

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

UNLV Student Union Ballrooms B & C
University of Nevada, Las Vegas
4505 S. Maryland Parkway, Las Vegas

Thursday, December 3, 2009, 9:00 a.m.

Friday, December 4, 2009, 8:00 a.m.

Members Present: Mr. James Dean Leavitt, Chairman
Dr. Jason Geddes, Vice Chairman
Mr. Mark Alden
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

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
President Michael D. Richards, CSN
President Stephen G. Wells, DRI
President Carl Diekhans, GBC
President Fred Maryanski, 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 9:07 a.m. on Thursday, December 3, 2009, with all members present except Regent Blakely.

1. Information Only - Oath of Office – (Agenda Item #1) – Former Nevada Supreme Court Chief Justice William Maupin administered the ceremonial oath of office to Regent Andrea Anderson.
2. Information Only - Introductions – (Agenda Item #2) – Chairman Leavitt introduced former Clark County Commissioner, Mr. Bruce Woodbury.

President Maryanski introduced Mr. Sam McCool, NSC's Manager of Instructional Technology.

President Wells introduced DRI's Interim Assistant Vice President and Controller, Mr. Stephen Salibar,

President Glick announced that Regent Alden and Regent Gallagher were honored at the UNR 2009 Homecoming by the UNR Alumni Association. He also related that former Regent Howard Rosenberg will be honored with the Jefferson Award for his community service.

President Smatresk announced that Dr. Raymond Schwer, Director of UNLV's Center for Economic and Business Research had passed away. Dr. Schwer's work had significantly impacted the state of Nevada.

3. Information Only - Chairman's Report – (Agenda Item #3) – 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.

President Smatresk introduced UNLV Student, Mr. Michael Gordon. Mr. Gordon came to Las Vegas from Cape Town, South Africa in September 2006 on a Rotary International Ambassadorial scholarship. He received both his LLB (*bachelor's degree*) and LLM (*master's degree*) in private law from the University of South Africa. In South Africa, the LLB degree is required to practice law.

Mr. Gordon has been a founding member of four student organizations on the UNLV campus-Rotaract, UNLV Toastmasters, UNLV Racquetball club and the Public Administration Graduate Association. He is also involved in other on-campus organizations such as Student Ambassadors, Christian grads, Student Alumni Association and serves as his department's representative to the Graduate & Professional Student Association (*GPSA*). In addition to his extra-curricular activities, Mr. Gordon serves as the Assistant Residential Life Coordinator for Tonopah residence hall. He is a member of the National Scholars Honor Society, National Residence Hall Honorary, Pi Alpha Alpha (*the Public Administration honors society*) and Golden Key International Honor Society.

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

Mr. Gordon graduated from UNLV in May 2008 with a Masters in Public Administration and was honored at the ceremony as an “Outstanding Graduate.” He is currently enrolled in the Ph.D. (*Public Affairs*) program and hopes to one day ensure the continued existence of ethical governments worldwide.

President Smatresk then introduced Dr. Martin R. Schiller. Dr. Schiller received a B.A from Hofstra University in 1985, with a major in Biochemistry with a minor in Mathematics and Engineering. He then attended Utah State University and worked on developing a new approach for kinetic analysis of enzymatic reactions (*power point presentation on file in the Board office*).

Dr. Schiller then went on to a postdoctoral fellowship at Uniformed Services University of the Health Sciences and a second fellowship at The Johns Hopkins School of Medicine. In 1997, he was appointed to the faculty at The Johns Hopkins School of Medicine in the Departments of Pathology and Anesthesiology.

In 2000, Dr. Schiller began work at the University of Connecticut Health Center (*UCHC*) where his work resolved the molecular mechanisms by which Kalirin was regulated and linked to the TrkA neurotrophin receptor. Through these studies also emerged a project creating a database for short functional amino acid motifs (*Minimotif Miner*) that is currently being used to identify novel potential drug target sites for treating HIV.

In 2009, Dr. Schiller moved to the University of Nevada Las Vegas. His research has resulted in 42 publications, 11 research grants, and a number of awards. He is on the editorial board of the International Journal of Biological Science and Managing editor of Frontiers in Bioscience. He serves as a reviewer for a number of journals and has reviewed grants for the National Institutes of Health, National Science Foundation, and Medical Research Council. He has given over 25 invited presentations about his research.

Regent Cobb enjoyed Dr. Schiller's presentation and felt that what he has brought to UNLV in such a short period of time was very important. Regent Cobb noted that at noon that day the Academic and Student Affairs will meet and will be discussing the topic of research programs and he invited Dr. Schiller to attend. He felt that NSHE could improve on its education role in advising the public of the benefits of higher education, one component of which was research.

Regent Page asked why Dr. Schiller chose UNLV. Dr. Schiller indicated that he chose UNLV due to the campuses computer sciences, how impressive his interview was with the Department of Biological Sciences. From that interview, he knew that UNLV had so much potential and that it would be a great place to be.

Regent Crear noted that this is one of those areas where UNLV is changing the world but the local community does not know anything about it. He emphasized that this would only change through outreach, marketing, advertising and communicating that UNLV is a world class institution doing world class work.

The meeting recessed at 9:44 a.m. and reconvened at 2:16 p.m. on Thursday, December 3, 2009, with all members present except Regent Blakely.

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

Chairman James Dean Leavitt thanked the members of the Board of Regents and the Presidents who give so selflessly of themselves to further the mission of the Nevada System of Higher Education. He also expressed his gratitude to the student leaders who perform an absolute service to their fellow man and to the System staff that have been exceptional in doing more with much less.

4. Information Only - Chancellor's Report– (Agenda Item #4) –Chancellor Daniel J. Klaich reported that the Governor's office very recently requested that the System present a plan by December 15th for a budget reduction of 1.4% for the remainder of the current fiscal year and a reduction of 3% for the next fiscal year. Although he understood that the State was in the midst of a difficult economic situation, and that the System needed to be part of the solution, he also knew that the NSHE had received a disproportionately larger budget reduction in the last legislative cycle than any other state agency. The System has met every requested reduction and has developed those reductions in a responsible manner. It would be impossible to present such a budget reduction to the Governor's office in less than two weeks. The System will participate if required. However, Chancellor Klaich stated that he would strongly encourage the Governor to use other tools at his disposable other than agency budget cuts at this time.

Chancellor Klaich reported that over the next week, System staff will begin meeting with representatives from every campus to understand the capital needs, budget priorities and what is being done in terms of research grants and contracts. He will also be asking for specific information on the impact of the reductions already sustained in order to plan for the impact of additional cuts.

Chancellor Klaich related that shortly after the beginning of the fiscal year, he had suspended the contract for outside lobbyist services. An RFP has since been prepared to assist in taking a comprehensive look at the use of lobbyists within the System.

In terms of the funding formula, Chancellor Klaich reported that the institutional presidents and business officers are in the process of determining the most significant issues including drivers, mission differentiation and outcomes. An RFP has also been issued for the assistance of outside consulting services. If consultants are retained, they will be for the purposes of this Board, the Legislature and the Governor. However, the scope will be kept as narrow as is reasonable. The Tuition and Fee Committee has also continued to assemble the information needed to determine an appropriate compact between the state and the System.

Chancellor Klaich added that the student surcharge that the Board imposed earlier that year, and that the students supported, will produce approximately \$7 million to enhance the quality of their education. A 1.4% budget reduction, as requested by the Governor for this fiscal year, would obliterate that contribution.

In other matters, Chancellor Klaich indicated that he would continue to work with the presidents to develop measurable goals that could be tracked from year to year and included as part of the presidential evaluation process.

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

Chancellor Klaich related that he has begun to speak more publicly in terms of the current budget situation and enrollment numbers. Implementing enrollment caps would impact the heart of traditional community college missions as more citizens are looking to increase and enhance their skills. Enrollment reports are up by double-digits across the System in a situation in which appropriations have been declining. He asked the Board to take under consideration that, theoretically, a cap already existed through the reduction of available sections. These are the types of decisions that the Board will have to consider as a budget is constructed. He personally felt that it was imperative for the higher education system to be at the forefront of reinventing and diversifying the State's economic picture.

Chairman Leavitt asked if federal efforts had been considered in the RFP for lobbyist services. Chancellor Klaich stated that federal efforts had been excluded as several of the institutions already have interests and lobbyists in Washington D.C. for specific issues.

Regent Knecht expressed his support and gratitude with the Chancellor's efforts in organizing the System's lobbying efforts. Chancellor Klaich stated that it would be very important for the System to be unified in the upcoming legislative cycle.

In regard to enrollment caps, Regent Gallagher observed that if students are allowed to enroll simply because there is a seat, without the quality of education being present, neither the students nor the parents will have benefited. She asked if it would be better for the Board to adopt a policy to make the situation clear to all. Chancellor Klaich stated that would be a very difficult discussion because the impact of enrollment caps will fall disproportionately on under-represented groups. He felt that the highest obligation was to those groups that often have the last voice to ensure equal opportunities.

Regent Gallagher asked what the source of an enrollment cap might be (*ACT scores or first-come first-serve*). Chancellor Klaich felt it was too early in the process to make those determinations.

Regent Cobb noted agenda item no. 22 (*Public Relations, Branding, Marketing and Recruitment Efforts, NSHE*) and suggested that the Board had no more important task than to communicate the benefits, accomplishments and mission of the institutions to the public. That communication needed to include the impact of the budget reductions. He related that UNLV has lost 100 tenured track professors but is still teaching the same or greater number of students. To-date he felt that the System had not done a very good job of communicating those impacts.

Regent Gallagher agreed with Regent Cobb. However she cautioned against the approach that there were fewer professors teaching the same number of students as that may cater to the perception that the professors were not teaching enough to begin with. Regent Cobb agreed, adding that the public did not realize the merits of the research being conducted in addition to teaching duties.

Chancellor Klaich replied that, with all due respect, those were anecdotal misstatements. He was proud of the professors and faculty and felt they were doing an outstanding job. Teaching was not an easy profession and he was deeply indebted to the teachers and faculty of Nevada. He felt that when comments like those are heard, it was important to not buy into them.

5. Information Only - Public Comment – (Agenda Item #5) – President Wells related that DRI and AT&T had formed a partnership to present the 2010 Nevada Medal. For 2010, the medalist will be renacologist and geophysicist, Dr. Robert Ballard. Dr. Ballard was the first to recognize the black smoker vents below the world’s deep oceans. He then went on to become a great explorer, and renowned educator. Dr. Ballard will be in Reno on April 20th and in Las Vegas on April 22nd to accept the award.

President Smatresk related that the UNLV Honor College has prepared the exhibits that had been placed directly outside of the meeting rooms and encouraged attendees to view them.

President Smatresk also announced that UNLV is in the search process for an Athletic Director as well as a Head Football Coach and anticipated that process would move quickly.

Ms. Deanna Weisner addressed the Board in regard to her perceptions related to alleged activities of certain graduates from the UNLV Boyd School of Law. Chairman Leavitt asked Ms. Weisner to provide her name and contact information to the staff.

6. Approved - Consent Agenda – (Agenda Item #6) – The Board of Regents approved the Consent Agenda with revisions to no. (1) Minutes (*Consent Agenda on file in the Board office*).
- (1) Approved - Minutes - (Consent Agenda Item (#1)) – The Board of Regents approved the September 17-18, 2009, meeting minutes with revision to Page 18, Item 13 as indicated below (*Ref. C-1 on file in the Board office*).

Regent Knecht requested that his statement on Page 18, under Item 13 be revised to reflect that “Regent Knecht had the pleasure of serving with Mr. Marvel in the legislature and for serving Mr. Dini as a constituent.”

Regent Knecht also referred to Page 30 of the minutes and inquired on the status of his request for clarification of the term “advisory and legislative” as used in the System’s mission statement. Mr. Wasserman replied that he will be researching and providing that information to the Board Chairman who will then determined how that information should be disseminated to the Board.

- (2) Approved - Procedures and Guidelines Manual Revision, Rehire of PERS Retirees - (Consent Agenda Item (#2)) – The Board of Regents approved the request of Mr. Scott G. Wasserman, Chief Executive Officer and Special Counsel to the Board of Regents, for revisions to the provisions governing Rehire of PERS Retirees (*P&GM, Chapter 2, Section 3*) in compliance with Chapter 346, Statutes of Nevada 2009 (*Ref. C-2 on file in the Board office*).
- (3) Approved - Handbook Revision, Domestic Partners in Residency Determinations - (Consent Agenda Item (#3)) – The Board of Regents approved the request of Vice Chancellor Bart Patterson for revision to the Board’s current policies concerning student residency classifications for tuition purposes in compliance with Senate Bill 283 (*Chapter 393, Statutes of Nevada 2009*). The proposed revisions align the Board’s policy governing residency determinations with the provisions governing domestic partners as enacted under Senate Bill 283. Therefore, registered domestic partners will be treated in the same manner as spouses in residency determinations (*Ref. C 3 on file in the Board office*).

6. Approved - Consent Agenda – (Agenda Item #6) – (Cont’d.)
- (4) Approved – New Endowment, NSHE (Consent Agenda Item (#4)) - Consistent with the Board of Regents’ policy, Title 4, Chapter 10, Section 9.C.2b, the Board of Regents approved the request of Vice Chancellor Mike Reed to accept a \$1,076,470.59 distribution from the Glad Burgeni Holmes trust account and pursuant to the donor’s wishes, to establish the August Holmes and Emma Frisch Holmes Endowment accounts for the benefit of the UNR Art and Chemistry departments (*Ref. C-4 on file in the Board office*).

Regent Wixom requested that a letter of appreciation be sent to the Holmes family.

