculty members were more comfortable with computers than others, all have been able to navigate the software.

Regent Cobb asked, in terms of the rapid evolution of technology related fields, how GBC's master plan took into account that many of the current majors would not exist in the near future. Dr. McFarlane indicated that this particular format recognizes and expects review and revision to occur regularly.

Regent Knecht appreciated the approach of starting with goals and themes and then carrying it through the full Plan. He also noted that action plans are created at the department level. He suggested that GBC may want to include a straightforward statement in its Mission that it does not discriminate on the basis of race, ethnicity and religion or unduly discriminate on the basis of gender or age.

Regent Knecht moved approval of the acceptance of the Great Basin College Strategic Plan 2009-2016. Regent Cobb seconded.

Regent Rawson related that although a strategic plan will always be a work in progress, he asked if it was considered complete to meet the current needs. Dr. McFarlane replied that in terms of establishing the goals and objectives, the plan was complete. However, completion of the tasks would occur by the end of the current semester.

Regent Rawson requested that a theme involving the Health Sciences System also be included. Dr. McFarlane indicated that the health sciences were addressed through the nursing program as well as under a new Associate of Applied Science degree for EMT Paramedic.

26. Approved – Institutional Strategic Plan, 2009-2016, GBC *(Agenda Item #26) – (Cont'd.)*

Motion carried. Regent Alden was absent.

27. Approved – Audit Committee *(Agenda Item #27)* – Vice Chair Kevin J. Page reported that the Audit Committee met on September 17, 2009, and received a report on the status of the institution bank reconciliations. All institutions other than WNC were current in performing their bank reconciliations. WNC has completed their reconciliation through July 2008. The Committee requested an update from WNC at the next meeting.

Action items:
Board action was requested to approve the following recommendations of the Audit Committee.

- Minutes – The Committee recommended approval of the minutes from the June 18, 2009, Committee meeting.
- Internal Audit Reports – The Committee recommended approval of the following internal audit reports:
  - ✓ Surplus Inventory, BCN
  - ✓ Presidential Exit Audit, GBC
  - ✓ Management Assistance Partnership, NSHE
  - ✓ Hosting, NSHE
  - ✓ KUNV Radio Station, UNLV
  - ✓ Harry Reid Center for Environmental Studies, UNLV
  - ✓ Admissions and Registrar, NSC
  - ✓ Network Security Audit, UNR
- Audit Exception Report – The Committee recommended approval of the Audit Exception Report for the six months ended June 30, 2009.
- Internal Audit Department Work Plan, NSHE – The Committee recommends approval of the Internal Audit Department Work Plan for the year ending June 30, 2010.
- Change in Scope, External Audit – The Committee recommended approval of a request from Grant Thornton LLP, for one-half of the actual hours associated with new audit requirements for ARRA funds, plus out of pocket expenses of $7,000, for a change in scope of the external audit for the year ended June 30, 2009.
- Foundation Audit Exemption, UNLV – The Committee recommended approval of a request from the UNLV Foundation for an exemption from the audit requirements stated in the Board of Regents *Handbook (Title 4, Chapter 10, Section 9, B1)*.

Regent Page moved acceptance of the report and approval of committee recommendations. Regent Blakely seconded. Motion carried. Regent Alden was absent.

28. Approved – Investment & Facilities Committee *(Agenda Item #28)* -Chair Michael B. Wixom reported that the Investment & Facilities Committee met on September 17, 2009, and heard the following:

Vice Chancellor Mike Reed and System Office staff reported on the activities and the most current balance of the reserve account of the operating pool fund.

Action Items:
Board action was requested to approve the following recommendations of the Investment Committee:

- The Committee recommended approval of the minutes from the June 12, 2009, meeting.
- David Breiner with Cambridge Associates presented a report on asset allocation and investment returns for the pooled endowment and pooled operating funds for the period ended July 31, 2009. Based on Cambridge Associates' presentation, the Committee approved the recommendation to source $5 million for spending from the PIMCO Total Return Fund *($2.5 million)* and Vanguard Institutional Index Fund *($2.5 million)*.
- The Committee recommended approval of President Smatresk's request for a bond sale resolution which would be submitted with an offer for the proposed purchase of a 212-unit condominium project on approximately 4 acres of land, commonly known as "Vegas Grant," together with approximately 16 acres of vacant, improved land *(20 acres in total)*, adjacent to the main campus for graduate/professional student and faculty housing, as well as long term use by the University. Final approval will be requested from the Board of Regents at a future meeting.
- The Committee recommended approval of President Smatresk's request to purchase 944 Lulu Avenue, a 2,085 gross square foot *(GSF)* single family residence on 0.17 acres of property. The purchase price will be $95,000. The asking price was $120,000. The purchase agreement allows a two week due diligence period following Regents' approval with escrow closing by September 30, 2009. All required due diligence is in progress. UNLV requests that the Chancellor be granted authority to approve the final purchase after due diligence requirements have been completed.
- The Committee recommended approval of President Milton Glick's request to sell real property at 920 Evans Avenue for its appraised value of $270,000**.** All final closing costs will be reported in the Investment Committee Chair's report presented to the full Board. Subsequent to the close of the Committee meeting, Vice President Zurek has provided data indicating that the closing costs on the sale of the property total $1,628l.67.
- The Committee recommended approval of President Milton Glick's request to use $400,000, from the Mill and McCarran Land Sale account to make improvements for animal welfare and safety at the Main Station Field Laboratory.
- The Committee recommended approval of President Milton Glick's request for a lease between the Nevada System of Higher Education, on behalf of the University of Nevada, Reno, and Catholic Healthcare West, for space in a new Sports Medicine Complex on the UNR campus, formally occupied by Reno Orthopedic Clinic.

