

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

Third Floor Rotunda
Frank H. Rogers Science & Technology Building
Desert Research Institute
755 E. Flamingo Road, Las Vegas

Thursday, February 28, 2013, 8:30 a.m.
Friday, March 1, 2013, 8:00 a.m.

Video Conference Connection to:
System Administration, Reno
2601 Enterprise Road, Conference Room
and
Great Basin College, Elko
1500 College Parkway, Berg Hall Conference Room

Members Present: Dr. Jason Geddes, Chair
Mr. Kevin J. Page, Vice Chair
Dr. Andrea Anderson
Mr. Robert Blakely
Mr. Cedric Crear
Dr. Mark W. Doubrava
Mr. Ron Knecht
Mr. James Dean Leavitt
Mr. Kevin C. Melcher
Dr. Jack Lund Schofield
Ms. Allison Stephens
Mr. Rick Trachok
Mr. Michael B. Wixom

Others Present: Mr. Daniel J. Klaich, Chancellor
Ms. Crystal Abba, Vice Chancellor, Academic and Student Affairs
Mr. Larry Eardley, Vice Chancellor, Business and Finance
Ms. Brooke Nielsen, Vice Chancellor, Legal Affairs
Mr. Vic Redding, Vice Chancellor, Administration and Finance
Dr. Marcia Turner, Vice Chancellor, Health Sciences System
Ms. Renee Yackira, Vice Chancellor, Administration and Operations
Mr. Steven Zink, Vice Chancellor, Information Technology
Mr. Scott Wasserman, Chief of Staff and Special Counsel to the Board
Dr. Michael D. Richards, President, CSN
Dr. Stephen G. Wells, President, DRI
Dr. Mark A. Curtis, President, GBC
Mr. Bart Patterson, President, NSC
Dr. Maria C. Sheehan, President, TMCC
Dr. Neal J. Smatresk, President, UNLV

Dr. Marc A. Johnson, President, UNR

Dr. Carol A. Lucey, President, WNC

Also present were faculty senate chairs Dr. Charles Milne, CSN; Dr. David Rhode, DRI; Dr. David Friestroffer, GBC; Ms. Angela M. Brommel, NSC; Ms. Dani Chandler, NSHE; Dr. Shannon Sumpter, UNLV; Dr. David W. Zeh, UNR; Mr. Brad Summerhill, TMCC; and Mr. Gil Martin, WNC. Student government leaders present included Mr. Travis Brown, ASCSN President, CSN; Ms. Kathryn Bywaters, GRAD President, DRI; Mr. Alex Porter, SGA President, GBC; Mr. Deuvall Dorsey, NSSA President, NSC; Mr. Mark Ciavola, CSUN President, UNLV; Mr. Michael Gordon, GPSA President, UNLV, Mr. Huili Weinstock ASUN President, UNR; Mr. Orion Cuffe, GSA President, UNR; Mr. Navgeet Zed, SGA President, TMCC; and Mr. Curtis Blackwell, ASWN President, WNC.

Chair Geddes called the meeting to order on Thursday, February 28, 2013, at 8:32 a.m. with all members present.

Regent Schofield led the Pledge of Allegiance.

1. Information Only - Introductions and Campus Updates (Agenda Item #1) - Meeting attendees made introductions and each institution president provided campus-related updates on events occurring on their campuses since the Board of Regents' last regular meeting.

Regent Crear asked President Johnson to explain the difference between the existing Bridge Program and the newly instituted UNR Boot Camp program. President Johnson said the basic difference is the Boot Camp program is self-supporting and a more intense program than the Bridge Program. More detailed information would be provided to the Board.

2. Information Only - Institutional Student and Faculty Presentations (Agenda Item #2) – President Wells introduced Dr. Vicken “Vic” R. Etyemezian and Mr. Gary Trubl (*Power Point presentations on file in the Board Office*).

Mr. Trubl is a graduate research assistant at the Desert Research Institute in the laboratory of Dr. Alison Murray and has been a microbial ecologist and environmental scientist for the last five years. Before joining DRI, Mr. Trubl worked in a U.S. Department of Agriculture research laboratory at the University of Arizona developing atoxigenic strains of *fungi* for use as a biocontrol. After graduating with his BS in Environmental Microbiology, he joined DRI in 2011 after entering the MS program in Environmental Science and Health at the University of Nevada, Reno. In Dr. Murray's laboratory, Mr. Trubl is working on studies of the biogeochemistry and nitrogen cycle of Lake Vida, Antarctica. The overall goal of his Master's thesis is to understand how the

2. Information Only - Institutional Student and Faculty Presentations (Agenda Item #2) – (Cont'd.)

microbes in Lake Vida are surviving, to obtain a better understanding of the potential for life on icy worlds such as Europa. After obtaining his MS this May, Mr. Trubl will start his PhD program at the University of Arizona in the fall. His career goal is to become a professor at a university researching microbes living in extreme environments.

Dr. Etyemezian holds the position of Research Professor in the Division of Atmospheric Sciences of the Desert Research Institute. He is active in several ongoing research projects and topics include dust emissions and quantification from military activities, characterization of playa dust emissions from Mojave basins, measurement of emissions of particulate matter from fires in the Mojave and Great Basin Deserts as well as measurement of post-fire aeolian dust emission potential, continued development of a portable wind tunnel-like device for measuring aeolian sediment transport, and identifying controls on wind erosion at locations as varied as Steppe landscapes in Mongolia and dune sand beaches in California. Dr. Etyemezian's research interests and specialties include direct measurement and quantification of atmospheric pollutant emissions, source apportionment, designing research instrumentation and analysis of spatial data.

Regent Knecht asked if 20th century fire suppression practices have created a tinder box in many western United States forest lands, including Nevada. Dr. Etyemezian said it tended to be more of a contributing factor in regions containing woody bio-masses or forests.

The meeting recessed at 9:11 a.m. for committee meetings and reconvened at 11:13 a.m. on Thursday, February 28, 2013, with all members present.

3. Information Only – Public Comment (Agenda Item #3) - None.
4. Information Only - Chair of the Nevada Student Alliance Report (Agenda Item #4) - Mr. Michael Gordon, GSA President, UNLV, and Chair of the Nevada Student Alliance (NSA), provided an informational report on the events and activities of the February 25, 2013, Nevada Day of Education.
5. Information Only - Chair of the Faculty Senate Chairs Report (Agenda Item #5) - On behalf of the Council of Senate Chairs, Mr. Brad Summerhill reported to the Board concerning NSHE related issues of importance to the faculty senate chairs. Mr. Summerhill's report included thanking the Board for its established budget priorities including pay and benefit restoration and the new funding formula for higher education, a recent resolution passed by both the University of Nevada, Reno and the University of Nevada, Las Vegas faculty in support of the Board's current policy on weapons on NSHE campuses and the recent national conversation taking place regarding the number of administrators verses the number of faculty members on college and university campuses (document on file in the Board office).

5. Information Only - Chair of the Faculty Senate Chairs Report (Agenda Item #5) – (Cont'd.)

Mr. Summerhill said the faculty looked forward to the Board's discussion regarding agenda item #24 (*Report on E-Learning*) later in the meeting (*full report on file in the Board Office*).

6. Information Only - Chancellor's Report (Agenda Item #6) - Chancellor Daniel J. Klaich held his report until later in the meeting in conjunction with the budget report.