- (5) Approved – New Endowment, TMCC (Consent Agenda Item (#5)) - Consistent with the Board of Regents’ policy, Title 4, Chapter 10, Section 9.C.2b, the Board of Regents approved the request of TMCC President Maria C. Sheehan to accept a \$5,000 donation from Dr. Ted Lambert to establish the new Lillian Lambert Endowment Account. The new Endowment account will benefit the Truckee Meadows Community College Math Department through software, technology, scholarships, operating expenses and other areas as deemed appropriate by the donor. The donors have expressly requested for this Endowment account to be invested in and managed by the NSHE Endowment pool (*Ref. C-5 on file in the Board office*).

Regent Wixom requested that a letter of appreciation be sent to the Lambert family.

- (6) Approved – Appointment, WestEd Board of Directors (Consent Agenda Item (#6)) – The Board of Regents approved the request of Vice Chancellor Jane Nichols to appoint Ms. Bonnie Hofland, Department Chair/Professor of Education at Great Basin College 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. Ms. Bonnie Hofland 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*).

Regent Crear moved approval of the Consent agenda with the revision to the September 18-19, 2009, minutes as stated under No. 6 (1). Regent Alden seconded. Motion carried. Regent Blakely was absent.

Regent Schofield left the meeting.

7. Approved - Resolution in Honor of Frank Fertitta, Jr. – (Agenda Item #8) – The Board of Regents approved a resolution in honor of Mr. Frank Fertitta, Jr., for his dedication and service to the state of Nevada and support of the Nevada System of Higher Education.

Regent Crear related that Mr. Fertitta was the epitome of class, and that his affection for life had carried over to him personally. He thanked Mrs. Fertitta and their family for being available to accept this resolution as they have given so much to the University of Nevada, Las Vegas and to the community.

7. Approved - Resolution in Honor of Frank Fertitta, Jr. – (Agenda Item #8) – (Cont'd.)

Regent Crear moved approval of the resolution in honor of Mr. Frank Fertitta, Jr. Regent Knecht seconded. Motion carried. Regents Blakely and Schofield were absent.

Regent Crear thanked the UNLV Tennis Teams for being present to witness the dedication of this resolution in Mr. Fertitta's honor, adding that the Fertitta family has made significant contributions in support of their training facility.

Regent Alden left the meeting.

8. Approved - Institutional Strategic Plan 2009-2015 and Revised Mission Statement, UNR – (Agenda Item #7) – The Board of Regents approved the University of Nevada, Reno, Institutional Strategic Plan 2009-2015 and the revised University of Nevada, Reno, Mission Statement as presented (Ref. BOR-7a and BOR-7b on file in the Board office).

Dr. Marc Johnson, Executive Vice President and Provost, UNR, reported that, as required by Board policy, each institution is to present a six-year institutional strategic plan every six years. UNR's Strategic Plan recognizes the current economic times. By emphasizing transformation of faculty and student support systems and support for external entrepreneurship by faculty in the short term, and institutional growth in the longer term, the goals outlined in this plan can be met.

- What the University is:
 - Constitutionally established in 1874 as Nevada's Land Grant University.
 - The Carnegie Foundation for the Advancement of Teaching.
 - National Merit Sponsoring Institution.
 - U.S. News and World Report: Tier 3 (*institution*).
 - Forbes Top 600 List: #406
 - Among Public Universities:
 - Research Expenditures – 96th
 - Federal Research – 81st
 - Endowment Assets – 85th
 - Faculty Awards – 46th
 - Post Doc Appointments – 80th
 - National Merits – 84th (*with 4*) [29th *with 26*]
- Vision:

The University of Nevada, Reno is an internationally-respected, high quality, accessible, arts and science university, fully engaged with Nevada's citizens, communities, and governments to improve economic and social progress.

The University of Nevada, Reno's mission is to: a) prepare graduates to compete in a global environment through teaching and learning in high-quality undergraduate, graduate, and professional degrees in the liberal arts, sciences, and selected professions in agriculture, medicine, engineering, health care, education, journalism, and business; b)

8. Approved - Institutional Strategic Plan 2009-2015 and Revised Mission Statement, UNR
 – (Agenda Item #7) – (Cont'd.)

create new knowledge through basic and applied research, scholarship, and artistry, in strategically selected fields relevant to Nevada and the wider world; c) improve economic and social development by engaging Nevada's citizens, communities, and governments; and d) respects and seeks to reflect the gender, ethnic, cultural, and ability/disability diversity of the citizens of Nevada in its academic and support programs, and in the composition of its faculty, administration, staff, and student body.

The University of Nevada, Reno, serves as an accessible, comprehensive, doctoral-granting, research university with characteristics of a high-quality liberal arts university and Nevada's land grant university, combining undergraduate and graduate education, fundamental and applied research, and engagement with Nevada's citizens, industry, and governments.

- Goal 1: Comprehensive University.
- Goal 2: Serve Nevada's traditional & emerging renewable energy industries.
- Goal 3: Prepare Nevada for the diversified knowledge economy.
- Goal 4: Prepare Nevada youth to participate in the world economy.
- Goal 5: Improve the physical and mental health of Nevadans.
- Goal 6: Enhance sustainable environmental quality in Nevada.
- Goal 7: Participate in Intercollegiate Athletics.
- Goal 8: Build the University's infrastructure.

Provost Johnson indicated that in order to determine if progress is being achieved, numerous measures will be tracked and reported annually to the Board. In conclusion, despite the difficult economic times, the University has a plan to provide a high quality liberal arts institution and to serve as Nevada's land grant university by engaging the citizens of this state in relevant and current issues.

Regent Rawson stated that he was impressed with the progress and goals of the University. He asked if it was possible for UNR to address their support of the Health Sciences System initiative within their strategic plan.

Regent Gallagher agreed with Regent Rawson, adding that while the Board was not asking that the institutions recognize the need to fund the Health Sciences System in their strategic plans, the Board is asking institutions to recognize that they will all participate in the initiative.

Regent Knecht saluted the UNR Administration, Faculty, staff and students for preparing an outstanding plan. He referred to Page 2, second paragraph, noting that the University recognized the need to diminish a number of programs that had developed during good economic times. Although regretful, he greatly respected their candor and forthrightness in recognizing the necessity of that action.

8. Approved - Institutional Strategic Plan 2009-2015 and Revised Mission Statement, UNR
- (Agenda Item #7) - (Cont'd.)

Regent Knecht referred to Page 12 of the plan that indicates that UNR respects and reflects the diversity of Nevada's citizens. However, in terms of gender of diversity, he did not see recognition that the population of Nevada is 50.8% male, but the University's student body is comprised of approximately 46% male. He added that the latest national unemployment figures reflected that unemployment among males was 11.4% compared to 8.8% for females, and hoped that at some point, UNR would reflect that diversity. He added that he would be heartened if the Plan contained a straightforward nondiscrimination pledge as a primary principle.

Regent Knecht requested a simple definition of the term "sustainability." President Glick felt that the term "sustainability" was very important because it moves from just talking about environment to more of a consideration of the pillars of economy, environment and quality of life.

Regent Knecht felt that throughout the country, the definition of sustainability has lost focus and meaning. Many campuses use a zero carbon impact statement as the hallmark for their sustainability efforts. However, the climate science is not settled and much of the climate-gate issues have moved from science to politics. The fallout from the politicization of science will not be limited to those people that have engaged in scientific misconduct. It will tend to tar those that have embraced it. When it comes to sustainability, he asked that the past 35 years and the next 35 years be considered and that the so-called global-warning deniers of current times will perhaps be considered the "Galileo's" of their day and that sustainability will be seen as quaint as bell bottoms and platform shoes.

Regent Wixom moved approval of UNR's Strategic Plan and revised Mission Statement. Regent Cobb seconded.

Regent Wixom related that higher education is much more complicated than he had ever imagined and the presentation of mission statements by each of the institutions has been enormously helpful. He also felt it was important to recognize that the Board of Regents is the interface between the public and higher education. In that regard, one of the questions asked from time to time, is to what extent numerical benchmarks could be established. In response to the pressure building to establish specific measurement benchmarks, he asked all the institutions how each would respond to those requests for specific data in terms of graduation rates, diversity, and community outreach and gender issues.

President Glick related that the goals within the strategic plan were established three years ago and will be evaluated and reported back to the Board on an annual basis. He felt that it was important to be very upfront on how the University is doing in those qualitative areas. However, it was much more difficult to measure quantitative goals.

In response to Regent Knecht's comments on the male to female ratio of students, President Glick stated that there was a time when institutions were predominantly male because of the barriers that discouraged females. He felt the shift to predominately female

8. Approved - Institutional Strategic Plan 2009-2015 and Revised Mission Statement, UNR
 – (Agenda Item #7) – (Cont'd.)

students was cause for concern in the regard that young men are not pursuing higher education, adding that the ratio is even more distorted in specific communities than others. There could be a lengthy discussion on the forces that are placed upon young men to not achieve or pursue higher education. He felt it was an issue worth keeping to the forefront. It was not an issue of too many young women attending college. It was more an issue of not enough men were attending college.

Provost Johnson related that there were three very important numbers to consider. The first was where the University was that day, the second being where they want to be and the final being the national average for comparison purposes.

Chair Wixom related that his hope and expectation is to move towards those measures as a System.

Regent Cobb asked Provost Johnson to elaborate on what the University is doing in terms of intervention and advisement of non-athletes. Provost Johnson related that the math and writing tutoring centers had been eliminated over the last year as part of the budget reductions. However, they became very cognizant of the need for tutoring in those areas and found it necessary to implement a fee to help reinstitute that assistance. The University also has various retention services, counseling services and academic advising programs available.

President Glick added that the University has been working with the Superintendent of Washoe County School District to make sure higher education's expectations of math and English skills matched that of K-12 education. They would greatly like to include the other counties in that conversation as well as the other institutional presidents. One of the ideas generated is to use the last semester of high school as a boot camp for students that are deficient. It is known that if those deficiencies can be addressed early, the students' success rates increase dramatically. He added that if the same amount of money was spent on non-athletes as on student-athletes, there would be much more success.

Motion carried. Regents Alden, Blakely and Schofield were absent.

The meeting recessed at 4:11 p.m. and reconvened at 4:18 p.m. on Thursday, December 3, 2009, with all members present except Regents Blakely, Crear and Page.

9. Approved - Procedures & Guidelines Manual Revision, Special Student Fees – (Agenda Item #9) – The Board of Regents approved Vice Chancellor Mike Reed's request for approval of revisions and additions to Student Fees, Special Course Fees, Residence Hall and Food Service Rates, and Apartment Rental Rates (*P&GM Chapter 7, Sections 6, 7, 10, 11 and 12*) for academic year 2010-2011 as required by Board Policy (*Title 4, Chapter 17*) (*Ref. BOR-9 on file in the Board office*).

Regents Crear and Page entered the meeting.

9. Approved - Procedures & Guidelines Manual Revision, Special Student Fees – (Agenda Item #9) – (Cont'd.)

Regent Rawson appreciated the way that the requested revisions were presented. He expressed an overall concern that the burden was being placed more on the student than on the general tax base. However, he felt that proper justification existed for the request although he did not like the trend.

Regent Crear asked for an explanation in UNR's various Meal Plans. Dr. Shannon Ellis, Vice President of Student Affairs, UNR, clarified that their institution's request actually included a decrease in cost for most of the plans offered. Serious consideration was given to each meal plan, what the expensive features were and what features were increasingly expensive to continue offering from year to year. For example, the basic meal plan will no longer allow unused credits to roll over at the end of the week, nor can those unused credits be used to purchase other features. However, in response to some of the students that would like to maintain flexibility, those more expensive features have been separated out and can be purchased at an additional cost.

Regent Crear observed that a student has multiple options to choose a plan based on their budget. Dr. Ellis explained that some of the more expensive features included the ability to carry unused credits beyond each week and the ability for unlimited guests (*card swipes*). Students that still want those features can pay the fee on the Plus programs to have those flexibilities.

Regent Crear noted that Platinum Meal Plan A appeared to involve a request for an increase. Dr. Ellis explained that particular plan was already the basic block plan and therefore that is where the increased cost to provide the basic service is most noticed.

Regent Rawson moved approval of revisions and additions to Student Fees, Special Course Fees, Residence Hall and Food Service Rates, and Apartment Rental Rates (*P&GM Chapter 7, Sections 6, 7, 10, 11 and 12*) for academic year 2010-2011. Regent Page seconded.

Regent Wixom echoed Regent Rawson's observations that the presented format was very helpful and asked if that format had ever been used before. Vice Chancellor Reed related that the format had recently been restructured. Regent Wixom restated that it was very helpful and complimented the System staff for the more comprehensive structure, adding that the changes addressed many of the concerns expressed in the past.

Regent Wixom noted Title 4, Chapter 17, Sections 18 & 19 of the *Handbook* and requested confirmation, for the purposes of the record and for full disclosure, that the students had been involved this process. Mr. Adam Cronis, CSUN President, UNLV, replied that, particularly with the CLS fees, steps were taken to meet with the various classes of students. He related that the students were in support of their programs and the additional fees if that allowed the necessary tools and resources to continue to be available. He also expressed his personal concern that it was a large increase for the students to absorb. In return, the University is doing what it can to mitigate the increase

9. Approved - Procedures & Guidelines Manual Revision, Special Student Fees – (Agenda Item #9) – (Cont'd.)

through controls in other areas such as parking and book fees. Mr. Cronis expressed the students grudging understanding of the need for the increase in fees.

Chancellor Klaich appreciated the remarks on the more comprehensive structure of the revisions. He added that there was an additional handout prepared by UNLV that reflected a flow chart on how the student fee process works, the make-up of their committee members, the number of requests that came forward and the number of requests that were passed (*on file in the Board office*). Anecdotally, he related that the other institutions follow a similar process. This information will become part of the record so that there is confirmation that the process was followed.