28. Approved – Investment & Facilities Committee *(Agenda Item #28)* – *(Cont'd.)*

Action Items: - *(Cont'd.)*

- The Committee recommended approval of President Michael Richards' requests for an agreement with Clear Wireless LLC to install and operate a cell tower and associated facilities at CSN Henderson Campus.
- The Committee recommended approval of President Michael Richards' request to grant the pedestrian walkway easement required by the City of Las Vegas in conjunction with the improvements which are being done as part of the CSN/City of Las Vegas Fire Station Project.
- The Committee recommended approval of Vice Chancellor Mike Reed's request for approval of the weatherization and energy projects report as required in compliance with Senate Bill 152 enacted by the 2009 Legislature.
- The Committee recommended approval of Vice Chancellor Mike Reed and System Office staff's request for approval of the 2009-2010 Schedule of Standard Reports and Special Items for Consideration. The Committee also approved the suspension of the space inventory and utilization studies during the 2011 capital improvement and planning cycle, while giving time for a better understanding of inventory and utilization methods and metrics.
- The Committee recommended approval to authorize the Chancellor to transfer/assign all Walker River water options and associated rights, responsibilities and authorities previously acquired through federal legislation, to another entity when that entity is authorized through federal legislation.

New Business:

- Regent Knecht requested that Cambridge Associates provide the discussion materials in electronic format at least one week before the meeting, allowing time for Regent review.
- Regent Knecht also requested that Cambridge provide a periodic breakdown on active and passive managed funds. The three categories Regent Knecht suggested are: pure index passive, pure active, and active because there is no index for a passive choice. The Committee also recommended revisiting the benchmark policy on a yearly basis, beginning with the December 2009 agenda.

At the request of Regent Cobb, Regent Wixom placed special emphasis on the Las Vegas Grand property acquisition, adding that the proposal was innovative and creative and had been unanimously supported by the Committee.

Regent Wixom moved acceptance of the report and approval of committee recommendations. Regent Page seconded. Motion carried. Regent Alden was absent. Regent Page abstained.

29. Approved –Academic, Research and Student Affairs Committee *(Agenda Item #29)* - Chair William G. Cobb reported that the Academic, Research & Student Affairs Committee met on September 17, 2009, and heard the following:

Information Items:
Assistant Vice Chancellor Crystal Abba presented a review of Board policies regarding the setting of NSHE tuition and fees that included a discussion of the 2005 Letter of Intent issued by the Nevada State Legislature, the challenges associated with the Board's historically low tuition policy, and the net price calculator required under federal law.

The Committee reviewed a summary of practices at each institution regarding the use of deferred payment plans, including the application of late charges and other protocols related to institutional payment plans.

In addition, staff presented the required third and fifth year new academic program reviews and reviewed the 2008-09 report on existing academic programs. Committee members discussed ways to improve future reports to ensure that staff time is preserved in the preparation of the report while still providing essential information to Board members.

Action Items:
Board action was requested to approve the following recommendations of the Academic, Research and Student Affairs Committee:

- The Committee recommended approval of the minutes from the June 18, 2009, meeting;
- The consolidation of the Department of Public Administration and the Department of Environmental Studies at UNLV to be named the School of Environmental and Public Affairs;
- The creation of the Lincy Institute at UNLV;
- Elimination of post-baccalaureate professional degrees in Construction Engineering and Construction Management at UNR;
- Elimination of the Bachelor of Arts in German and creation of the Bachelor of Arts in German Studies at UNR;
- A revision to Board policy updating the list of examinations that institutions may utilize in determining credit for prior learning and repealing provisions of the policy that are redundant or no longer applicable *(Title 4, Chapter 14, Section 19 and Title 4, Chapter 16, Section 12)*;
- A revision to Board policy providing that within a college's information system, non-transferable courses and courses that are transferable for a bachelor's of applied science degree only must be appropriately identified for students and advisors *(Title 4, Chapter 14, Section 14)*; and
- A revision to Board policy clarifying the applicability of the waiver of fees for senior citizens in alignment with other NSHE fee waiver policies *(Title 4, Chapter 17, Section 13).*

Regent Cobb moved acceptance of the report and approval of committee recommendations. Regent Blakely seconded. Motion carried. Regent Alden was absent.