7. Information Only – Board Chair's Report (Agenda Item #7) - Chair Jason Geddes discussed current NSHE events and his current activities as Board Chair.

A moment of silence was held in memory of Mrs. Marjorie Klaich.

Chair Geddes said Chief of Staff and Special Counsel to the Board of Regents Scott G. Wasserman will lead a discussion related to employment contracts involving coaches, presidents, vice presidents, vice chancellors and chancellors at the April 19, 2013, special meeting. The discussion will include related aspects such as promotion from within, search processes and best practices.

Chair Geddes said a series of special meetings have been scheduled to address upcoming issues and to take any necessary action as a result of the legislative session:

- March 14, 2013, 3:30 p.m., video-conference from System Administration-Reno and Las Vegas and GBC;
- April 19, 2013, 9:00 a.m., tentatively to be held at UNLV;
- May 7, 2013, 9:00 a.m., video-conference from System Administration-Reno and Las Vegas and GBC; and
- May 24, 2013, 2:00 p.m., video-conference from System Administration-Reno and Las Vegas and GBC.

Chair Geddes thanked Chancellor Klaich, the vice chancellors and government relations staff for representing the System and the position of the Board well.

Chair Geddes reported Regent Trachok had met with each president to evaluate various Board functions. Based on those interviews, Regent Trachok has submitted a report with recommendations to the Board Chair and Vice Chair, including possible changes to the structure of Board meeting agendas, how more of a campus-focus could be incorporated, and ways to streamline the Regents' committee structure. Recommendations from the report will be brought forward to the full Board as they are reviewed.

8. Approved – Consent Items (Agenda Item #8) - Consent items were considered together and acted on in one motion except for Consent Item #8a (*Minutes*) which was considered separately.
- 8b. Approved - Handbook and Code Revision, Salary Schedule Reviews and Delegation of Authority to the Chancellor (Agenda Item #8b) - The Board of Regents approved proposed amendments to the Code to allow more frequent salary schedule reviews and to delegate authority to the Chancellor to approve salary schedules with a reporting requirement to the Board. This item had been presented for initial discussion at the November 29-30, 2012, meeting of the Board of Regents (*Ref. BOR-8b on file in the Board Office*).
- 8c. Approved – Tenure (Agenda Item #8c) - The Board of Regents approved tenure recommendations for the following faculty members. Each applicant met the standards for tenure in the NSHE Code and has been positively recommended by his or her institution following a peer review process.

CSN – (*Ref. BOR-8c(1) on file in the Board Office*)

Dr. Michael Bakst	Dr. Pam Lum
Ms. Cheryll Carlock-Arinwine	Dr. Elisabeth Morton McLaren
Ms. Connie Christensen	Ms. Sarah New
Mr. Ted Chodock	Mr. Nalin Pant
Dr. Margaret Lisa W. Clayton	Dr. Owen L. Pillion
Dr. Kenneth Hochstetter	Mr. Sean Russell

GBC – (*Ref. BOR-8c(2) on file in the Board Office*)

Mr. John R. Orr

NSC – (*Ref. BOR-8c(3) on file in the Board Office*)

Dr. Shirli Brautbar	Dr. Jennifer “Gwen” Sharp
Dr. Edwin Price	Dr. Aaron Wong
Dr. Gregory Robinson	

TMCC - None submitted.

8. Approved – Consent Items (Agenda Item #8) – (Cont'd.)

8c. Approved – Tenure (Agenda Item #8c) – (Cont'd.)

UNLV – (Ref. BOR-8c(4) on file in the Board Office)

Dr. Amei Amei	Dr. Monika Neda
Ms. Rachel Anderson J.D.	Mr. Glenn Nowak
Dr. Ahmet L. Atici	Dr. Emilio Puentedura
Dr. Christie Batson	Dr. Robyn Raschke
Dr. Hasan Deniz	Dr. Todd Robinson
Dr. Ozkan Eren	Mr. Chad Schatzle
Mr. Cyrus Ford	Dr. Pramen Shrestha
Dr. Jennifer Grim	Ms. Caroline Smith
Dr. Erin Hannon	Dr. Joel Snyder
Dr. Robbin Hickman	Dr. Pengtao Sun
Dr. Margarita Jara	Dr. Ying Tian
Ms. Anjala Krishen	Dr. Constant Tra
Mr. Weiwei Le	Dr. Daniel Young
Dr. Tamara Madensen	Dr. Shaoan Zhang
Dr. Mildren McClain	

UNR – (Ref. BOR-8c(5) on file in the Board Office)

Dr. Scott Bassett	Dr. Marybeth Eleanor Nevins
Dr. Deborah Boehm	Dr. Keri Ryan
Dr. Timothy Browder	Dr. Stephanie Sant' Ambrogio
Dr. Devicharan Chidambaram	Dr. Karen Schlauch
Dr. Matthew Forister	Dr. Carl Sievert
Dr. Justin Gifford	Dr. Kelley Stewart
Dr. William Hammond	Dr. Erin Stiles
Dr. Jeffery Hutsler	Dr. Shanon Taylor
Dr. Edward Kolodziej	Dr. Dianna Townsend
Dr. Cornelis Kreemer	Dr. Shawn Tsuda
Dr. Kam Leang	Dr. Jeanne Zeh
Dr. Minggen Lu	

WNC - None submitted.

- 8d. Approved - Allocation of Grants-In-Aid, 2013-2014 (Agenda Item #8d) – The Board of Regents approved Allocation of Grants-in-Aid for 2013-2014. Nevada Revised Statutes 396.540 provides for tuition waivers for students from other states and foreign countries based on three percent of each institution's fall headcount enrollment. Board policy provides an equal number of grants-in-aid for Nevada students and requires the total number of grants-in-aid allocated to each NSHE institution be approved annually by the Board. Approval is requested of the recommended allocations of grants-in-aid for academic year 2013-2014. These allocations represent the total number of grants-in-aid each institution could award.

8. Approved – Consent Items (Agenda Item #8) – (Cont'd.)8d. Approved - Allocation of Grants-In-Aid, 2013-2014 (Agenda Item #8d) – (Cont'd.)

In all cases, funding is not sufficient to support the maximum allowable number of grants-in-aid:

	<u>IN-STATE</u>	<u>OUT-OF-STATE</u>
UNR	551	551
UNLV	786	786
NSC	102	102
CSN	1,131	1,131
GBC	92	92
TMCC	364	364
WNC	125	125

Regent Knecht moved approval of the Consent Items except for Consent Item #8a (*Minutes*), which was considered separately. Regent Wixom seconded. Motion carried. Regent Schofield was absent.

The Following Consent Item Was Considered Separately:

8. Approved – Consent Items (Agenda Item #8) – (Cont'd.)8a. Approved – Minutes (Agenda Item #8a) – The Board of Regents approved the following meeting minutes (*the minutes for January 11, 2013, Board of Regents' Special meeting will be considered at a later time*):

- Correction to August 24, 2012, Board of Regents' Special meeting (*Ref. BOR-8a(1) on file in the Board Office*).
- October 24, 2012, ad hoc Performance Pool Task Force Committee meeting (*Ref. BOR-8a(2) on file in the Board Office*).
- November 29-30, 2012, Board of Regents' meeting (*Ref. BOR-8a(3) on file in the Board Office*).
- November 30, 2012, annual Foundation Reports:
 - CSN (*Ref. BOR-8a(4) on file in the Board Office*).
 - DRI Research (*Ref. BOR-8a(5) on file in the Board Office*).
 - DRI Research Parks, LTD. (*Ref. BOR-8a(6) on file in the Board Office*).
 - GBC (*Ref. BOR-8a(7) on file in the Board Office*).
 - NSC (*Ref. BOR-8a(8) on file in the Board Office*).
 - TMCC (*Ref. BOR-8a(9) on file in the Board Office*).
 - UNLV (*Ref. BOR-8a(10) on file in the Board Office*).
 - UNR (*Ref. BOR-8a(11) on file in the Board Office*).
 - WNC (*Ref. BOR-8a(12) on file in the Board Office*).
- December 12, 2012, ad hoc Performance Pool Task Force Committee meeting (*Ref. BOR-8a(13) on file in the Board Office*).