Regent Wixom noted that one of the rationales given to justify the fees was the capturing of third party costs instead of transferring those costs to the students. Specifically, he asked if third party costs were costs for individual instruction, private music lessons, class supplies, third-party exchanges for use of facilities and extraordinary instructional costs that are outside of and not part of the infrastructure provided at the institutions. President Smatresk explained that there were different categories of costs including direct consumables, indirect costs such as the fuel for transporting a class on a field trip, and then there was the possibility of third party costs such as additional fees for a specific certification.

Regent Wixom requested explanation for the wide divergence of fees between the campuses for relatively similar services such as fees for late payments, MBA program orientation and professional development. President Smatresk explained that over time, as different courses have escalated in costs and as budgets have been cut, there is no longer the ability to offer those classes. There may have also been cases where classes or services that were traditionally supported through outside business or donors no longer have that support. He deferred to his colleagues as to other reasons why fees may be different from institution to institution.

President Glick related that in terms of the MBA program, UNR only has a part-time program. He assumed that UNLV's MBA program may be a strong full-time program. He suggested that UNR and UNLV collaborate and conduct a fee by fee comparison and develop rationale for why they are, or are not, the same.

Chairman Leavitt felt that perhaps more information was needed for the varied level of divergence between the fees. Regent Wixom expressed concern that some of the fees are not similar and appear unrelated to the actual situations. Ultimately, he was concerned that the fees charged have a direct nexus with the services that are actually being provided.

Regent Geddes also urged caution in being mindful of the Letter of Intent. For example, if he is a CLS student, he is being charged at least an additional \$1,600 that is not under tuition and fees. There needs to be an upfront understanding of the fee structure for the various programs that have more expensive or additional costs.

Regent Alden expressed agreement with Regent Wixom's stated concerns.

9. Approved - Procedures & Guidelines Manual Revision, Special Student Fees – (Agenda Item #9) – (Cont'd.)

Regent Knecht felt that Regent Wixom made some very good points. He expressed concern for those differentials that become significant. However, he was not concerned about a differential price structure. He asked Vice Chancellor Reed if he could characterize this proposal as being more cost driven differentiated pricing. Vice Chancellor Reed replied that was correct. Regent Knecht related that cost driven differentiated pricing is fair, equitable and economically efficient. Although he feels the pain of charging the higher fee, there are also those that get a higher personal income benefit over the course of their lives for an education. As long as there is full disclosure of the various fees, he would support the request.

Regent Gallagher related that parents contacting her were not complaining about the cost of education, but are more concerned with knowing up front what the costs of education are and not receiving a surprise when it comes time to pay. She asked if there was a way to indicate all fees upfront. Chairman Leavitt indicated that was in line with Regent Wixom's concern for transparency.

Vice Chancellor Reed felt that the concerns expressed by the Regents are part of the new relationship that is evolving between the state and the students. He agreed that there needed to be an upfront and effective pricing of the various majors so that there could be a full understanding of the funding of education. Chairman Leavitt asked if this subject needed to be placed on the March or June 2010 agenda for further discussion. Vice Chancellor Reed requested the opportunity to meet with the Business Officers to determine the possibilities before it is brought before the Board.

Chancellor Klaich related that the Board would also hear periodic reports from the Tuition and Fee Committee in the near future. He anticipates those reports will advance the entire conversation.

Vice Chancellor Reed related that a cost breakdown already exists of low, medium and high cost programs. He felt it would be necessary to have an open discussion with students in regard to what the new arrangement will be between the state and the citizens.

Regent Alden indicated that he would be voting against this request. Specifically, Regent Alden noted the differential in terms of the no-show fee for summer session and the orientation fee as listed on Page 23 of BOR-9.

Regent Knecht added that even with the direction of the questions that have been asked, he agreed that the presentation of the materials had been very helpful.

Regent Cobb felt that Regent Alden's concerns were not that the fees were being revised but that they had even been applied in the first place. He placed the onus on Vice Chancellor Reed and campus presidents to state that the requested fee changes were justifiable, fair and equitable to furthering the mission of the respective institutions. Vice Chancellor Reed replied that, given that the processes implemented by the campuses were much more thorough than had occurred in the past, he felt that the proposed revisions were reasonable.

9. Approved - Procedures & Guidelines Manual Revision, Special Student Fees – (Agenda Item #9) – (Cont'd.)

Chairman Leavitt asked President Smatresk to elaborate on the fee process. President Smatresk replied that the process is incredibly rigorous and often results in modification to or denial of many of the initial requests. He felt very confident in vouching that the requested fee changes reflect an actual need in continuing to provide a service or executing a function. In certain situations, if the fees are not charged, the program will no longer exist.

Regent Page commended the students for once again stepping up and participating in the responsibility for the cost of higher education.

Regent Rawson stated that although there is the tendency to look at the western or national average, the state of Nevada has underserved higher education for the last fifty years. That underrepresentation is now being reflected in some of the communities. He saw a transference occurring from a publicly funded education system to more of a student driven system. Given the various inequities in the system, he indicated that in the future he would not continue to support the reliance on students to pay for the increased costs of higher education.

Regent Alden replied to Regent Cobb's comments, stating that he has voted consistently against the increase or addition of fees and that the proposal fails to include changes that would ameliorate the differentials that have been pointed out.

Regent Anderson agreed with much of what had been said. She has noticed that particularly in the technical programs, many of the supplies or services that used to be received through donation have dried up with the economy. Many of the supplies must now be purchased and she felt that was having a real impact on those programs.

Chancellor Klaich stated that this was an ongoing process and would never be perfect. He felt that Vice Chancellor Reed had presented the proposed revisions in a way that was thoughtful and organized.

Mr. Wasserman noted for the record that there were two supplemental handouts (*GBC's revisions to Special Course Fees and Residence Hall Rates*) provided to the Board and the public (*on file in the Board office*).

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

The meeting recessed at 5:05 p.m. on Thursday, December 3, 2009.

The Board of Regents convened at 10:06 a.m. on Friday, December 4, 2009, sitting as Members of the Corporation for the respective institutions.

10. Information Only-Foundation Reports (Agenda Item #12) - Sitting as members of the respective institution foundations, the Board reviewed presentations from the institution foundations (*see individual Foundation minutes filed separately in the Board office*).

The Board of Regents' regular meeting reconvened at 11:35 a.m. on Friday, December 4, 2009, with all members present except Regent Kevin Page.

11. Approved - Procedure & Guidelines Manual Revision, Student Support Activities and Graduate and Professional Student Association Fee, UNLV – (Agenda Item #10) – The Board of Regents approved UNLV President Neal J. Smatresk's request for approval to assess undergraduate students a \$2.00 per credit fee for student support activities, and to assess graduate students a \$5.00 per credit fee to support the Graduate and Professional Student Association and student support activities. This request will amend *Procedures & Guidelines Manual Chapter 7, Section 13.1 (Ref. BOR-10 on file in the Board office)*.

President Smatresk elaborated that for the \$2.00 undergraduate fee, \$1.00 will be allocated to athletics and \$1.00 to the UNLV Academic Success Center. Of the \$5.00 graduate fee, \$1.24 is being requested to replace an equal amount that the University currently contributes. That fee will generate approximately \$84,000 per year. The matching amount that the University had contributed will be put back into the University's General Fund to support other critical areas. \$1.00 will also be allocated to athletics. The remaining \$2.76 will be allocated to support graduate assistantships, which is a high need and top strategic priority.

Regent Wixom expressed concern for how this increase would affect the Letter of Intent. Chancellor Klaich explained that as a special fee, it would technically be treated outside the Letter of Intent. As the Board is also aware, the System has engaged legislative leadership in an ongoing discussion of the Letter of Intent. Although he could not provide a definitive answer at this time, he indicated that there will be a time when fee requests will be directly impacted by the Letter of Intent.

Regent Wixom noted the correspondence received from the Legislature a few years ago regarding the implementation of fees. He felt at times that the additional fees were getting out of control. Chancellor Klaich replied that the Chairman and the Vice Chairman have recently established a tradition of meeting with the student leaders while at the Board meeting and that has generated a great deal of input from that sector. This discussion will also be brought back to the Board as part of the Tuition and Fee Committee. The Board has indicated that it wants to see more packaging in truth for the cost of education. Chairman Leavitt asked Chancellor Klaich to keep the Board apprised of his discussions with the legislative leadership.

Regent Geddes asked if there was a cap on the number of students that receive free tickets for sporting events. Ms. Jessica Lucero, GPSA President, UNLV, replied that there is not a cap. Every UNLV student that wants a ticket receives a ticket, plus a half price ticket for a guest.

11. Approved - Procedure & Guidelines Manual Revision, Student Support Activities and Graduate and Professional Student Association Fee, UNLV – (Agenda Item #10) – (Cont'd.)

Regent Geddes asked, in terms of Coach Kruger's incentive contract, was there a procedural cap on the number of free student tickets. President Smatresk replied that the cap would be the number of seats minus the number of season ticket holders and ticket sales for that game. However, practically speaking, that situation has never occurred.

Regent Geddes remembered that in 2008, when UNR had requested this same fee, UNLV had indicated that they were not interested in requesting one also. He asked what occurred to change that philosophy. President Smatresk felt that initial position had been a strategic error. He added that it was critical to go forward with both requests at this time as it was becoming increasingly difficult to provide the services that would help to improve the quality of education.

Regent Knecht referred to Page 5 of Reference BOR-10 and indicated that the material provided could have been more transparent in stating that this was a fee increase and not a reallocation. Chancellor Klaich and President Smatresk confirmed that the request involved a fee increase.

In terms of the value assigned to the free student tickets, Regent Knecht asked if the estimated number was based on the admission price if the students exercised every right that they had to those tickets. President Smatresk indicated that was correct.

Regent Knecht referred to a recent column published in the Rebel Yell indicating that the student success aspect of this fee may be attributed to the fact that non-remedial admission level students are subsidizing those that require remedial education. President Smatresk replied that the increase was not purely for remedial class work. The requested fee will also provide testing and tutoring and help with the staffing issues centered on early warning and retention rates.

Regent Knecht clarified that he was not suggesting that it was entirely remedial, but that there was a significant element of that within the request. President Smatresk agreed that an element of remediation did exist. The University accepts many students that are not entirely qualified, as do other universities such as Harvard. 80% of the students entering college are not ready for college-level math and 50% do not read at a college-level. UNLV would like to improve base skills through individualized detection and improvement through a suite of services. Almost every student needs some sort of assistance at some point along the line. To him, he would characterize it less as remediation and more as assistance throughout their educational career.

Mr. Cronis related that there had not been much fan fare associated with this fee. He asked the Regents to note that the resolution submitted with the reference material was from the previous spring semester. During that process ten to twelve of the student leaders spoke with students throughout campus in approximately 50 classrooms, approximately 30-40 organizations and through an e-mail campaign to several thousand addresses. Much of the response had been ambivalent. Many of the students understood and appreciated the need for the Academic Success Center. One of the important components of the Center's services was the class concierge program that helps students that are approaching graduation to get the classes they need to graduate in a timely

11. Approved - Procedure & Guidelines Manual Revision, Student Support Activities and Graduate and Professional Student Association Fee, UNLV – (Agenda Item #10) – (Cont'd.)

manner. The athletic fee appeared to be more of a peripheral concern. However, the majority of students, while not pleased, understood the reason for it. There was a strong Rebel spirit growing on the campus. Although he felt conflicted on special fees, he was confident that these two fees would provide large benefits to the students.

Regent Knecht thanked Ms. Lucero and Mr. Cronis for reaching out to him and for their spirited public explanations to his questions. To the extent that Mr. Cronis is relying on precedent, he asked why the full \$5.00 was not being requested. Mr. Cronis related that had been debated in the spring also. However, there were some constitutional issues that were in the process of being worked out with the Student Affairs office. Once that has been cleared, other components such as student fees will be decided upon. If additional fees are requested, they will be presented next year and upon mass outreach to the student body. Regent Knecht stated that if that request is brought forward, it will be very important for the Board to know that a thorough survey of the student body had been conducted.

Regent Knecht asked Ms. Lucero to explain what had been done at the graduate student level to determine the level of fee increase. Ms. Lucero related that the GPSA resolution had also been signed the previous spring. She stated that she had first spoken with the administration and then with the Executive Board. With the Executive Board's support, the request was placed on the agenda for the May meeting. E-mails containing the proposed resolution were sent to the students. The Council representatives then took it to their constituencies.

Regent Knecht appreciated the candor and forthrightness of the student leaders. This request was difficult for him as he did not feel it was the time to raise fees. He indicated that he was still undecided and would be listening closely to the remainder of the discussion.

Ms. Lucero appreciated Regent Knecht's concern. However, she also felt that the students wanted to find a way to show that they also have "skin in the game." In terms of the \$2.76 for graduate students, Ms. Lucero related that due to the budget situation, the cost of tuition and fees has increased while the percentage of the assistantship (*tuition and fee waiver*) has not. That fee would help to fill that gap.

Regent Knecht asked if the nominal \$2.76 increase was to be used to subsidize the students that receive graduate assistantship. Ms. Lucero stated that was correct.

Regent Alden moved approval of UNLV President Neal J. Smatresk's request approval to assess undergraduate students a \$2.00 per credit fee for student support activities, and to assess graduate students a \$5.00 per credit fee to support the Graduate and Professional Student Association and student support activities. This request will amend *Procedures & Guidelines Manual Chapter 7, Section 12.1*. Regent Blakely seconded.