30. Approved – Business & Finance Committee *(Agenda Item #30)* - Chair Raymond D. Rawson reported that the Business & Finance Committee met on September 17, 2009, and heard the following reports:

- Fiscal Exceptions of self-supporting budgets for the fourth quarter of fiscal year 2008-2009.
- Self-supporting budget revenue and expenditure revisions of the NSHE for fiscal year 2007-2008.
- Transfers of State Supported Operating Budget funds between functions for the fourth quarter of fiscal year 2008-2009.
- Transfers of expenses from non-state budgets to state funds after May 1, 2009, for fiscal year 2008-2009.
- There was a short presentation that provided information about the implementation of the new NSHE iNtegrate student information systems project. Highlights of specific features of the new admissions module were presented with the focus on improving service to all students.
- Schedule of standard reports to be presented to the Business and Finance Committee for the remainder of calendar year 2009 and calendar year 2010 was covered.
- The Committee discussed progress toward development of a set of budget and performance metrics and efficiency, effectiveness and accountability principles and measures.

Action Items:
Board action was requested to approve the following recommendations of the Business and Finance Committee:

- The Committee recommended approval of the minutes from the June 18, 2009, meetings;
- The Committee recommended approval of the fiscal year 2009-2010 NSHE Self-Supporting Budget.
- The Committee recommended approval of the fiscal year 2009-2010 NSHE State Supported Operating Budget.
- The Committee recommended approval of the fiscal year 2009-2010 Accountability Report reconciling the NSHE Legislative approved operating budget to the Board of Regents approved operating budget.
- The Committee recommended approval of a resolution, on behalf of the University of Nevada, Reno, to secure financing up to $11.2 million for the private match for the Medical Education Learning Lab.
- The Committee recommended approval to allow the Nevada System of Higher Education to extend the current Standby Letter of Credit with Bank of America, for a period of one year.

Regent Rawson highlighted the implementation of the iNtegrate project and that, to-date, the project has come in under budget and ahead of schedule. It was estimated that by the fall of 2010, all the System's students would be utilizing the new online services.

30. Approved – Business & Finance Committee *(Agenda Item #30)* – *(Cont'd.)*

Regent Rawson specifically noted that the Committee had supported a resolution on behalf of UNR to secure financing up to $11.2 million for the private match for the Medical Education Learning Lab. Upon the Board of Examiner's approval, construction could begin as early as mid-November.

Regent Rawson moved acceptance of the report and approval of committee recommendations. Regent Page seconded. Motion carried. Regent Alden was absent.

31. Approved – Cultural Diversity Committee *(Agenda Item #31)* - Chair Cedric Crear reported that the Cultural Diversity Committee met on September 18, 2009, and heard the following:

The Committee received separate reports from President Maria Sheehan and President Carl Diekhans and their staff regarding the initiatives at TMCC and GBC that are intended to promote diversity and other matters related to inclusive practices at each institution.

Vice Chancellor Jane Nichols presented highlights from the 2008-09 *NSHE Diversity Report* including information on the ethnic/racial distribution of students, faculty, and staff and on diversity-related performance indicators. Data indicate that current institutional efforts to recruit and retain students, faculty, and staff from diverse backgrounds are not sufficient. The Regents and Presidents discussed the importance of diversity to the long-run success of NSHE institutions and potential partnerships and strategies to improve performance.

The Committee reviewed the standard reports that are scheduled to be heard before the Committee in the coming year, including special topics that the Committee may wish to consider for future discussion. Chair Cedric Crear requested that the topics of recruitment, retention and graduation of students be given special consideration.

On behalf of the NSHE Council of Presidents, TMCC President Maria Sheehan and CSN President Michael Richards reported on the on-going efforts to promote diversity in vendor selection within NSHE and the status of the development of "supplier chain inclusion" policy and practices intended to address institutional business practices. Vice Chancellor Bart Patterson briefly spoke on the process that will be led by the consultant, Cemetrics, ending in formal recommendations to be brought to the Board at a later date.

The Committee received a report from NSHE institutional representatives on 1) the current number of tenured and tenure track faculty, by rank and ethnicity; 2) the number of applications for promotion and/or tenure over the past two years, by ethnicity; and 3) the number of applicants granted tenure or promotion, by ethnicity. At a future meeting additional information on the retention of minority faculty and a plan for each institution on achieving greater success in faculty diversity will be brought back for further review and consideration by the Committee.

31. Approved – Cultural Diversity Committee *(Agenda Item #31)* – *(Cont'd.)*

Action Items:
Board action was requested to approve the following recommendation of the Cultural Diversity Committee:

- The Committee recommended approval of the minutes from the June 18, 2009, meeting.

Regent Crear moved acceptance of the report and approval of the committee recommendations. Regent Page seconded. Motion carried. Regent Alden was absent.

32. New Business *(Agenda Item #32)* – Vice Chancellor Patterson thanked Special Counsel, Ms. Brooke Nielsen, for her work on the System's behalf, adding that she will be missed at the meetings.

Chairman Leavitt thanked President Diekhans, the GBC staff, CSN's audio visual staff and the Elko County Police Department for their efforts in completing a successful meeting.

The meeting adjourned at 2:56 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 December 3-4, 2009, meeting.