8. Approved – Consent Items (Agenda Item #8) – (Cont'd.)

8a. Approved – Minutes (Agenda Item #8a) – (Cont'd.)

Regent Knecht requested the minutes from January 11, 2013, be held until a later time.

Regent Knecht said he had discussed with Mr. Wasserman what it meant for a Regent to approve the minutes for a meeting he or she had not attended. Mr. Wasserman had counseled it was a reasonable interpretation for a vote to be made on approving or accepting the minutes based on the idea the vote is not an affirmative endorsement of every word but a vote to accept the minutes are a good faith reflection of what occurred at the meeting. In that context, he provided his support of Consent Item 8a with the exception of BOR-8a(14) (*January 11, 2013, Board of Regents' Special meeting*).

Regent Knecht moved approval of Consent Item #8a (*Minutes*) with the exception of BOR-8a(14) (*January 11, 2013, Board of Regents' Special meeting*) which he asked be considered at a later time. Regent Doubrava seconded. Motion carried. Regent Stephens abstained. Regent Schofield was absent.

9. Information Only - National Science Advisory Committee Review of DRI (Agenda Item #9)
- DRI President Stephen G. Wells presented for information the National Science Advisory Committee (*NSAC*) review of DRI organized by the American Association for the Advancement of Science (*AAAS*) as well as its recommended action plan (*Ref. BOR-9 on file in the Board Office*).

In summary, President Wells said the NSAC's report states DRI has an infectious and very positive level of morale. The NSAC also noted a high degree of healthy apprehension across the staff reflecting both passion for and intense interest about DRI's future. Given the "soft money" nature of DRI's work, the NSAC considered this both normal and contributory to DRI's continuance as a "can do," agile, and customer-focused organization. There is also recognition DRI is at a critical juncture and faces a precipice in funding which will require the institution to be more forward thinking in its fundraising efforts.

According to the NSAC's report, there are three primary recommendations requiring immediate attention, including:

- The critical need for the full support of DRI from its NSHE counterparts, and vice versa. One general recommendation is to include specific examples of what System leaders can do to support the success of other System leaders.
- The need for a "full court press" to fill DRI's vacant senior leadership positions and to build a cohesive leadership team.

9. Information Only - National Science Advisory Committee Review of DRI (Agenda Item #9)
– (Cont'd.)
- The need for the Executive Vice President for Research (EVPR) to be tasked with development of a strategic research implementation process in collaboration with the faculty senate to provide a roadmap for future development.

Included in the reference material is DRI's prepared response to the NSAC's recommendations addressing research and research funding, administration, shared governance/communication and NSHE relationships.

Regent Wixom congratulated President Wells for an outstanding report and complimented him for his efforts. President Wells replied DRI's success could only happen with the support of its critical faculty and staff.

Regent Wixom noted whenever he sees a quotation from a member of the DRI faculty it is rare for the person to connect DRI with the state of Nevada. He hoped there would be some point in time when DRI could find some way to remind everyone who and where DRI is. President Wells looked forward to working with DRI's faculty senate leader to address Regent Wixom's comment.

Regent Knecht referred to pages 20-21 of Ref. BOR-9 addressing the need for an emphasis on graduate as well as undergraduate student involvement. He asked if the plan was to increase graduate and undergraduate student involvement or if the plan is to maintain current levels. President Wells said increased graduate student involvement is always welcome. DRI has the honor of teaching and advising students through the support of the universities and state college. President Wells said DRI has been involved with undergraduate interaction on a minimum level. He added undergraduate interaction presents more of a challenge although the door is always open.

Regent Knecht referred to a recent media article indicating the federal government sequestration is not required across the board and the 2011 bill was written in terms of budget accounts and not in terms of projects, programs or activities. He asked President Wells if he has seen or heard any possible news from Washington DC indicating the executive administration may be more judicious in its budget cuts. President Wells said DRI is waiting to see what happens. The National Science Foundation has said ongoing projects for the current fiscal year will not be impacted but there is the possibility for approximately 1,000 less projects in the future. In response to such a possibility, DRI is working to ramp up opportunities with business partnerships.

Regent Knecht asked President Wells to keep the Board apprised of any impact the sequestration may have on DRI's activities.

10. Approved - Regents Awards (Agenda Item #10) - The Board of Regents approved the 2013 Distinguished Nevadan and Regents' Scholar recipients:

A. Approved - Distinguished Nevadans (Agenda Item #10a) - Handbook, Title 4, Chapter 1, Section 14: (Ref. BOR-10a(1) on file in the Board Office)

- Dr. William H. "Bob" and Anna L. Bailey. Nominated by Regent Crear. (Ref. BOR-10a(2) on file in the Board Office).
- Mr. Robert D. Faiss. Nominated by Regent Anderson. (Ref. BOR-10a(3) on file in the Board Office).
- Pastor Paul Goulet. Nominated by Regent Blakely. (Ref. BOR-10a(4) on file in the Board Office).
- Mr. Bruce R. James. Nominated by Regent Trachok. (Ref. BOR-10a(5) on file in the Board Office).
- Mr. Ceasar E. Salicchi. Nominated by Regent Melcher. (Ref. BOR-10a(6) on file in the Board Office).
- Mr. Richard "Dick" and Fran Trachok. Nominated by full Board. (Ref. BOR-10a(7) on file in the Board Office).

Regent Page moved approval of the 2013 Distinguished Nevadan award recipients. Regent Anderson seconded. Motion carried. Regent Schofield was absent.

B. Approved - Regents' Scholars (Agenda Item #10b) – Handbook, Title 4, Chapter 1, Section 15 and Procedures and Guidelines Manual, Chapter 8, Section 2(5): (Ref. BOR-10b(1) and BOR-10b(2) on file in the Board Office)

- Mr. Juan Zavala-Saucedo, CSN.
- Ms. Melissa Mahlberg, GBC.
- Mr. Nathan Hale, TMCC.
- Mr. Daren Kight, WNC.
- Ms. Jenny Reategui, NSC.
- Mr. Erik N. Ringdahl, UNLV Graduate.
- Ms. Emylia Nicole Terry, UNLV Undergraduate.
- Mr. Richard Charles Kelley, UNR Graduate.
- Ms. Jade Keehn, UNR Undergraduate.

Regent Trachok moved approval of the 2013 Regents' Scholar recipients. Regent Wixom seconded. Motion carried. Regent Schofield was absent.