11. Approved - Procedure & Guidelines Manual Revision, Student Support Activities and Graduate and Professional Student Association Fee, UNLV – (Agenda Item #10) – (Cont'd.)

Regent Cobb asked Ms. Lucero and Mr. Cronis if they were asking the Board to approve the request for a fee increase. Ms. Lucero stated that was correct.

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

Regent Knecht added that his vote in support of the request was due to the extensive student input and support for the increase.

The meeting recessed at 12:01 p.m. and reconvened at 12:34 p.m. on Friday, December 4, 2009, with all members present except for Regent Page.

12. Approved - Health Sciences System Committee – (Agenda Item #28) - Chair Dorothy Gallagher reported that the Health Sciences System Committee met on December 4, 2009, and heard the following:

- Minutes – The Committee recommended for approval the minutes from the June 11, 2009, meeting. (*Ref. HSS-1*)
- Contract Approval – Nevada Cancer Institute Master Affiliation Agreement with the Nevada System of Higher Education - The Committee recommended for approval a master affiliation agreement between the Nevada System of Higher Education and the Nevada Cancer Institute to encourage broadened collaborations in education and research.

Vice Chancellor Patterson related that the intent of the Master Affiliation Agreement, while not requiring a specific commitment of resources, provides the framework for each institution to engage in specific research, educational and training opportunities between the Nevada Cancer Institute and those institutions.

Vice Chancellor Patterson thanked Justine Harrison, the Vice President and General Counsel for Nevada Cancer Institute, and t Mr. Walt Ayers, the Assistant General Counsel for the School of Medicine. There was also a great deal of participation from the institutions.

Vice Chancellor Patterson introduced Dr. Ruchdaschael, Executive Director of the Nevada Cancer Institute. Dr. Ruchdaschael related that he has learned that there is much more depth and breadth to the science of the state universities than given credit for. Having the agreement in place will make collaboration a simple process. They are looking forward to transactions that will strengthen the position of the System.

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

13. Withdrawn - NSHE Governance - A Role Model – (Agenda Item #11) – This agenda item was withdrawn.
14. Approved - 2009-2014, Institutional Strategic Plan, NSC– (Agenda Item #13) – The Board of Regents approved NSC President Fred Maryanski and Provost Lesley Di Mare’s request for approval of the 2009-2014 Institutional Strategic Plan for Nevada State College (*Ref. BOR-13a and BOR-13b on file in the Board office*).

President Maryanski related that NSC began a strategic planning initiative in the fall of 2008 with a campus retreat. As a result, an Institutional Strategic Planning Committee was appointed by NSC Provost DiMare to address the mandated objectives of the college. The Committee was appointed with representation across the campus and community.

- NSC’s Mission:
The College’s mission is to educate the next generation of professionals for the State of Nevada.
 - Serve as Nevada’s first middle-tier, four-year baccalaureate institution.
 - Offer wide range of baccalaureate programs and selected Masters programs to meet general needs of the State of Nevada with special emphasis on nursing and education.
 - Address Nevada’s needs for increased access to higher education.
 - Promote partnerships with NSHE institutions and Nevada’s public school system.
 - Assist students transferring from the state’s community colleges.
- NSC’s Strategic Goals:
NSC’s six strategic goals are overarching and flexible to allow the College to evolve while remaining committed to its iTeach values.
- iTeach Core Values:
 - Innovation
 - Teaching Excellence
 - Economic Development
 - Assessment
 - Customer Service
 - Heritage

Provost Di Mare, Mr. Lee Young, Vice Provost for Enrollment Management and Student Services, NSC and Ms. Amsala Alemu-Johnson, NSSA President, NSC continued the presentation:

- (Goal #1) Advance academic programs.
- (Goal #2) Increase retention, persistence, and graduation.
- (Goal #3) Competitively position NSC within the local, state and regional market.
- (Goal #4) Build a culture of community.
- (Goal #5) Encourage and support an institutional and individual entrepreneurial spirit.
- (Goal #6) Enhance technology and information literacy to educate faculty, staff and students in the use of print and electronic resources.

14. Approved - 2009-2014, Institutional Strategic Plan, NSC– (Agenda Item #13) – (Cont'd.)

- Measures of Success to Date:
 - Commended by NWCCU on Standards of Academe.
 - Commended by NWCCU on Outcomes Assessment.
 - Increased enrollment for NSC by 19.8% (*headcount*) and 21.0% (*FTE*) for Fall 2009.
 - Collaborated with Teresa Farnum & Associates to track institution retention data.
 - Developed new website and utilized survey data to develop and market NSC's brand.
 - Awarded numerous national and local grants to support institutional programs.
 - Host Southwest Technology Showcase – first of its kind in Nevada.

Regent Cobb related that he had prepared a report on the accomplishments of the institutions earlier in the year that featured NSC because he had been impressed with what they had accomplished in such a short amount of time. Statistically, NSC's enrollment is 45% minority, its faculty is 35% minority, 70% of its student body are independent and support themselves and over 50% are first-generation attendees.

Regent Rawson asked NSC to define their commitment to the Health Sciences System. He noted that NSC does support the Health Sciences in that they have a Nursing program but he would have liked to have seen a commitment as part of their strategic plan. President Maryanski replied that NSC's commitment is demonstrated through their participation in the Shadow Lane SIMS Lab. With their institution's limited resources, their participation was a substantial reflection of their commitment.

Regent Knecht moved approval of NSC's 2009-2014 Institutional Strategic Plan. Regent Crear seconded.

Regent Knecht expressed his appreciation in the personal way in which NSC has reached out to the members of the Board. In terms of the strategic plan, he felt that it would be a good idea to elevate and highlight a thorough and continued commitment to nondiscrimination. When terms such as social justice are used, they may be too broad and therefore at times convey less rather than more.

Regent Knecht referred to Page 10 of the strategic plan and related that the School of Mathematics program was in line with NSC's mission and their K-12 teacher preparation. However, he felt that one of the problems that K-12 education had in Nevada was that it focused on pedagogy and not on the mastery of subject first. He asked President Maryanski if NSC, as part of their strategic plan to help improve Nevada K-12 teacher preparation, placed an emphasis on subject mastery first instead of the latest trends and fads in pedagogy. Provost Di Mare related that NSC is currently considering areas where content could be developed better. Regent Knecht added that it was his personal goal that Nevada higher education be part of the solution, not part of the problem.

Regent Crear expressed appreciation for NSC's broad based outreach and advertising campaign and felt that the increase in enrollment could be attributed to those efforts.

Motion carried. Regent Page was absent.

15. Approved - Employment Contract, Head Women's Softball Coach, UNLV – (Agenda Item #14) – The Board of Regents approved UNLV President Neal J. Smatresk's request for a new three year contract for Mr. Pete Manarino, UNLV Head Women's Softball Coach (*Ref. BOR-14 on file in the Board office*).

President Smatresk introduced Mr. Gerry Koloski, Acting Interim Athletic Director, UNLV. Mr. Koloski reported that the contract was for a period of three years. The terms and conditions were identical to those presented in Coach Manarino's initial contract approved by the Board one year ago. The purpose of requesting a renewal of the contact at this time was that Coach Manarino has brought in several freshmen and would like to ensure that he will be the coach for a full four years.

Regent Alden moved approval of a new three year contract for Mr. Pete Manarino, UNLV Head Women's Softball Coach. Regent Crear seconded. Motion carried. Regent Page was absent.

Regent Alden left the meeting.

16. Approved - Handbook Revision, Grants-In-Aid - – (Agenda Item #16) – The Board of Regents approved Assistant Vice Chancellor Crystal Abba's request for consideration and approval of revisions to the Board's current policies on grants-in-aid (*Title 4, Chapters 3, 5 and 18*). From January 2006 through April 2008, the NSHE Internal Audit Department audited the professional employee and graduate research assistant grant-in-aid functions at all NSHE institutions, including DRI, System Administration and System Computing Services. As a result of the audits, the Board's Audit Committee recommended the policies be updated as appropriate. Staff recommends amending the policies as proposed to reflect "best practices" and current institutional protocols (*Ref. BOR-16 on file in the Board office*).

Ms. Abba related that this policy does not address grants-in-aid for Classified staff as they are governed by Nevada Revised Statute. This request specifically applied to grant-in-aid for professional employees and students. For professional employees, grant-in-aid covers a portion of the registration fee to pursue a course of study at any NSHE institution. For students, grant-in-aid is provided in the form of financial aid that the students do not have to repay.

From January 2006 through April 2008, the NSHE Audit Department conducted an audit of all professional grant-in aid programs across the System. The audits did not deal with the student grant-in-aid provisions. However, because those provisions are all in the same chapter the opportunity was taken to clean up both.

Ms. Abba summarized the more substantive changes. All of the professional staff provisions were relocated to a separate chapter. That will mean, for the purposes of the financial report, those calculations will no longer be included in the financial aid calculations, which may have previously over stated those totals. The proposed revision also more closely aligns the policy to the requirements of SB283 for domestic partners. Under this revision, the children and spouses of domestic partners will be eligible for the same grant-in-aid benefits as children and spouses in traditional situations.

16. Approved - Handbook Revision, Grants-In-Aid - - (Agenda Item #16) - (Cont'd.)

Regent Page entered the meeting.

In addition, Ms. Abba related that there were currently two situations in which a retired professional employee may continue to receive grant in aid. The first was when an employee is at least age 60 with 10 years of service. The second being an employee at least age 55 with 20 years of services. In an effort to encourage long-term service, and given the current budgetary constraints, the revision includes a recommendation to limit the grant-in-aid for retired professional staff to those that are at least age 55 with 20 years of services. However, there is a provision that provides that those professional staff at least age 60 with 10 years of service, to the extent that they are currently enrolled, and remain currently enrolled, will be grandfathered in.

Ms. Abba related that in the process of vetting this policy, language to cover the full cost of education within the grant-in-aid policy had been considered. However, given the current economic climate, it was not prudent to expand those benefits at this time, although there are other states that do cover the full cost. Ms. Abba noted that the report includes a recommendation to allow for the reexamination of these benefits for professional and classified staff when the financial condition of the System improves.

In addition, Ms. Abba related that one of the most substantive changes in this proposed revision was the consistent use of a 2.0 GPA as a requirement across all institutions.

Regent Page moved approval of revisions to the Board's current policies on grants-in-aid (*Title 4, Chapters 3, 5 and 18*). Regent Geddes seconded. Motion carried. Regent Alden was absent.

17. Approved - Employment Contract, Vice President for Advancement, UNLV - (Agenda Item #15) - The Board of Regents approved UNLV President Neal J. Smatresk's request to implement a contract renewal for Dr. William G. Boldt, Vice President for Advancement. Dr. Boldt's current contract expires June 30, 2010. This early renewal request would be effective July 1, 2010, through June 30, 2013 (Ref. BOR-15 on file in the Board office).

President Smatresk related that when Dr. Boldt was initially hired, he was provided the ability to receive incentive bonuses of \$25,000. Dr. Boldt has declined those bonuses despite having reached his marks for both years. In lieu of those bonuses, and because Dr. Boldt has done a remarkable job in closing the capital campaign and because he has brought in a number of large gifts over the year, President Smatresk requested the Board's permission to grant a performance-based increase of up to, but not to exceed \$10,000 per year. He pointed out that if that increase was approved, it would still be below the amount of the bonus.

Regent Page expressed his support of Dr. Boldt, noting that the ability to close the capital campaign in the midst of the current recession was amazing.

17. Approved - Employment Contract, Vice President for Advancement, UNLV – (Agenda Item #15) – (Cont’d.)

Regent Page moved approval of a contract renewal (July 1, 2010, through June 30, 2013) for Dr. William G. Boldt, Vice President for Advancement. Regent Wixom seconded.

Regent Wixom echoed Regent Page’s comments and commended Dr. Boldt for his outstanding performance and added that he was an extraordinary asset to UNLV.

Regent Knecht asked if Dr. Boldt had taken the previously agreed upon bonus of \$25,000 per year, would that have been continuing or onetime amounts. President Smatresk clarified that it would have been a continuing amount.

Regent Knecht asked if the \$10,000 being requested would also be continuing or onetime amounts. President Smatresk stated that the \$10,000 would be continuing performance based increases to Dr. Boldt’s base salary.

Regent Crear stated that Dr. Boldt and his spouse were an attribute to the community. Dr. Boldt’s advancement and marketing responsibilities call for him to handle lobbying efforts, fundraising and the alumni association. He did not want the Board to lose sight that Dr. Boldt did much more than fundraising. President Smatresk agreed that Dr. Boldt was a very valuable member of the UNLV campus and guides a number of efforts.

Motion carried. Regent Alden was absent.

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

Dr. P. Elliott Parker, Faculty Senate Chair, UNR, provided the following statement on behalf of the UNR Faculty Senate:

“On behalf of the UNR Faculty, and its Faculty Senate, I ask that the Board allow the Presidents the option to exempt 100% grant-funded faculty from the mandatory furlough.

If the Regents wish, the Presidents can require these faculty to increase their contribution to their institution in other ways. Presidents who choose to grant these exemptions can be asked to develop the metrics necessary to show what these faculty will contribute instead. For example, some of these grants and contracts may be used to offload state-funded positions. Other researchers may be expected to increase the grants and subsequent indirect cost recovery they bring in to the university.

Dr. Parker indicated that he had sent correspondence to the Board setting forth three basic arguments:

- 1) While most furloughs save the institution monies, some have the unintended consequence of costing us money. We estimate these particular furloughs will cost us \$180,000 next year, which is more or less equivalent to the average annual salaries of three researchers.

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

- 2) If implemented, these furloughs will make it difficult to complete work that we have committed to, and in some cases may lead to breach of contract.
- 3) These furloughs send the wrong message, as we need to become less dependent on state funding, not more, and encourage more grant-funded research.