11. Approved – Honorary Degrees (Agenda Item #11) - The Board of Regents approved the 2013 Honorary Degree recipients (*Board of Regents’ Handbook, Title 4, Chapter 1, Section 14, and Procedures and Guidelines Manual, Chapter 8, Section 1.2*) (Ref. BOR-11a(1) on file in the Board Office).
- A. Honorary Doctorate Degrees:
 - Mr. James Christian “Jimmy” Kimmel, UNLV. (Ref. BOR-11a(2) on file in the Board Office)
 - Mr. Samuel S. Lionel, UNLV. (Ref. BOR-11a(4) on file in the Board Office)
 - B. Honorary Baccalaureate Degree:
 - Mr. Dean A. Rhoads, GBC. (Ref. BOR-11b on file in the Board Office)
 - C. Honorary Associate Degrees:
 - Mr. Robert and Mrs. Dorothy Ramsdell, WNC. (Ref. BOR-11c(1) on file in the Board Office)
 - Mrs. Irene Vogel, CSN. (Ref. BOR-11c(2) on file in the Board Office)

Regent Knecht moved approval of the 2013 Honorary Degree recipients. Regent Doubrava seconded. Motion carried. Regent Schofield was absent.

The meeting recessed at 12:02 p.m. on Thursday, February 28, 2013, and reconvened at 12:28 p.m. with all members present.

12. Approved - Initial Salary, Vice Chancellor, Academic and Student Affairs (Agenda Item #12) - In accordance with Title 4, Chapter 3, Section 24 of the NSHE *Handbook*, The Board of Regents approved the initial salary for Vice Chancellor of Academic and Student Affairs Crystal Abba. Terms and conditions of the appointment were provided at the meeting (*Handout on file in the Board Office*).

Regent Trachok moved approval of the initial salary for Vice Chancellor of Academic and Student Affairs Crystal Abba. Regent Knecht seconded.

Regent Knecht asked if Vice Chancellor Abba’s appointment represented a one-to-one replacement without an increase in administrative head count. Chancellor Klaich said that was correct.

Regent Knecht asked if Vice Chancellor Abba’s proposed initial salary is lower than the previous Vice Chancellor’s. Chancellor Klaich confirmed that was correct.

Chair Geddes indicated his full support of the recommendation.

Regent Crear felt more key positions in System Administration were based in northern Nevada and asked for sensitivity to location when hiring for those key positions in the future. Chancellor Klaich said there are three vice chancellors in northern Nevada,

12. Approved - Initial Salary, Vice Chancellor, Academic and Student Affairs (Agenda Item #12)
– (Cont'd.)

Vice Chancellors for Academic and Student Affairs, Finance and Administration and Legal Affairs. There are two vice chancellors in southern Nevada, the Vice Chancellors of Health Sciences and Administration and Operations. The Vice Chancellor of Information Technology splits his time between Reno and Las Vegas. Chancellor Klaich said he has tried to balance the offices when recruiting and assured Regent Crear his concerns were legitimate and taken seriously.

Regent Crear questioned the purpose of annual contracts verses multi-year contracts. Chair Geddes said the Board will have a discussion on contracts at its April 19, 2013, special meeting.

Regent Anderson said faculty and administrators are hired for one year contracts with few exceptions. As Chair of the Academic and Student Affairs Committee, she fully supported the recommendation of Vice Chancellor Abba's initial salary.

Regent Doubrava expressed his support of Vice Chancellor Abba. He was concerned the contract was only for four months from March 1, 2013, through June 30, 2013. Chancellor Klaich said the length of contract is due to the fiscal year which ends on June 30, 2013.

Regent Doubrava asked if the appointment of interim vice chancellors is at the chancellor's prerogative or if those appointments should come to the Board. He also asked if Vice Chancellor Abba's curriculum vitae could be shared with the Board. Chancellor Klaich explained it is his prerogative to hire vice chancellors but the Board has the authority to approve the initial salary. Vice Chancellor Abba's curriculum vitae would be provided to the Board.

Regent Page supported the recommendation. He asked what Vice Chancellor Abba's current annual salary is. Chancellor Klaich replied her annual salary is \$148,000, including the 10 percent stipend for the interim position.

Regent Page agreed location should remain a serious consideration when hiring administrators in the future.

Motion carried. Regent Schofield was absent.

13. Approved - Handbook Revision, NSHE Intercollegiate Athletics (Agenda Item #13) - The Board of Regents approved restoration of the requirement for Board approval before an NSHE institution can change its athletic conference membership, thus eliminating the exception adopted for cases of rapid changes in conference configuration (*Title 4, Chapter 10, Section 23*) (*Ref. BOR-13 on file in the Board Office*).

13. Approved - Handbook Revision, NSHE Intercollegiate Athletics (Agenda Item #13) – (Cont'd.)

Regent Trachok moved approval of the restoration of the requirement for Board of Regents approval before an NSHE institution can change its athletic conference membership (*Title 4, Chapter 10, Section 23*). Regent Blakely seconded.

Regent Stephens said decisions for conference changes may need to occur quickly and may be hampered by Nevada's Open Meeting Law. She felt a better solution would be for the Board to be notified of possible changes ahead of time thereby preventing critical delays later in the process. She wanted to be careful not to inhibit or undermine any necessary processes.

Regent Crear said UNR had negotiated a \$5 million out-clause without the Board's approval when it decided to leave the Western Athletic Conference (WAC) to move to the Mountain West Conference (MWC). However, he felt the public held the Board accountable for any ramifications as a result of conference realignment, including television rights.

Regent Blakely felt control should remain with the Board since the financial considerations were significant. He said it was important for a thorough vetting process to be conducted. He supports the proposed policy restoration.

President Johnson said the current rules already allow for some Board control. When UNR moved from the WAC to the MWC, there had been prior Board discussion including a resolution passed by the Board to support having UNR and UNLV in the same conference. When the MWC contacted UNR with the opportunity to join their conference, a decision needed to be made within hours. President Johnson had no issue with Board oversight but he did not want to be prevented from even discussing possible opportunities in the future.

Regent Blakely understood President Johnson's position. However, he felt the larger issue is the Board needs to have the decision-making authority as stewards of the taxpayers.

Regent Melcher asked if Nevada's Open Meeting Law allowed for calling an emergency meeting. Mr. Wasserman said although the term "emergency" is not specifically defined, it would have to affect the health, welfare and safety of the public. It would be difficult to find any NSHE conference alignment issue rising to the level of an emergency meeting. The Nevada Open Meeting Law requires notice by 9:00 a.m. three days prior to the meeting. A fourth day is necessary to meet the mechanics of preparing and posting the agenda. Fair public notice could be provided prior to having all the details worked out.

Regent Crear felt decisions involving this level of scale without adequate time for proper vetting should automatically be brought to the Board of Regents for approval.

13. Approved - Handbook Revision, NSHE Intercollegiate Athletics (Agenda Item #13) – (Cont'd.)

Chair Geddes said the policy was modeled after policies in other states with open meeting laws. In general it was found conference realignment is negotiated pending the approval of the governing board, similar to employment contracts.

Regent Page agreed the Board should have authority to approve situations with significant ramifications. He noted in the situation involving UNR there had been Board conversations prior to the conference members' phone call.

President Smatresk said the Board should not strip the presidents from exercising their judgment in making a sensible business deal. The WAC conference had very little in the way of enumeration to its members while the MWC offered considerably more. As a president, he would like to be able to preliminarily say yes to negotiations, pending the Board's approval. He asked the Board not to undercut the presidents by restricting them from initial discussions or preliminarily saying yes as a placeholder to negotiations.

Regent Leavitt did not want to constrain the presidents and hoped the existing policy would not change. He asked if the proposed policy prohibits the presidents from entering into a contract pending Board approval. Chair Geddes did not feel the proposed policy prevents the presidents from entering into negotiations.