I have tried to understand the opposing arguments:

- 1) *Legislators will think we are shirking our responsibility to follow SB 433 and deal with the budget crisis.* I disagree. I think that legislators will understand it if we say that these exemptions save us money. I have spoken to a couple of senior state senators, and their response was that (a) the Legislature gave the Regents the authority to implement SB 433 as they thought best, and (b) all we had to do was explain that it saves the state money.
- 2) *This is a slippery slope.* I disagree. We have this one domino, no others. If the Regents say this is the one last exception, then I have every confidence that you can make that stick.
- 3) *It is not fair.* I think there is no way to make this all fair, no matter what you do. These folks eat what they kill, their incomes are always at risk because they receive no state money, and they bring money in to the university. Anyway, the budget cuts have already reduced the administrative services these researchers are provided.
- 4) *It will worsen morale on campus.* I think the opposite may be true, especially on my campus, but please allow the Presidents to make this call so it best fits their campus situation.

In the judgment of many, it would serve NSHE well to be seen as making sound budgetary decisions that generate rather than cost revenue, support diversified funding, establish entrepreneurship, and promote research.

The adverse financial impacts outlined above are real. The notion that there is some benefit to be derived from imposing a blanket policy is speculative. I would hope the board would evaluate the real costs over the imagined benefits and grant the Presidents the autonomy to administer the furlough policy in ways that best advantage each institution.”

Mr. Gill Martin, Faculty Senate Chair, WNC, commended the faculty of WNC for stepping up to the plate and implementing the furlough policy that had been mandated by the Board of Regents in June. He felt that the WNC faculty had come together and implemented a fair policy in a timely manner. The students, classified staff, executive and academic faculty of WNC were all sharing in the burden of a reduced budget.

Mr. Gary Fisher, Professor with the Center for the Application of Substance Abuse Technologies, UNR, stated that he was a tenured faculty member at UNR and therefore had no financial interest in the Board’s decision that day. He indicated that he was addressing the Board as an advocate of the Center’s administrative faculty. He felt that the purpose of imposing furloughs was to save money but applying that to grant-funded

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

staff would cost the universities and the State money in three ways. First, there would be a reduction in professional salaries that would reduce the amount of indirect cost recovery funds that the university receives from grants since indirect costs are based on grant expenditures. Secondly, contrary to what may have been heard, money cannot be arbitrarily shifted from one category to another with the grant. Finally, the State will have to make up the fringe benefits associated with a salary reduction that would normally be paid with the staff member's grant. There would also be a reduction in the salary savings from grant buyouts for those professional staff that have state funded lines. He added that institutions often use salary savings for letters of appointment, faculty travel, to enhance operating budgets and for equipment. Even though it will cost the state money, he felt that grant-funded professional staff was being asked to reduce their salaries for the appearance of unity when others, similarly situated, have already been exempted from the group and when the state and university will never make a reciprocal sacrifice for this category of employees. He hoped the Board would see that it was only reasonable to allow the Presidents to exempt grant-funded professionals.

Ms. Julie Hogan, Director, Center for the Application of Substance Abuse Technology (CASAT), UNR, provided the following statement:

“My name is Julie Hogan and I work for University of Nevada Reno's Division of Health Sciences at the Center for the Application of Substance Abuse Technology (CASAT). I am the Division of Health Sciences representative on the faculty senate and am a 100% grant funded administrative faculty member. Over the past decade, I have been a principal investigator on grant and contract funding totaling more 30 million dollars. Interestingly I earned my doctoral degree in sociology from the University of Nevada Las Vegas so consider myself a person who has benefited from much of what NSHE has to offer. I want to thank you for the opportunity to benefit from the educational experiences I had at UNLV and the opportunity to bring in grants and contracts as a faculty member at UNR. I'd also like to thank you for allowing me to provide some comments as you consider a crucial policy effecting all grant and contract funded faculty – which is furlough exceptions.

I was reflecting on your role as regents before I came here today. You have a tough job! As regents, you are much, much more than politicians. You were called to this position in part because you understand our universities and colleges well enough to know the difference between good and bad policy decisions. Even when there is pressure to make hard decisions, I am certain that you dig deep into the issues to see if seemingly consistent policies will damage our complex university infrastructure. I'd like to appeal to your intellect and wisdom today as you consider the policy implications to an across the board 4.6 percent furlough for 100% grant and contract funded faculty members.

I'd like to bring forward two items for you to consider from my years of writing and being awarded grants and contracts at UNR. The first issue is that modifying budgets and associated work scopes is complicated business. You may have heard that it is easy to move grant and contract money from one budget category to

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

another. However, that is not the case – particularly with federal grants. I brought with me today a specific example that demonstrates how difficult it can be to make even minor budgetary adjustments. This is a request we recently made to a sponsor for a line item transfer of \$765.00. After numerous e-mails and telephone calls, the request was denied. We were told that because it wasn't in the original proposal, it could not be changed. This is not an isolated incident. In this current economic environment, sponsors are scrutinizing more closely than ever before how grant and contract money is being spent and routinely deny budgetary shifts even when those shifts are well justified. To take this example a step further, if furloughs are mandated for CASAT staff, we would need to move approximately \$84,000 in personnel costs to the operating sections of our grant and contract budgets. If we can't get a sponsor to approve a \$750.00 line item request, how difficult will it be to get approval to reallocate \$84,000? And if we can't move those funds into non-personnel budget line items, we will lose those dollars.

A second thought I would like to share with you has to do with two approaches to solving financial problems. Please keep in mind that I am a sociologist – not an economist – but I do make budgetary decisions routinely. It seems to me there are two ways to solve our financial difficulties: cutting expenses and increasing revenues. As regents you have already made tough decisions related to cutting expenses. The second approach to resolving financial problems is to increase revenues. One way to increase revenues is to bring in additional sponsored funding. We assume our state-funded colleagues share our commitment to increasing the amount of grant/contract funds. However furloughing grant and contract funded staff members reduces revenues and most importantly does not cut costs but actually increases the state's deficit. We need two solutions (*cost cutting and revenue generating*) to solve the current financial dilemma.

Respectfully, I ask that you take a fair and balanced approach - decrease expenditures where necessary and support strategies that increase revenues. If 100% grant and contract funded faculty are exempt from the 4.6% cut they will continue to do what they do best, procuring grants and contracts, thereby increasing revenues.

Finally, while an across the board policy is always easier to administer, astute administrators understand that some policies simply don't fit all people or all situations. I appeal to your business acumen and sense of doing the right thing for the NSHE community... exempt 100% grant/contract faculty from the 4.6% cut.”

Dr. John Filler, Faculty Senate Chair, UNLV, felt that the previous speaker made very excellent points that he and the members of the UNLV Executive Senate have wrestled with for quite a while. He referred to a statement made by NSC Provost Di Mare in her previous presentation that “What is at stake here is a culture of community,” which he felt summed up the current situation. To him a “culture of community” is built on shared reward and shared sacrifice. As a researcher, he related that he has received millions in external federal grants but there was a feeling that when all is said and done, the preservation of the community, the notion of shared sacrifice is a very valuable thing right now. There are times when we all have to give something to benefit the greater whole.

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

He is not going to argue alternative points of view, but he will plead with the Board to see the inherent value in maintaining that sense of community which far exceeds what may be lost in indirect costs.

Dr. Gregory Brown, Professor of History, UNLV, as well as President of the UNLV Chapter of the Nevada Faculty Alliance expressed support of the decision that the Board had reached in June. The result of that, in terms of the financial equivalent of the salary savings, is something that is being determined and that he encouraged all the members of the Board to take that into consideration. In terms of the perspective of the faculty, he felt that all faculty leaders were jointly strongly in support of the main thrust of the Board's decision in June that was based on the rights and protection of the faculty as well as on shared responsibility. He felt everyone agrees in principle: clarity of policy and equity of impact. He felt that providing further exemptions would create a culture of seeking exemption rather than determining how to participate in the shared sacrifice. He believes that the differences in perception rather than actual differences in the institutions underline divergent perspectives that have been presented.

Dr. Oliver Hemmers, Executive Director of the Harry Ried Center at UNLV, wished to address the Board on behalf of many self-funded grant faculty that are working hard to bring in the research dollars. It is becoming more and more critical for the research institutions to receive external funding. He explained that the many foreign nationals conducting research are on working visas. When there is a change in their wages, their visas must be readjusted and each readjustment costs money that cannot be paid from the grant funds. There are many intricacies that make such a decision complicated and that need to be seriously considered and not taken as trivial.

Ms. Leigh Wilds, President of the UNR Chapter of the Nevada Faculty Alliance, expressed their Chapter's full support of the position taken by the UNR Faculty Senate as articulated by the UNR Faculty Senate Chair, Dr. P. Elliott Parker.

18. Approved - Unpaid Leave Requirements – (Agenda Item #17) - Based on the action of the legislature, at its October 2009 Board meeting, the Board adopted a Code change to apply mandatory unpaid leave for all professional employees of 12 days in FY 2011. The only exemptions (*where not otherwise limited by contract or law*) included DRI faculty (*due to its unique business model and statutory/Code provisions applicable only to DRI*) and tenured faculty, which were provided with a workload increase option (*due to legal issues associated with reductions in compensation of tenured faculty*). (*Ref. BOR-17 on file in the Board office*).

Chancellor Klaich appreciated the public comments and agreed with almost all the testimony. In terms of Dr. Parker's three comments, Chancellor Klaich stated that he was not convinced that furloughing grant-funded faculty would cost the state money or prevent the faculty from completing their grants. However, he did agree that there should be concern for the message that further exemptions would send. The System was in fact asking the universities to become more self-sufficient. By applying this furlough requirement to 100% grant-funded faculty they are arguably being dis-incentivized from seeking the very grants that would achieve that goal. However, he would like to contemplate the concept of community that the Board heard from Dr. Brown and Dr.

18. Approved - Unpaid Leave Requirements – (Agenda Item #17) – (Cont'd.)

Filler. He appreciated the value and honor of the 100% grant funded faculty, but they are a part of the System and to treat them differently than everyone else, was something that he could not support. He would go with the concept of community, rather than self-sufficiency.

Chancellor Klaich did not think that the Board made an easy decision in June. The reason it was not easy is because of the well articulated cases on both sides. He did not feel that because the 100% grant-funded faculty have come in under the wire to plead their case, that would mean that other categories of personnel would not also be able to plead for exemption.

Chancellor Klaich related that he also did not think that the “campus option” being discussed around the System was a good option either. Although “sameness” was not always a good thing, he felt that it was in this particular situation. The campuses are looking at each other and comparing what is being done.

The Board of Regents did an extraordinary thing in June and he felt it was still the right decision. Although the decision was no easier, he encouraged the Board to retain the policy adopted at the June Board meeting.

Regent Blakely indicated that although the Chancellor made it clear where he stands on the possibility of delegating the option to exempt categories of staff from furloughs to the presidents, he was interested in hearing more from the presidents’ point of view.

President Glick stated that Chancellor Klaich was his good friend and that it was with great reluctance that he disagreed with the Chancellor’s position. On the issue of community, he related that the UNR Senate, largely not made up of grant-funded positions, voted to support the exemption of grant-funded faculty from furloughs. Similarly, the UNR Chapter of the NFA has taken the same position. He entirely agreed with the Chancellor that grant-funded faculty are not outside the circle of the university. He partially agreed that most of the researchers will find ways to use those grants. The point where disagreement occurred was with the statement that it will not cost the System money. Since this Board has guaranteed that all benefits be held harmless, it could not have a faculty member earn 94% from the federal government and expect to have 100% of fringe benefits covered.

President Glick related that he worried more about the things that would not get done and cited grant-funded non-research staff such as for the Upward Bound and Gear Up programs. He questioned what the loss of days for those staff would cost the students that participate in those programs. As long as the faculty has taken the position to support this category of staff, then he had no basis from which to argue with them. He also noted that, based on contractual law, Vice Chancellor Patterson has already agreed that faculty working on practice-plans cannot be subjected to furloughs. President Glick expressed his support that grant-funded positions should be exempt from furloughs. If the will of the Board is to leave the decision with the presidents, then the Board knew what action he would take. He stated that he would ask that staff that receives an exemption somehow put “some skin in the game” although he did not know what that would be.

18. Approved - Unpaid Leave Requirements – (Agenda Item #17) – (Cont’d.)

Regent Knecht saluted the grant-funded faculty for their daily efforts. He has read all the memos closely and commends the civility from all sides. He related that his comments were based on firsthand experience both as a 100% grant supported faculty member, as a state-funded research associate, state-funded part-time instructor as well as experience from being employed by a state agency that is subjected to the furlough requirement. He felt that this would be the hardest decision of the meeting.

Regent Knecht felt that the 100% grant-funded faculty has the only special distinct claim because of the overhead contributions that they make. However, that claim is mitigated somewhat by the fact that every dollar computed is not lost. He asked Chancellor Klaich if that was correct. Chancellor Klaich stated that he would agree with President Glick’s assessment and with Regent Knecht’s characterization. He added that he did feel that the 100% grant-funded faculty had somewhat of a unique claim. However, he asked that the Board keep in mind the comments of Dr. Filler and the fee-based faculty in the System.

Regent Knecht asked, if the Board decided to delegate to the presidents on a campus by campus basis, can that direction include an express caveat that the exemption be limited to the 100% grant-funded staff and is there an obvious inequity with doing that. Chancellor Klaich stated that the Board could apply that caveat to their motion. As to whether there is an equity concern, he felt that there would in fact be an equity issue.