Regent Trachok said conference alignment was of a different magnitude than employment contracts. He did not feel the proposed change would impact negotiations in any way.

Regent Anderson felt the conferences would give the institutions the time needed to consult their governing boards if an approval policy is required. She agreed the presidents should have the right to negotiate pending Board approval.

Upon a roll call vote, motion carried. Regents Blakely, Crear, Doubrava, Geddes, Knecht, Leavitt, Melcher, Page, Trachok, Wixom and Anderson voted yes. Regent Stephens voted no. Motion carried. Regent Schofield was absent.

14. Approved- Purchase Agreement and Financing Plan, System Administration Building in Las Vegas (Agenda Item #15) – The Board of Regents approved the proposed purchase agreement and financing plan for a System Administration Building located at E. Rochelle Avenue and S. Maryland Parkway, Las Vegas, including granting authority to the Chancellor to approve price increases for certain changes in scope and FF&E (*furniture, fixtures and equipment*) (Ref. BOR-15 on file in the Board Office).

Chancellor Klaich provided a summary of events occurring to-date. He said the proximity of the proposed building to an NSHE campus was critical and will allow System Administration staff to take advantage of amenities on the UNLV campus. The project

14. Approved- Purchase Agreement and Financing Plan, System Administration Building in Las Vegas (Agenda Item #15) – (Cont'd.)

also allows the System to participate in the beginning of the Mid-Town UNLV renovation.

Regent Leavitt moved approval of the proposed purchase agreement and financing plan for a System Administration Building located at E. Rochelle Avenue and S. Maryland Parkway, Las Vegas, including granting authority to the Chancellor to approve price increases for certain changes in scope and FF&E. Regent Page seconded.

Regent Leavitt thanked Chancellor Klaich for keeping the project a top priority. He said the Board of Regents owns just about every property in the System but not the System Office in Las Vegas. He was supportive of the project.

Regent Stephens said she had reviewed the proposal from both the NSHE and UNLV perspectives and felt the project was encouraging. She was pleased to be able to vote as a member of the Board of Regents on this particular item.

Regent Page thanked UNLV for their time and financial involvement in the project.

Regent Crear hoped the building would become a community building with its more accessible location and proximity to the UNLV campus. He hoped to find ways to engage the public to use the building as a resource.

Regent Wixom expressed his appreciation to UNLV staff and to Chancellor Klaich. He expressed particular appreciation to Mr. Michael Saltman and Mr. David Saltman. He reminded the Board the building was part of the overall Mid-Town UNLV project.

Motion carried. Regent Schofield was absent.

15. Approved – Handbook and Procedures and Guidelines Manual Revision, Community College and Part-Time Salary Schedule Updates (Agenda Item #14) – The Board of Regents approved the NSHE Community College and Part-time Salary Schedules and amendments to the Board of Regents' *Handbook* Title 4, Chapter 3, Sections 35 and 36, and *Procedures and Guidelines Manual*, Chapter 3, Sections 1-3 and Section 6 related to the policies governing NSHE Community College and Part-time Salary Schedules (*Ref. BOR-14a and BOR-14b on file in the Board Office*).

Vice Chancellor of Legal Affairs Brooke Nielsen thanked NSHE Human Resources Director Ms. Christine Casey and each campus representative for their work and participation on the Salary Study Committee.

15. Approved – Handbook and Procedures and Guidelines Manual Revision, Community College and Part-Time Salary Schedule Updates (Agenda Item #14) – (Cont'd.)

Vice Chancellor Nielsen provided a Power Point presentation to the Board of Regents. The presentation included information on the background and history of NSHE salary schedules, the charge of the Salary Study Committee, the proposed recommendations, the reason new methodology was needed and the cost of implementing the proposed recommendations (*Presentation on file in the Board Office*).

Dr. Charles Milne, Faculty Senate Chair, CSN, expressed his strong support for the proposed revisions to the Community College Faculty Salary Schedule, including changes to the method of indexing to the university median, ability to update the schedules more frequently than every four years and conversion of the salary schedule steps to ranges.

Chancellor Klaich said the proposed recommendations will bring a new level of professionalism to the salary issues at the community colleges.

Regent Knecht asked why part-time rates had not increased. Vice Chancellor Nielsen said when the existing methodology was applied to the part-time instructor salaries a reduction occurred. A review of salary ranges among part-time faculty at peer institutions indicated the current ranges were already in the ball park. The committee will continue to look at the issue of part-time salaries to determine if a better policy could be brought to the Board.

Regent Knecht noted UNLV had the highest Leave of Absence rate and asked how those differentials were arrived at. Vice Chancellor Nielsen said the state college rate is 95 percent of the university formula and the community college rate is 90 percent of the university formula. Among all institutions the targeted rates are within just a few hundred dollars of each other.

Regent Knecht asked how many part-time faculty members participated on the Salary Study Committee. Vice Chancellor Nielsen did not believe any part-time faculty to be on the committee but said the oversight could be addressed since the committee is continuing its review.

Regent Knecht asked if true part-time faculty are not receiving the same benefits allowed for even the lowest paid full-time faculty member. Vice Chancellor Nielsen said although it was true, the committee was considering what benefits could be provided to part-time faculty.

Regent Knecht felt part-time faculty should be included on the Salary Study Committee. He said making a decision would be difficult because he felt part-time faculty deserved more.

15. Approved – Handbook and Procedures and Guidelines Manual Revision, Community College and Part-Time Salary Schedule Updates (Agenda Item #14) – (Cont'd.)

Regent Trachok moved approval of the NSHE Community College and Part-time Salary Schedules and amendments to the Board of Regents' *Handbook* Title 4, Chapter 3, Sections 35 and 36, and *Procedures and Guidelines Manual*, Chapter 3, Sections 1-3 and Section 6 related to the policies governing NSHE Community College and Part-time Salary Schedules. Regent Melcher seconded. Motion carried.

The meeting recessed at 1:52 p.m. and reconvened at 2:02 p.m. on Thursday, February 28, 2013, with all members present.

16. Approved - Procedures and Guidelines Manual Revision, Faculty Senate Surveys for Periodic Presidential Evaluations (Agenda Item #16) – The Board of Regents approved an amendment to *Procedures and Guidelines Manual* Chapter 2, Section 2.2.7 regarding the inclusion of faculty senate surveys for periodic presidential evaluations (Ref. BOR-16 on file in the Board Office).

Vice Chancellor Nielsen explained the current practice of using faculty senate surveys as a tool in periodic presidential evaluations is not codified. Current Board policy and practice prohibits anonymous materials from being used in evaluations with the exception of survey results, which by their nature are presented in an anonymous manner. The proposed policy also addresses the need for surveys to be conducted in a way so as not to contain performance information on individuals other than the president.

Regent Crear asked why the Board should be engaged in the faculty senate's survey process when it does not oversee any other senate processes. Secondly, he asked who will oversee the survey and how the surveys will be administered. Vice Chancellor Nielsen said *Handbook* policy, Title 4, Chapter 3, section 4.4, contains a provision allowing surveys and evaluations from students and other subordinates to be used in an administrator's evaluation but does not apply in the evaluation of presidents. The section of the *Handbook* dealing with the evaluation of presidents does not contain provisions for the use of surveys. Vice Chancellor Nielsen said an argument could then be made faculty senate surveys are not appropriate for the purpose of evaluating presidents since there is not a provision specifically allowing them. The proposed policy also prohibits the inclusion of public references on the conduct of others beyond the position of president.

Regent Knecht asked if the Board and its committees hold any plenary or residual powers or if the Board holds only those powers expressly granted in the *Procedures and Guidelines Manual* or Code. Vice Chancellor Nielsen said every situation could not be covered and

16. Approved - Procedures and Guidelines Manual Revision, Faculty Senate Surveys for Periodic Presidential Evaluations (Agenda Item #16) – (Cont'd.)

there is a reservoir of administrative powers. The Board's current policy states "*The evaluation of presidents should follow guidelines approved by the Board of Regents.*" The enumerated powers contained in the *Procedures and Guidelines Manual* apply surveys to other types of evaluations. However, because those powers are not included in the policy sections specifically addressing presidential evaluations there may exist an argument surveys are not authorized.

Chancellor Klaich said at the last president evaluation a member of the Regent's committee recommended the Board adopt a broader policy in respect to the inclusion of faculty surveys in presidential evaluations. When the next presidential evaluation process began it was discovered the recommendations from the Regents' committee had not been followed up on.

President Wells appreciated what the proposed policy attempts to do. He did not want to limit the faculty senate questions or statements but suggested using a third party to assemble the survey questions through a consistent and reputable process.

Regent Knecht moved approval of an amendment to *Procedures and Guidelines Manual* Chapter 2, Section 2.2.7 regarding faculty senate surveys for periodic presidential evaluations. Regent Blakely seconded.

Regent Blakely liked the suggestion of using a standard questionnaire developed by an outside entity.

Regent Stephens asked if a standardized Board procedure will be needed to oversee the survey process. Vice Chancellor Nielsen felt the Board was not accepting responsibility for the surveys but rather clarifying an overarching process to ensure the protection of personnel rights. She did not see the clarification as a significant interjection of Board oversight. She said the faculty senates feel a strong ownership over their surveys so utilizing a third party would require further discussion at another time.

Regent Melcher asked who compiles the faculty survey responses and if the individual responses were anonymous. Vice Chancellor Nielsen said the faculty senates develop and prepare the questions and receive and compile the responses. In terms of anonymity, faculty members are not identified in their responses.

Regent Melcher agreed the aggregate information should be anonymous but he did not feel individual anonymous responses should be allowed. Vice Chancellor Nielsen said the Board's current policy requires the faculty surveys to be conducted anonymously for the most part. She noted student surveys are required to be anonymous.

16. Approved - Procedures and Guidelines Manual Revision, Faculty Senate Surveys for Periodic Presidential Evaluations (Agenda Item #16) – (Cont'd.)

Regent Melcher asked how responses are verified as coming from an actual faculty member. Vice Chancellor Nielsen said there are different ways of managing a survey. For example, in the last DRI faculty senate survey, responses were anonymous and controls were in place.

Regent Crear asked if the proposed policy revision would require a faculty survey to be conducted for all president evaluations. Vice Chancellor Nielsen said surveys are not being mandated.

Regent Crear felt if policy language was being provided on how surveys are to be conducted then surveys should be conducted across the System. As a member of the Board, Regent Crear did not want to oversee the faculty senate survey process. He also did not believe the faculty senates would want the Board of Regents to oversee their processes.

Mr. Wasserman said in recent periodic presidential evaluations, the faculty senate survey has created Open Meeting Law issues because the survey alluded to individual(s) other than the president. The objective of the proposed amendment is to include a provision to allow a survey to be brought forward if the survey is done in such a way so as not to contain performance information on individuals other than the president. The substance of the proposal is where it states *“In preparing the survey and the final survey report, the faculty senate shall consult with the institution’s general counsel to insure that the questions in the survey and the final survey do not seek or contain comments about the performance of individuals other than the president.”* He said the key to the proposal is to allow System and institutional counsel the opportunity to review the surveys prior to presentation to the Regents’ Periodic Presidential Evaluation Committee for its consideration.

President Wells said he felt the faculty senate has conducted high-level surveys in his evaluations. All he is suggesting is it may be helpful to have a process through the Chancellor’s Office to oversee a consistent way for the faculty senate to receive assistance from a third-party who conducts surveys professionally. Future faculty senates may not have the same level of experience with surveys as the current faculty senate has.

Regent Knecht felt a Board mandate for faculty senate surveys would be overreaching. He said it was more appropriate to say if the faculty senate decides to conduct a survey to be considered by the Regent’s committee then standards need to be adhered to. He was supportive of the proposal as presented.

Ms. Shannon Sumpter, Faculty Senate Chair, UNLV, said UNLV is currently in the process of conducting a survey for President Smatresk’s upcoming evaluation. Each faculty member has been given an individual token to access an electronic survey. The questions were compiled by the UNLV Campus Affairs Committee who was charged to conduct the evaluation of President Smatresk and to assist in the evaluation of other administrators. The questions were based on a list of categories outlined in the NSHE’s

16. Approved - Procedures and Guidelines Manual Revision, Faculty Senate Surveys for Periodic Presidential Evaluations (Agenda Item #16) – (Cont'd.)

Procedures and Guidelines Manual. The questions were vetted by herself, the UNLV Faculty Senate Executive Committee and a representative selected by President Smatresk and UNLV's Legal Counsel. Faculty members were cautioned not to use names of particular people or make easily identifiable remarks or reference to individuals other than the president.

Regent Melcher liked the process used at UNLV and asked it be shared with the other institutions.

Motion carried.

17. Approved - Handbook Revision, University Studies Abroad Consortium (Agenda Item #17) – The Board of Regents approved Title 4, new Chapter 23 of the Board of Regents' Handbook, governing the University Studies Abroad Consortium (Ref. BOR-17 on file in the Board Office).

Vice Chancellor Nielsen said the University Studies Abroad Consortium's (USAC) charter was adopted by the Board of Regents in 1997. UNR is the administering university of USAC, which is entirely self-funded primarily through student program fees. The USAC currently has 30 member colleges and universities in the United States, including UNR and UNLV, and operates overseas in over two dozen countries with over 300 employees. The nature of its operation requires USAC to understand, respond to and deal with the varied laws in those foreign lands. Specific policies are needed to govern the USAC's business practices while providing transparency and accountability to the Board of Regents when a foreign law does not fit into the established business process created in the state of Nevada.

Vice Chancellor Nielsen presented the proposed policy, *Handbook* Title 4, new Chapter 23, for the Board's consideration. The proposed policy will allow adoption of specific policies and procedures, as recommended by the UNR president and approved by the chancellor, to expedite efficient processing of USAC business and to address issues such as to what extent local state policies apply overseas. The guidelines require written employment, purchasing and business contracts with the identification of beginning and ending dates as well as any benefits. The contracts can then be completed with the necessary details required by the different countries. The proposed guidelines also address the use of banking and financial institutions in foreign countries, appropriate records management for future auditing purposes, appropriate insurance requirements and the need in some foreign countries to establish local business entities in order to conduct business. Once specific policies are developed at UNR they are then required to be published on the website with biennial reporting of USAC activities to the Board of Regents.

17. Approved - Handbook Revision, University Studies Abroad Consortium (Agenda Item #17) – (Cont'd.)

Regent Trachok moved approval of new Chapter 23 of Title 4 of the Board of Regents' *Handbook* governing the University Studies Abroad Consortium. Regent Anderson seconded.