Regent Knecht asked if the indicated equity issue was rooted in shared sacrifices or some other aspect. He added that the shared sacrifice narrative may not be as compelling to him as it was to Chancellor Klaich. Chancellor Klaich stated that he did feel there is an equity problem.

Regent Knecht asked if Chancellor Klaich was indicating that, separate from the shared sacrifice, an equity issue did exist. Chancellor Klaich indicated that was correct.

Regent Knecht strongly agreed that the real argument for making an exception was that it would reinforce the institutions efforts to seek new funding sources. To the extent that the System does not reinforce that message, he felt that would be a mistake. He stated that, to him, this discussion reinforced that the Governor had been right in opposing furloughs and that the salary savings should have been achieved through some other method. He remained undecided on how he would vote on this request.

Regent Schofield felt that Chancellor Klaich had provided a very articulate explanation as to why the System should continue its current policy. When he considered the staff throughout the System, he felt that they were truly blessed to be employed while others were not, given the current economic climate.

Regent Rawson felt that the budget pressure was not just on a local level, it was on a much bigger scope and would be an issue for the long-term. He did not want to lose more than the 100 tenured faculty that were already no longer with the System. However, he was willing to support the idea of community for the majority of the faculty. He felt that it would be better to admit that the situation places stress on all but in different ways, to move on and ask sincerely that the grant-funded faculty stay with the System, adding that it will get through the current difficulties if everyone remains together.

18. Approved - Unpaid Leave Requirements – (Agenda Item #17) – (Cont'd.)

Regent Anderson stated that she could understand and appreciate both sides of the argument. She related that the personal decision to move from a hard-money funded position to a soft-money funded position was significant. The idea of equity has some bearing in that the soft money positions do not have the same assurances that the hard money positions have. She would be open to the idea of delegating the decision to each president as they knew their own institutional culture.

Regent Blakely requested input from the other presidents. President Smatresk related that he had to support the will of the UNLV Faculty Senate, adding that there was the understanding that a discussion would occur to grant the individual presidents authority to make a campus by campus decision. However, he felt that option would provide no authority at all because once one president provides an exemption they would all follow that precedent. He also felt that once one group of faculty was granted an exemption, he would be compelled to provide the same exception to other groups. He disagreed that individual authority should be given to each campus.

President Lucey publicly thanked the WNC faculty for taking a difficult stand in deciding that they needed to share in the pain of the community college. There was sacrifice in taking that stand.

President Richards related that the decision in June had been a very difficult one but had been made with a broad sense of community. At the present time, he felt that the faculty is satisfied with the general policy. He felt that reopening the discussion would be very divisive. He thanked the CSN faculty for rallying around the current policy and for their positive attitude throughout this process.

President Maryanski felt the policy needed to be applied as a System.

Regent Wixom stated that in the past, there have been occasions when the campuses have been given flexibility in specific situations when appropriate. He indicated that he has struggled with the symbolic value of this discussion perhaps more than with the dollar value. He related that in the April 2009 to June 2009 time frame, he, Chancellor Klaich and Vice Chairman Geddes spoke several times a day. The System had come within a few minutes of receiving an almost 21% budget cut instead of the final decision for 12.5%. The System had to then implement that reduction within a three week period. During that limited timeframe, the System went through a process of extraordinary outreach to the presidents, faculty senates and many others. Many ideas and proposals had been discussed, all while trying to keep within the confines of the open meeting law. He acknowledged that the proposed solution did not make everyone happy. It was painful and difficult, but it was the best solution at that time. He felt that the dangers and risks of reopening the discussion, given what was at stake, were enormous. The more he thought about it, the more he did not feel that the Board could go back and risk undermining the coalition that was created during the first process.

Regent Cobb felt that the purpose of SB 433 was to save the state money. He did not see how applying the furlough policy to grant-funded positions accomplished that legislative goal. He also questioned how a researcher who applied for a project could go back on the

18. Approved - Unpaid Leave Requirements – (Agenda Item #17) – (Cont’d.)

representations they had made to win a particular project. His final point was that a precedent had indeed been set in granting DRI an exemption. Although well founded, not adhering to that precedent will compound the uproar.

Regent Gallagher indicated that she would be more inclined to revisit this issue had the Board’s decision in June not been made with careful thought. The Board had to take some tough stands. She expressed her hesitation to shift gears, and felt that making the exception would reflect that the Board was not decisive.

Regent Page echoed Regent Schofield’s previous comments in regard to Chancellor Klaich and indicated his support for the Chancellor’s position.

Regent Rawson moved approval of retaining the policy as passed and discussed in June 2009.
Regent Page seconded.

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

Meeting recessed at 2:51 p.m. and reconvened at 2:56 p.m. on December 4, 2009, with all members present except for Regents Alden, Blakely, Cobb, Knecht, Page and Rawson.

19. Information Only - American Recovery and Reinvestment Act (ARRA) Report – (Agenda Item #18) – The Board of Regents heard an update from Vice Chancellor Mike Reed and Budget Officer Vic Redding on the American Recovery and Reinvestment Act activities within the NSHE (*Ref. BOR-18 on file in the Board office*).

➤ ARRA Overview:

- ARRA – American Recovery and Reinvestment Act (“*The Stimulus Package*”) was signed by President Obama on February 17, 2009.
- \$787 billion of new spending and tax cuts designed to create jobs and spur economic growth.
- Individual Federal agencies tasked to administer funding allocations within new and existing programs.
- \$22 billion in competitive funding opportunities for college and universities.
- \$8.7 billion in student financial aid.
- \$53.6 billion in fiscal stabilization funds for state government.

Regents Cobb and Rawson entered the meeting.

- ARRA Overview – Nevada - \$1.9 billion available to date for Nevada in formula allocations, competitive grants and loans.

19. Information Only - American Recovery and Reinvestment Act (ARRA) Report – (Agenda Item #18) – (Cont'd.)

- ARRA Overview – Nevada:
 - The State of Nevada General Fund in the 09-11 biennium would have needed to increase by 8.3% or \$541 million to maintain the 2009 Legislature’s approved expenditure level if ARRA dollars had not been available this biennium.

- ARRA Overview – Education in Nevada:
 - K-12 - \$283.3 million awarded.
 - Title 1 – low income schools - \$70 million.
 - IDEA – special education - \$69.5 million.
 - Education Technology - \$4.2 million.
 - State Fiscal Stabilization Funds - \$139.6 million.
 - NSHE - \$206.1 million awarded.
 - State Fiscal Stabilization - \$184.4 million.
 - Student Financial Aid - \$6.0 million.
 - Research & Development / Contracts \$15.7 million (to date).

- ARRA Overview – Nevada Stabilization Funds - \$396 million:
 - Formula allocation to states to help stabilize state and local government budgets in order to minimize and avoid reductions in education and other essential public services.
 - 81.8% to Education.
 - 18.2% to Essential Government Services.

Regents Blakely, Knecht and Page entered the meeting.

- ARRA Overview – Nevada Stabilization Funds - \$396 million.
 - Education:
 - K-12 \$139.6 million (*FY 09*).
 - NSHE \$184.4 million (*FY 10 & 11*).
 - Maintenance of Effort calculation determined allocation between K-12 (43%) and NSHE (57%).
 - Government Services Fund.
 - Department of Corrections - \$72.2 million.

- ARRA Overview – NSHE:
 - Higher Education Stabilization Funds - \$184.4 million.
 - “to provide...the amount of funds to public institutions of higher education in the State that is needed to restore State support for such institutions” (*ARRA section 14002 2 a ii*).
 - “mitigate the need to raise tuition and fees for in-State students...” (*ARRA section 14004 a*).
 - \$92.2 million to NSHE in both FY 2009-10 & FY 2010-11.

19. Information Only - American Recovery and Reinvestment Act (ARRA) Report – (Agenda Item #18) – (Cont’d.)

- State Fiscal Stabilization Funds:
 - Distributed through the instruction formula to the 7 institutions in proportion to the amount of General Fund budgeted.

<u>Institution</u>	<u>FY 2009-10</u>	<u>FY 2010-11</u>
UNR	\$24,273,707	\$24,302,503
UNLV	\$30,922,044	\$30,946,503
NSC	\$2,735,549	\$2,760,660
CSN	\$19,493,434	\$19,384,055
GBC	\$3,450,822	\$3,500,400
TMCC	\$7,596,975	\$7,578,922
WNC	\$3,916,781	\$3,916,268
<i>Total</i>	<i>\$92,389,311</i>	<i>\$92,389,311</i>

- State Fiscal Stabilization Funds:
 - Supports approximately 14% of the state budgets of the 7 formula instruction budgets.
 - Responsible for 10.5% of the 74.1% of our current formula funding percentage.
 - Will not be available to the State after the 2009-11 biennium.

- ARRA Overview – NSHE:
 - Student Financial Aid.
 - Pell Grants - \$5 million year expected.
 - Recipients will see the maximum award increase from \$4,731 to \$5,350 this year.
 - Federal Work Study - \$.5 million/year.
 - Augment existing programs.

- ARRA Overview – NSHE Totals:
 - To date 46 awards and contracts.
 - \$17.2 million in funding awarded (*to date*).
 - Environmental.
 - Basic Science.
 - Medicine.
 - Workforce Development.
 - Quality of Life.
 - Energy.

Mr. Redding indicated that the list of competitive awards is updated monthly and listed on the NSHE website.

- In the pipeline...
 - Additional Research & Development / Contract Awards.
 - Facilities Energy Retrofit/ Green training initiatives (*SB 152*).
 - Public Facility.

19. Information Only - American Recovery and Reinvestment Act (ARRA) Report – (Agenda Item #18) – (Cont'd.)

Mr. Redding related that, in terms of “green” projects, there were two projects in the pipeline. The first was that the State of Nevada, Office of Energy, had received almost \$35 million to administer in public facility upgrades, which the System will be taking part in. The second was in regard to worker’s training, a collaborative effort between the Department of Employment Training and Rehabilitation and the State of Nevada Housing Authority.

In terms of the reporting, accountability and transparency requirements of the ARRA, Mr. Redding related that these programs will be audited as a major program through the A-133 Single Audit process and with the highest level of scrutiny. These funds are also subject to review by all federal oversight agencies such as the OMB, OIG, the particular funding agency as well as the stabilization fund of the State of Nevada.

In addition to normal report requirements for federal funding, the ARRA legislation requires additional reporting to the Recovery Board on a quarterly basis. Those reports include information on project process, expenditures and jobs. At the end of September, which was the NSHE’s first quarterly report under this system, it reported approximately \$24 million in expenditures which were in the stabilization fund category. He expected the next quarterly report, due at the end of December, to surpass \$50 million in accumulative expenditures as activities increase.

As a recipient of funding through the ARRA legislation, the NSHE must report on a quarterly basis the number of jobs created and retained by the project or activity. Mr. Redding related that this proved to be a challenging calculation. He stated that the NSHE’s initial job calculation for the first quarter was reported as approximately 2,100, the vast majority of which (2,064) were from the stabilization fund. The System has since revisited that process and found that it would need to restate that number as being approximately 1,500. However, Mr. Redding stated that it would be completely incorrect to say that 1,500 System employees would have been automatically unemployed if the ARRA funds had not been received. What this process does not do is attempt to answer the very difficult “what if” questions such as what the legislature would have done if the additional \$541 million in ARRA funds were not available. A second consideration would have been how the Board would have responded if the budgets had closed at a different level. What this number does show is that the impact of the ARRA funding on the NSHE’s budget was very significant and the picture would look much different if the funds had not been available. The states are trying to accurately gauge the impact of the ARRA funding both in direct jobs supported as well as the effect of indirect jobs in the community.

Finally, Mr. Redding reporting that in terms of transparency, the data for the reports are available on a number of websites including www.federalreporting.gov and www.nev.gov/recovery.

Regent Gallagher noted some of the erroneous data being reported by other states and requested that when preparing the NSHE’s reports, the data be as accurate as possible.

19. Information Only - American Recovery and Reinvestment Act (ARRA) Report – (Agenda Item #18) – (Cont’d.)

Regent Geddes asked if the reporting requirements at the federal level were the same at the state level and if the state in turn passed the information to the federal level. Mr. Redding replied that the state of Nevada delegated the reporting requirements to the NSHE and K-12, who then report as sub-recipients to the state and they report it to the federal government (*report includes 48 elements*).

Chancellor Klaich noted that there had been an article published on the possible inflation of UNLV’s job calculation in that morning’s newspaper. He stated that although UNLV’s methodology was different than that used by other institutions, it was absolutely appropriate. The information included in the ARRA report had not been over stated.

Regent Knecht asked if that issue was related to the reduction of estimated jobs from 2,100 to 1,500. Chancellor Klaich stated that was correct and explained that UNLV chose to answer the “how many jobs were saved” question with the methodology that determined those positions that would have been lost (*graduate students, clerical staff, part-time staff and so forth*) if the additional funding would not have been received. Since the majority of institutions reported using a methodology based on average salary, the System “normalized” UNLV’s figure which reduced the reported total number by 500 hypothetical jobs. However, the important message is what the System’s budgets would have looked like if an additional \$100 million had been cut in each year of the biennium.

Regent Knecht expressed appreciation for Mr. Redding’s remarks on the nonsensical nature of most of the claims and calculations. It is impossible to know what other things would have changed if the federal government had not incurred the debt.

20. Withdrawn - Renewable Energy Report – (Agenda Item #19) – This agenda item was withdrawn.

21. Information Only - Regents’ Efficiency and Effectiveness Initiative for the Nevada System of Higher Education – (Agenda Item #20) – The Board heard a report from Vice Chairman Jason Geddes and Chancellor Klaich on the progress of the Efficiency and Effectiveness initiative.