Regent Crear asked why policies only need to be adopted by UNR when UNLV also has a USAC program at its campus. He also asked how oversight will be maintained if the program will no longer be required to conform to Board policies. Vice Chancellor Nielsen said not every requirement for in-state procedures will work in foreign environments. The USAC's development of new programs in different countries, combined with the competitiveness in their market field, adds another layer of pressure to be able to quickly respond to any issues. She said UNR is the administering university of USAC with UNLV being one of USAC's member institutions.

President Smatresk said USAC represents 33 member institutions. As such, the USAC could be its own independent 501(c)(3) and free from the influence of any institution. He was reasonably certain if disagreement occurred between USAC's 33 member institutions and the governing policies of the NSHE Board of Regents, the USAC would become its own organization. He understood the USAC needs to conduct its business and UNR is the campus enabling the business to occur. The USAC can accept the friendly governance of UNR provided it does not interfere with the autonomy of the 33 USAC members or needlessly slow down the execution of difficult and challenging services in foreign countries. The USAC needs to continue functioning practically as an autonomous agency, including flexible accounting and auditing functions.

Regent Crear asked if the proposed policy establishes guidelines for all 33 USAC institutions. Vice Chancellor Nielsen said USAC has always functioned within the NSHE's Board of Regents policies since approval of its charter in 1997. The proposed policy tries to recognize the need for more flexibility within the friendly administrative relationship between USAC and UNR.

Regent Crear asked if the proposed policy applies only to UNR or to all 33 USAC institutions. Vice Chancellor Nielsen felt the policy's introduction recognizes USAC as a separate entity for which UNR is the administrative agency.

Regent Stephens said she was a product of the USAC program and a clear proponent of the program. She felt more frequent reporting requirements would allow room for Board and institutional changes in the future. She was not necessarily concerned about the fiscal audits but for the many other socio-cultural processes which could be contradictory to the NSHE's mission and the Board's policies. Vice Chancellor Nielsen felt there would be no objection to more frequent reporting, adding the USAC is currently subject to internal fiscal and performance audits.

Motion carried.

18. Information Only - Handbook and Procedures and Guidelines Manual Revision, Student Health Insurance (Agenda Item #18) – Vice Chancellor of Finance and Administration Vic Redding provided the Board of Regents with an update on the analysis of student health insurance. Further information will be presented to the Board at its April or June meeting.

Regent Blakely asked if the System was currently compliant with the federal Patient Protection and Affordable Care Act (*PPACA*). Vice Chancellor Redding said there are no requirements for the System to offer or facilitate health insurance plans for the students. However, the System's current health insurance options are often something the students cannot access elsewhere. That said, next year the *PPACA* will provide students with many other options, some of which may be better than any the System could offer.

Regent Blakely asked for a future agenda item to discuss the *PPACA* and the impact it will have on the System. Vice Chancellor Redding said he would address the *PPACA* when proposed rates are brought to the Board at a future meeting.

Mr. Michael Gordon, GPSA President, UNLV, said the graduate students voted 3-24-5 disapproving mandatory healthcare.

Regent Knecht asked if one of the *PPACA* provisions is to allow parents to cover students until the age of 26. Vice Chancellor Redding said dependent coverage is a major issue within the anticipated changes. The state of Nevada is also pursuing an expansion to its Medicaid program as well as the creation of a health care exchange. There is also the possibility of the System being able to offer improved but less expensive options.

Regent Knecht was concerned for the ramifications of voluntary insurance verses mandatory insurance. Vice Chancellor Redding said consideration was being given to the importance of not creating a cross-subsidization issue.

The meeting recessed for committee meetings at 3:09 p.m. on Thursday, February 28, 2013, and reconvened at 10:11 a.m. on Friday, March 1, 2013, with all members present.

19. Information Only – Public Comment (Agenda Item #21) - Angela Brommel, President, Nevada Faculty Alliance, Karen Hyman, Professor, CSN, Adrian Havas, Professor, CSN, Robert Manis, Professor, CSN, John Farley, President, UNLV Chapter of the Nevada Faculty Alliance and Levia Hayes, Chair, English Department, CSN, addressed the Board to express concern regarding the information and recommendations contained in the E-Learning Report submitted by Mr. Richard N. Katz (*agenda item #24*).

Mr. Gil Martin, Faculty Senate Chair, WNC, expressed his support for the reinstatement of the Senior Citizens Course Fee Waiver (*agenda item #31*) with certain limitations including space availability and with a nominal course fee.

19. Information Only – Public Comment (Agenda Item #21) – (Cont'd.)

Regent Wixom asked for a future agenda item to address the effects of the federal government sequestration for the NSHE. He requested there be some discussion on how sequestration will affect financial aid, grants and contracts and how the System could respond effectively.

In regard to a future Board discussion on sequestration, Regent Knecht reminded the Board of his point made the previous day that the federal government sequestration is not required across the board and the 2011 bill was written in terms of budget accounts and not projects, programs and activities. He requested a transcript of the public testimony related to the Report on E-Learning.

20. Information Only - Graduate Medical Education Overview and Program Growth (Agenda Item #22) - UNR President Marc A. Johnson and Dr. Thomas Schwenk, Dean of the University of Nevada School of Medicine, presented for information an overview of the University of Nevada School of Medicine's Graduate Medical Education (GME) program and the priorities identified for program growth and enhancement to expand the physician workforce and improve the medical care in Nevada (*Ref. BOR-22 on file in the Board Office*).

Dean Schwenk explained undergraduate medical education refers to medical students whereas graduate medical education, or GME, refers to the training of residents and fellows. The two separate processes are funded, accredited and supported differently with no connection between them. It was initially thought the government could fund resident and fellowship training through the Medicare program, with funds going to the hospitals because most GME was hospital-based. Medicare is GME's single biggest payer, contributing \$10 billion of its total \$20 billion budget to GME. Although private insurers are not generally a factor, hospitals play a significant role by independently funding more residents than Medicare is able to support.

Approximately half of the \$100,000 per-resident, per-year cost of resident education goes to salary while the other half is for clinical and research costs. Of the approximate 27,000 first year resident positions available across the country, 20,000 are filled by graduates from United States medical schools. The difference is filled by international medical school graduates. It was important to note the significant delta between the number of medical school graduates and the number of available residency positions. In the last several years, many new medical schools have been established and many already established medical schools have increased their class sizes. However, the number of training positions for residents and fellowships remains the same resulting in no more of an increase in physicians than before. The number of physicians will not increase until there is a corresponding increase in the number of residency positions and programs.

Dean Schwenk said Nevada currently has basic residency programs in primary care, internal medicine, family medicine, pediatrics, psychiatry, surgery, obstetrics and gynecology. There are very few fellowship programs offered. Many of the disciplines

20. Information Only - Graduate Medical Education Overview and Program Growth (Agenda Item #22) – (Cont'd.)

needed by the state of Nevada and sought after by medical school graduates are not available. Linking medical school class size with residency program expansion in size and breadth of specialties is needed for a cohesive approach to workforce planning in Nevada.

Dean Schwenk said since the size of residency training programs funded by Medicare was capped in 1996, additional factors have been introduced including population growth, aging population, dramatic increase in chronic disease prevalence and changes in technology and science. Yet the number of physicians has remained basically the same.