Chancellor Klaich explained that the System has not gained much progress on this initiative. At the beginning of the year, the Board set forth eight areas to be studied through a coalition of the presidents that would report to the Vice Chairman of the Board.

Chancellor Klaich related that the initiative was modeled after an extraordinarily effective one used by the University of Maryland System. The Chancellor of that System was contacted and agreed to meet with a group from the NSHE and share with them how their initiative was conceived and implemented. That visit will occur in January and a report will be provided in March and again in June 2010.

21. Information Only - Regents' Efficiency and Effectiveness Initiative for the Nevada System of Higher Education – (Agenda Item #20) – (Cont'd.)

Regent Gallagher asked Chancellor Klaich, given the many other issues happening right now, would it be appropriate to begin this initiative at a later time. Chancellor Klaich felt that although he would like the luxury of waiting, he felt it would be most appropriate to do this now.

Regent Geddes related that he and Chancellor Klaich did have a lengthy conversation about the seriousness of this initiative. He still felt that it was the right path and that it was imperative to conduct it in conjunction with the budget cycle. He believed that some of the initiatives were happening, even if informally, and some progress was being made. He felt it would be very important to have the results of this initiative ready when traveling to Carson City for budget planning.

Regent Wixom felt that there was no more important initiative to be considered by the Board at this time. He does not believe that a mistake was made in its delaying, but it must move forward. The timing of this initiative with the upcoming legislative session is crucial. Any credibility that the System has will be largely due to this effort.

Regent Blakely echoed Regent Wixom's comments, adding that this initiative would be essential to the System's efforts to gain necessary funding.

Regent Cobb also echoed both Regent Wixom and Regent Blakely's comments, adding that he had expressed concern at a previous meeting that if this initiative was conducted solely in-house, it would lack credibility. He urged Chancellor Klaich to include members of the outside community on the committee.

Regent Knecht asked, in terms of the timeline and specific deliverables, how this initiative would work into the budget process. Chancellor Klaich related that the original, inclusive list of eight parameters, as discussed and approved by the Board included consideration of amendments to current policies that are outdated or cumbersome; review models for cost savings and for best practices shared throughout the System; review models that would improve student recruitment, retention and degree completion rates; review models for maximum utilization for campus facilities; review opportunities for privatization and outsourcing that do not further impact System budgets; review employment and personnel practices and policies, including but limited to faculty work load and participation in the state classified system; review models for more efficient and flexible capital financing, construction and renewal, including the review of the viability and utility of participation in the State Public Work Board; and review governance models to determine areas where the Board of Regents could govern more efficiently (*fewer meeting, fewer reports, or the like*).

Regent Knecht asked what would be the specific product and how would it be used. Chancellor Klaich replied that the System will reach out to "ambassadors" to review how it currently conducts its business in comparison with other businesses and to consider where it could do things better without having to reinvent the wheel. Those considerations would then be brought to the Board in the form of revisions to policies, procedures, budget or otherwise.

21. Information Only - Regents' Efficiency and Effectiveness Initiative for the Nevada System of Higher Education – (Agenda Item #20) – (Cont'd.)

Regent Knecht expressed concern that this not just be a process, adding that he could support the initiative if the outcome included specific products in terms of savings, gains, measures or so forth. He wanted to be able state that the System did not just go through a process. Chancellor Klaich stated that he understood and agreed that a product would be extremely useful, if not necessary, adding that his efforts throughout this process would be to quantify in an understandable manner how the System discharges its fiduciary duty.

Regent Knecht wanted to be clear that he was very supportive of the direction that was being discussed. However, he would like something tangible to present.

Regent Leavitt related that the move to quarterly Board meetings was just one example of the changes prompted by this process.

Regent Gallagher indicated her support of the initiative, but expressed concern that it was a very extensive process that may need to be evaluated in order to prioritize which endeavors should be tackled first rather than trying to accomplish the entire list at one time.

22. Approved - Changes to Board Policy for Required Board Approvals – (Agenda Item #21) –
The Board of Regents approved the request of Vice Chancellor Bart Patterson for revisions to the *Procedures & Guidelines Manual* Approval of Chancellor and President Search Budgets (*Chapter 2, Section 1*), and a revision to *Handbook* policies relating to Presidential Transition to Faculty (*Title 4, Chapter 3, Section 27*) and Unpaid Leave Beyond 12 Months (*Title 4, Chapter 3, Section 10.3*).

Regent Gallagher left the meeting.

The Board also heard the first reading of requested changes to the NSHE Code for revisions to the *Handbook* policy governing Transfer of Tenure Between NSHE Institutions (*Title 2, Sections 3.4.7, 4.4.7 and 7.4*), Maintaining Tenure More Than Three Years after Transfer to System Office (*Title 2, Sections 3.4.8, 4.4.8 and 7.4.8*), and Changes in Administrative Units (*Title 2, Chapter 1, Section 1.4.9*). Final action will be requested at the March 2010 meeting of the Board

Vice Chancellor Patterson clarified that the informational material presented with agenda item no. 22(G) had been prepared based upon the Board's discussion from the September meeting.

- A. Approved - Procedures & Guidelines Manual Revision - Approval of Chancellor and President Search Budgets – (Agenda Item #21A) - The Board of Regents approved revision to the NSHE *Procedures and Guidelines Manual*, Chapter 2, Section 1, to authorize the Chair of the Board of Regents to establish search budgets, in consultation with the Chancellor and Board Chief Executive Officer for president searches, and in consultation with the Board Chief Executive Officer and NSHE human resources officer for chancellor searches (*Ref. BOR-21a on file in the Board office*).

22. Approved - Changes to Board Policy for Required Board Approvals – (Agenda Item #21) – (Cont'd.)

- B. Approved - Handbook Revision, Presidential Transition to Faculty – (Agenda Item #21B) – The Board of Regents approved revision to NSHE *Handbook*, Title 4, Chapter 3, Section 27, to permit the chancellor to make a final determination in establishing the terms of a president's return to faculty, whether based on a voluntary request, or based on the Board's action (Ref. BOR-21b on file in the Board office).
- C. Approved - Handbook Revision, Unpaid Leave Beyond 12 Months – (Agenda Item #21C) – The Board of Regents approved revision to the NSHE *Handbook*, Title 4, Chapter 3, Section 10.3, to permit the president, instead of the Board, to have final approval to allow unpaid leave beyond 12 months (Ref. BOR-21c on file in the Board office).

Regent Geddes moved approval of the following revisions: A) No. 22.A. *Procedures & Guidelines Manual Revision, Approval of Chancellor and President Search Budgets (Chapter 2, Section 1)*, B) No. 22.B. *Handbook Revision, Unpaid Leave Beyond 12 Months (Title 4, Chapter 3, Section 27)*, and C) No. 22.C. *Handbook Revision, Unpaid Leave Beyond 12 Months (Title 4, Chapter 3, Section 10.3)*. Regent Knecht seconded. Motion carried. Regents Alden and Gallagher were absent.

- D. Information Only - Handbook Revision, Transfer of Tenure Between NSHE Institutions – (Agenda Item #21e) - This was the first reading of Code changes to Title 2, Sections 3.4.7, 4.4.7 and 7.4.7 to apply the same rules to tenured faculty transferring tenure between NSHE institutions as currently apply to faculty being hired with tenure from an institution outside NSHE. This means that the president will have the authority to approve the transfer with tenure, subject to consultation with the faculty and reporting obligations to the Board. Final action will be requested at the March 2010 meeting of the Board (Ref. BOR-21d on file in the Board office).
- E. Information Only - Handbook Revision, Maintaining Tenure More Than Three Years after Transfer to System Office – (Agenda Item #21e) - This was the first reading of Code changes to Title 2, Sections 3.4.8, 4.4.8 and 7.4.8 that eliminates the requirement of Board approval to keep tenure more than 3 years after transfer to the System Office and instead proposes to permit the chancellor, in consultation with the president, to extend the tenure. Final action will be requested at the March 2010 meeting of the Board (Ref. BOR-21e on file in the Board office).

22. Approved - Changes to Board Policy for Required Board Approvals – (Agenda Item #21) – (Cont'd.)
- F. Information Only - Handbook Revision, Changes in Administrative Units – (Agenda Item #21f) - This was the first reading of a Code change to Title 2, Chapter 1, Section 1.4.9, approval of Changes in Administrative Units. Current policy was clarified as to what changes in administrative units require Board approval. The proposed change aligned this section with the requirements of Board policy for eliminating programs, degrees, units and the like as specified in Title 4, Chapter 14, Section 9. Final action will be requested at the March 2010 meeting of the Board (*Ref. BOR-21f on file in the Board office*).
- G. Information Only - Items the Board May Later Consider – (Agenda Item #21g) - Apart from items that are within the jurisdiction of particular Board committees, and will be addressed, if at all, in those committees, there are a number of items that were discussed by the NSHE Chancellor's Cabinet pertaining to Board approvals that are not being brought forward at this time. A list of the full Board items and lists of the possible separate committee items (*Academic, Research and Student Affairs Committee, Business and Finance Committee and Investment and Facilities Committee*) were provided should the Board have wished to identify any of these items to bring forward for discussion and action at a later meeting. Items that either the Board or Cabinet indicated they did not wish to consider removed from the lists (*Ref. BOR-21g and BOR-21h on file in the Board office*).

The meeting recessed at 3:40 p.m. and reconvened at 3:45 p.m. on Friday, December 4, 2009, with all Regents present except for Regents Alden, Cobb and Gallagher.

23. Information Only - Public Relations, Branding, Marketing and Recruitment Efforts, NSHE – (Agenda Item #22) - Each of the institutions and System Administration have been requested to provide a report on their efforts undertaken in relation to their public relations, branding, marketing and recruitment. At this meeting, Mr. John Kuhlman, NSHE Public Information Officer, provided an overview of the System's current and planned public relations, branding, marketing and recruiting efforts (*presentation on file in the Board office*).

Regent Cobb entered the meeting.

Mr. Kuhlman related that the role of the Chancellor's office was not necessarily to promote each campus as they each employed their own dedicated public relations staff. The System just could not replicate those efforts.

At System level, the role of public relations was to support the Chancellor and the legislative team in getting the message out that an investment in education is what is going to help Nevada's future economy. However, there is the basic truth that not everybody is a fan of higher education in this state.

23. Information Only - Public Relations, Branding, Marketing and Recruitment Efforts, NSHE – (Agenda Item #22) – (Cont’d.)

- Our message? - It's time to build a new Nevada:
 - *(generating)* Income.
 - Construction.
 - Employment.
 - Research.
 - Innovation.
 - Health Care.
 - Arts.

- Our Strategy: Preaching to the Choir – This is what conceptually would be needed to purchase advertisement to get the word out. Unfortunately, the System does not have a marketing and advertisement budget.
 - \$5,000 - \$10,000 to employ a focus group to make recommendations.
 - \$3,200 for one month – Billboard Advertisement.
 - \$26,400 for one month – Radio Advertisement.
 - \$32,803 for one full-page print advertisement in Las Vegas and Reno.
 - \$15,090 for one 4-page insert in Las Vegas and Reno.
 - \$5,000 to rent 100,000 names for one e-mail.
 - \$50,000 for one month (*2 weeks*) television advertisement.

Mr. Kuhlman related that without a budget for a significant marketing campaign, the focus then becomes on “preaching” to the public to get the political base motivated in support of higher education.

Mr. Kuhlman stated that it will take hundreds and hundreds of impressions to make an impact. The right message needs to be conveyed by the right partnerships. One of the ways in which those conversations could start is the revamping of the NSHE website. Currently the website is a glorified library and archives for policies and other documents. It will become a news-based externally focused website. An overhaul of the “Taking the EducateNevada.edu” website will also be conducted with the replacement of the legislative information with more of the System’s initiatives.

Mr. Kuhlman emphasized that, alone, each of the actions will not make an impact. However, together, they will be much more cohesive. Additional projects include creating blogs for Chancellor Klaich and Chairman Leavitt. Regent Crear has graciously donated his company’s time in redesigning an email campaign. The Chancellor will also be using old fashion networking to meet groups and build partnerships. They will also be working with public relations and marketing counterparts at the separate institutions to get the word out.

Prior to the 2011 session, an annual report will be prepared of what is being done to make Nevada a better state. Sun Belt Communication will be donating public service announcements for thirty 15-second spots that will begin in January 2010.

In terms of measurement and analysis, Mr. Kuhlman stated that the true test on how any of this is working is how the System fairs in a special or the next regular legislative session.

23. Information Only - Public Relations, Branding, Marketing and Recruitment Efforts, NSHE – (Agenda Item #22) – (Cont'd.)

Chairman Leavitt thanked Mr. Kuhlman for the update and related that future updates will be provided to the Board. The entire Board has expressed their concern that the message get out to the intended audience.

Regent Cobb felt that promoting the value of Nevada's higher education system was one of the most important tasks that the NSHE could undertake, particularly in light of the upcoming legislative session. He felt that every member of the Board, administrators, faculty and students needed to get out there. He requested data on 3x5 cards that can be communicated. Mr. Kuhlman emphasized that the challenge will be in getting the groups of people to come together to promote the message.

Chairman Leavitt asked how effective would it be to create something that could be worn that would promote support for education. Mr. Kuhlman felt that there were no bad ideas. It was simply a matter of available resources. Whatever is done, it needed to be done consistently and repeatedly.

Regent Rawson commented that some of those ideas needed to have thousands of exposures before they caught on. He asked how many e-mail addresses the system could handle. Mr. Kuhlman stated that the server could handle several thousand addresses. However, he expressed concern that every recipient would need to buy in to opening and reading those emails.

Regent Rawson felt that with 100,000 students in the System, it could work to get the message out. He also felt each person could generate an email just to their own personal address lists. Mr. Kuhlman felt that one of the best approaches involves the collection of business cards by the Chancellor.

24. Approved - Audit Committee – (Agenda Item #23) - Chair Mark Alden reported that the Audit Committee met on December 3, 2009, and received a report on the status of the Western Nevada College bank reconciliation. WNC is now current in completing their bank reconciliation.

The Committee requested that summary of recurring audit findings be compiled by the Internal Audit Department as a management tool for the institutions.

Action items:

Board action is requested to approve the following recommendations of the Audit Committee.

- Minutes – The Committee recommended approval of the minutes from the September 17, 2009, meeting (*Ref. A-1*).
- Grant Thornton LLP Independence Letter Update – The Committee recommended approval of an updated independence letter (*Ref. A-2*).

24. Approved - Audit Committee – (Agenda Item #23) – (Cont'd.)

- Internal Audit Reports – The Committee recommended approval of the following internal audit reports: (*Ref. Audit Summary*)
 - ✓ Human Resources, University of Nevada School of Medicine (*Ref. A-3*).
 - ✓ Rebel Card Services Center, UNLV (*Ref. A-4*).
 - ✓ Faculty Workload, UNLV (*Ref. A-5*).
 - ✓ Faculty Workload, WNC (*Ref. A-6*).
 - ✓ Workforce Development & Continuing Education, TMCC (*Ref. A-7*).
 - ✓ Student Financial Services – Scholarships, CSN (*Ref. A-8*).

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

25. Approved - Investment & Facilities Committee– (Agenda Item #24) - Chair Michael B. Wixom reported that the Investment & Facilities Committee met on December 3, 2009, and heard the following reports:

- 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. In particular, the Committee's discussion focused on the amount held in the reserve account of the operating pool fund.
- Dr. Michael Richards, President, CSN, provided an update on the status of CSN's Northwest Campus, including, without limitation, its scope, relationships and build-out-concept.
- Vice Chancellor of Finance, Mike Reed, advised the Committee of updates to the Real Property Reports for WNC and DRI.

Action items

Board action is requested to approve the following recommendations of the Investment Committee:

- The Committee recommended approval of the minutes from the September 17, 2009, meeting.
- Cambridge Associates presented a report on asset allocation and investment returns for the pooled endowment and pooled operating funds for the period ended September 30, 2009. Based on Cambridge Associates' presentation, the Committee approved the transfer of the existing Wells Fargo Bank Government money market cash account to the Wells Fargo Bank Heritage money market fund. In addition, the Committee also approved the transfer of the existing Commonfund Government Securities fund to the funds under the newly created Commonfund Treasury access. The Committee approved the latter with a caveat at the next meeting, the Committee will be provided with a supplemental report about the fund to include the underlying security holdings and its independent ratings.

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

- The Committee recommended approval of President Milton D. Glick’s request for the transfer of real property mineral rights to the Lambertucci Claims, and surface and mineral rights to the Hypatia, Pittsburg, and Monarch Claims, to the Lambertucci Roma of Nevada, LLC, in exchange for the transfer to the Board of Regents, on behalf of the University of Nevada, Reno, of a 50% interest in the surface rights of mining claim Mammoth No. 3 in Esmeralda County, Nevada.
- The Committee recommended approval of Vice Chancellor of Finance, Mike Reed, and System Office staff’s procedure to be followed by the institutions when requesting funding for capital renewal, plant adaption and/or deferred maintenance for existing facilities and infrastructure. This procedure is required to implement Board policy that supports extending the useful life of existing facilities and utility infrastructure owned by the NSHE institutions.
- The Committee recommended approval of Vice Chancellor of Finance, Mike Reed’s update to the procedures required to implement Board policy related to Life Cycle Costs for new buildings requested by institutions during the biennial capital budget cycle.
- The Committee recommended approval of Vice Chancellor of Finance, Mike Reed’s quarterly update on the direction of the Space Study Working Group.
- The Committee recommended approval of President Neal Smatresk’s request to buy real property in the area adjacent to the Paradise Campus between Tropicana Ave. on the north, Hacienda Ave. on the south, Wilbur St. on the east, and Swenson St. on the west, with final approval of each individual transaction being delegated by the Board of Regents to its Investment and Facilities Committee, upon recommendation from the Chancellor.

Action item not approved:

- The Committee deferred the approval of the *Capital Assets “Flow Process” Checklist* in order to allow modification to the checklist to include procedures related to the acquisition of mineral rights.

Regent Wixom moved acceptance of the report and approval of committee recommendations. Regent Crear seconded. Regent Page abstained. Motion carried. Regents Alden and Gallagher were absent.

26. Approved - Academic, Research & Student Affairs Committee– (Agenda Item #25) - Chair William G. Cobb reported that the Academic, Research & Student Affairs Committee met on December 3, 2009, and heard the following:

NSC Provost Lesley Di Mare presented a report on online education and on the Technology Fellows Institute that included information on student preferences and learning outcomes for students enrolled in on-line courses.

Members of the Research Affairs Council presented information on the importance of research endeavors in higher education in improving the economy, generating revenue, supporting students, providing prestige to an institution and improving quality of life.

26. Approved - Academic, Research & Student Affairs Committee– (Agenda Item #25) – (Cont'd.)

The report also included information on infrastructure requirements for research programs and what have been successful research initiatives in other states including the Georgia Research Alliance and the North Carolina Research Triangle.

Due to insufficient time, the reports on transfer and articulation and institutional programs in deaf studies and interpreting were postponed until the March 2010 meeting.

Action Items:

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

- Approval of the minutes from the September 17, 2009, meeting (*Ref. ARSA-1*);
- Name change of the Management Assistance Partnership to Nevada Industry Excellence (*Ref. ARSA-2*);
- Creation of a Department of Military Science at UNLV (*Ref. ARSA-3*);
- The merger of the Department of Counseling and Educational Psychology and the Department of Human Development and Family Studies into the Department of Educational Psychology, Counseling and Human Development at UNR (*Ref. ARSA-4*);
- New Doctor of Nursing Practice degree at UNR and UNLV (*Ref. ARSA-5*);
- Elimination of the Associate of Applied Science in Computer and Office Technology at TMCC (*Ref. ARSA-6*);
- A revision to the Board's policy on non-resident tuition (*Title 4, Chapter 5, Section 1 and Title 4, Chapter 15, Sections 2 and 3*) providing for an exemption from non-resident tuition for graduate fellows (*Ref. ARSA-11*);
- A revision to the Board's policy on remediation (*Title 4, Chapter 16, Section 1*) establishing benchmark scores for institutions utilizing the Compass or Accuplacer tests for placement into a college-level English or mathematics course (*Ref. ARSA-12*); and
- A revision to the Board's policy on compensated outside services (*Title 4, Chapter 3, Section 8 and Title 4, Chapter 11, Section 12*) clarifying that compensated outside services are applicable to full-time faculty only and that compensated outside professional or scholarly service does not include work conducted as part of the regular duties or the professional responsibilities of the faculty member, such as serving on a national review board (*Ref. ARSA-13*).

Regent Knecht explained that he would be voting against the report specifically due to what he felt was the untimely presentation of the name change of the Management Assistance Partnership (MAP) to Nevada Industry Excellence. However, he indicated his full support of the creation of the Department of Military Science at UNLV as well as for approved revisions to the *Handbook* policy on Compensated Outside Services.

Regent Cobb acknowledged that the Committee expressed concern for the untimely presentation of the request to rename the MAP program. There was also some concern

26. Approved - Academic, Research & Student Affairs Committee– (Agenda Item #25) – (Cont'd.)

expressed for the chosen name. However, the recommendation was approved.

Regent Knecht felt that his vote against the approval of the report would not prevent approval. However, he felt that his vote would send a message that would prevent the situation from occurring again in the future.

Regent Cobb moved acceptance of the report and approval of Committee recommendations. Regent Crear seconded. Motion carried. Regent Knecht voted no. Regents Alden and Gallagher were absent.

27. Approved - Business & Finance Committee– (Agenda Item #26) - Chair Raymond D. Rawson reported that the Business & Finance Committee met on December 4, 2009, and heard the following:

- NSHE State Supported Operating Budget to Actual Comparison for fiscal year 2008-2009.
- State Accountability report for fiscal year 2007-2008 reconciling the Board of Regents' approved budget to actual revenues and expenditures per legislative Letter of Intent.
- Self-Supporting Budget to Actual Comparison for fiscal year 2008-2009.
- Student association reports of revenues, expenditures and ending account balances for fiscal year 2008-2009.
- All Funds revenues and expenses of NSHE for the first quarter of fiscal year 2009-2010.
- NSHE Fiscal Exceptions of self-supporting budgets and the status of state appropriated budgets for the first quarter of fiscal year 2009-2010.
- Budget transfers of state appropriated funds between functions for the first quarter of fiscal year 2009-2010.
- An external review of the organizational structure and management of the College of Southern Nevada's Department of Public Safety conducted under the auspices of the International Association of Campus Law Enforcement Administrators and its Loaned Executive Management Assistance program.
- The Committee discussed progress toward development of a set of budget (*including formula funding*) and performance metrics and efficiency, effectiveness and accountability principles and measures.

27. Approved - Business & Finance Committee– (Agenda Item #26) – (Cont'd.)Action items:

Board action is requested to approve the following recommendations of the Business and Finance Committee:

- The Committee recommended approval of the minutes from the September 17, 2009, Committee meeting.
- The Committee recommended approval of the fiscal year 2008-2009 Accountability Report reconciling the Board of Regents approved budget to the fiscal year-end actual revenues and expenditures.
- The Committee recommended approval for the Nevada System of Higher Education to expend excess student registration fee revenues for the purpose of funding additional adjunct faculty and to seek Interim Finance Committee authorization to expend any additional student fee revenues not utilized for adjunct faculty costs, within the state operating budgets for fiscal year 2009-2010.
- The Committee recommended approval of a resolution, on behalf of the University of Nevada, Las Vegas, to secure a commercial bank loan of up to \$1.8 million to be used to resurface athletic fields.
- The Committee recommended approval of a resolution, on behalf of the University of Nevada Cooperative Extension, authorizing the funding of an escrow account to retire \$5 million of outstanding bonds that were issued in 2004 to construct the new Clark County Cooperative Extension office in Las Vegas.
- The Committee recommended approval to amend Board policy to provide that access to student and employee data for the purpose of conducting NSHE business is authorized while maintaining confidentiality of the data (*Title 4, Chapter 21, new Section 3*), to establish the universal identification number (*UID*) (*Title 4, Chapter 21, new Section 4*) that supports the ability to track and report on students as they progress through multiple institutions as well as provide them with one identification number that will follow them through all institutions of the NSHE, and to adopt procedures regarding the specific documentation required for changing data elements included in the UID (*PGM, Chapter 6, Section 7*).
- The Committee recommended approval to amend Board policy to require the establishment of institutional security plans and the designation by each institution of an information security officer (*Title 4, Chapter 1, Section 22*), and to establish guidelines for certain administrative, operational, technical and physical controls to be included in the institutional security plans (*PGM, Chapter 14, Sections 1 – 4*).

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

28. Approved - Cultural Diversity Committee– (Agenda Item #27) - Chair Cedric Crear reported that the Cultural Diversity Committee met on December 4, 2009, and heard the following:

The committee received a report from UNLV on its efforts to improve recruitment, retention, and the success of students from diverse backgrounds. In addition, the report included information on specific services provided by the institution to support a diverse student population in enrolling and succeeding in higher education.

Vice Chancellor Bart Patterson provided an update on the work underway to create minority and small business vendor selection policies resulting from the recommendations of an external consultant who reviewed current policies and practices. Formal recommendations will be brought to the Committee in March 2010 for consideration.

The Committee received a report on institutional outreach efforts with tribal high schools and Native American students in response to the Committee's prior discussions concerning the significant high school dropout rates among Native American students.

Mr. Larry P. Mason, Co-chair of NSHE Equity, Diversity and Inclusion Council, reported on the recent initiatives of the Council including exploring the feasibility of creating an "equity score card" that could be used to determine institutional progress related to key diversity issues. Due to current fiscal constraints the project will be delayed, but the system institutions are committed to exploring the matter.

Dr. Magdalena Martinez, Education Consultant, provided an overview of her work that focuses on increasing access and student success for underrepresented populations. During the course of her work, she will identify what works nationally and locally in terms of policies and practices that can contribute to shaping the NSHE through strong partnerships.

Action items:

Board action is requested to approve the following recommendations of the Cultural, Diversity Committee:

- The Committee recommended for approval the minutes from the September 18, 2009, meeting (*Ref. CD-1*).
- A revision to Board policy on discrimination and sexual harassment (*Title 4, Chapter 8*), making the investigation of discrimination complaints compatible with the investigation of sexual harassment complaints and updating the provisions to align with statutory definitions (*Ref. CD-5*).

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

29. Information Only - New Business– (*Agenda Item #29*) – Regent Page related that there recently had been the death of four police officers killed in the line of duty in southern Nevada. Under NRS 396.545, the legislature had established a trust fund (*Trust Fund for the Education of Dependent Children*) to cover the costs of registration fees, laboratory fees and expenses for textbooks and course materials incurred by a dependent child of a fallen police officer, firefighter, officer of the Nevada Highway Patrol, or volunteer firefighter or ambulance driver killed in the line of duty. Currently the account holds approximately \$14,000. Regent Page related that he is on the Board of the Police and Fire Emerald Society of Nevada, Inc., adding that organization wished to donate \$1,000 to this fund. He commented that it will also become an initiative of their Society to have this account endowed to help ensure that funds will be available in the future.

The meeting adjourned at 4:55 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 March 4-5, 2010, meeting.