Nevada ranks towards the bottom of states in terms of the number of residents and fellows per capita. Popular resident programs such as anesthesiology, dermatology, radiology, ophthalmology, cardiology, and surgical specialties do not exist in Nevada. The dramatic changes in technology and the impact of the federal Patient Protection and Affordable Care Act (*PPACA*) are rapidly changing the reasons to practice medicine and the delivery of care which in turn will change workforce projections, the way physicians are trained, the way physicians function, the types of specialties needed and where and how physicians practice with other healthcare professionals. Nevada is extremely deficient in its training programs. A rough calculation would suggest the current 310 resident and fellows in Nevada should be at least 600 or more.

Dean Schwenk said there is considerable misunderstanding about the nature of residency and fellowship training. The perception is graduates receive a reasonable living wage for working at the hospital, following physicians around and learning by osmosis. There is much more structure to the process than appears, including the development of full clinical programs, model practices, model hospital services, and very high volumes of clinical work and clinical research components. Of the \$100,000 per year cost of educating a resident or fellow, roughly half is for salary and half pays faculty administrative costs which cannot be escaped.

Dean Schwenk referred to the financial assessment found on page 3 of Ref. BOR-22 reflecting priorities for program growth and enhancement to expand physician workforce development and improve the medical care in Nevada. The overall plan includes approximately 160 or 170 incremental positions which are still short of what he feels the state needs in order to compete and build the pipeline of physicians for the future.

Dean Schwenk said the situation considerably transcends the issues involving higher education in Nevada. The state needs to prepare for a dramatic change in how health care will be delivered in the coming years. The anticipated annual price tag for increasing residency programs is \$27 million. Although \$27 million for resident salary could be supported through hospitals or Medicare, there is no new federal support for residency training. There are legislative bills currently before Congress to increase resident capacity by 15,000 positions. However, in the current economic environment he did not believe those legislative bills would be supported. Even if federal support is

20. Information Only - Graduate Medical Education Overview and Program Growth (Agenda Item #22) – (Cont'd.)

available for just the resident salary portion, there remains an annual price tag of \$12 million for faculty teaching and infrastructure to support the increased size of the GME program. He noted the recommended increase only represents a 50 percent increase over the GME program's current size.

Regent Page asked what the next step would be to raise \$12 million. Dean Schwenk said although he did not have an immediate answer some states with the capacity to do so are addressing GME as a workforce and economic development issue.

Regent Doubrava asked if the priorities as presented were approximately the same as those presented for consideration as a budget enhancement at the August 24, 2012, special Board meeting. Dean Schwenk said that was correct.

President Johnson said the plan had been prepared for submission to the Board in previous years. However, he had been encouraged not to move forward with formal presentation due to the impending collapse of the budget at the time.

Due to timing, Regent Doubrava said planning for the request would necessarily have to be for a future legislative session, possibly in 2015. President Johnson said beyond its own efforts, Nevada needed to join forces with other states or schools to seek some form of federal action to provide for the number of healthcare professionals necessary to comply with PPACA requirements.

Regent Doubrava felt the arguments provided at the August 24, 2012, special Board meeting to consider a budget enhancement request for the purposes of increasing the GME program were perhaps weak. He questioned why the institution was not encouraged to ask for the funds in previous years.

Philosophically, Regent Crear asked what progress the System was making with its fundraising efforts. He noted other schools were able to receive significant sums but, even with as much wealth as is in the state of Nevada, the relatively small number of funds needed could not be raised. Dean Schwenk said it was not for lack of trying. The UNSOM now has three development officers who are pursuing options with many donors. However, donors prefer to fund buildings and medical student scholarships but do not understand residents, fellows and the GME process. The UNSOM is also working to increase its visibility in Las Vegas.

Regent Crear felt the System was not actively pursuing philanthropic endeavors and asked what current fundraising levels and activities were. Chair Geddes said such a report could be included on a future agenda.

Regent Leavitt recollected former UNR President Glick had said he would work with Dean Schwenk on philanthropic efforts. Dean Schwenk said the majority of the emphasis had been on increasing medical school class size and not on GME.

20. Information Only - Graduate Medical Education Overview and Program Growth (Agenda Item #22) – (Cont'd.)

Regent Leavitt asked if the estimated enhancement funds could somehow be addressed in the current legislative session since its impact extends beyond higher education to the entire state, perhaps under the category of workforce and economic development.

Dean Schwenk said he was responsible for not being available at the August 24, 2012, budget meeting due to a fixed commitment. He was concerned about competing with other NSHE budget priorities having already been agreed upon and recommended.

Regent Leavitt was not suggesting the Board detract from the already submitted budget request. However, he felt the request could be considered in the event additional funds were available.

Chancellor Klaich said Dean Schwenk has reached out to Nevada's Economic Development Director Steve Hill. However, it is unlikely anything will go to the 2013 legislative session on the issue.

Regent Wixom asked why the size of the medical school should be increased but not the number of residency programs. Dean Schwenk did not feel it an either-or-situation but an "and" situation. If a medical student goes elsewhere for training there is a 40 percent chance they will return to Nevada. If a medical student graduates from an in-state residency program there is an 80 percent chance they will stay in Nevada. The challenge is in trying to correctly size and link the two unrelated processes with separate funding and resource issues.

Regent Wixom asked if there was a way to incentivize through policy and programs the number of medical students who leave the state for residency programs to return to Nevada. Dean Schwenk said a state loan repayment program already exists but is currently unfunded. A loan repayment program is generally believed to be one of the strongest forms of incentive.

Regent Wixom felt it would be appropriate for the Board to engage in a discussion over the next few years to determine exactly what needs to be requested. He said it would be important to ensure a zero-sum-gain is not requested which will create future issues for the state as a whole. He felt there was sufficient time to engage in a thorough and complete evaluation of the issues in anticipation of the 2015 legislative session.

Regent Anderson agreed the lack of sufficient healthcare services impacts the entire state and not just higher education. She asked if the various county commissioners and other local agencies could be involved. Dean Schwenk said he would greatly appreciate a broader level of exposure and visibility. He is very ambitious in trying to grow the GME programs and the new facility in Las Vegas in order serve the enormous obligation the UNSOM has to the state of Nevada. He asked the Board for its guidance and wisdom for how to structure the funding process.

20. Information Only - Graduate Medical Education Overview and Program Growth (Agenda Item #22) – (Cont'd.)

Regent Blakely agreed a next step would be to reach out to the Governor's office. He also suggested pursuing the county commissions to request time on their future agendas. Dean Schwenk said a major presentation regarding the new UNSOM facility in Las Vegas had been well received by the Clark County Board of Commissioners. A presentation on GME could certainly be a complimentary follow up presentation.

Regent Stephens felt it would be appropriate to organize and structure conversations about philanthropy and the health care industry in the state with the various stakeholders. She asked to see a two-year plan to determine how much progress could be made and what exactly needs to be requested from the 2015 legislative session. Dean Schwenk said he would be happy to provide such a project plan.

President Johnson said philanthropic efforts have been focused on developing the UNSOM's clinical research program. However, before any particular theme is extrapolated, he said it is important to act sequentially within a comprehensive plan of priorities encompassing GME, new facilities and clinical research.

Regent Doubrava cautioned against just thinking about a request for funding in 2015. He reminded the Board the UNSOM is its own budget line item. If there is a concern for the UNSOM not to detract from other NSHE line items then the NSHE's share of the pie needed to increase.

21. Information Only - Handbook and Code Revisions, Model Code of Student Conduct (Agenda Item #19) - Vice Chancellor of Legal Affairs Brooke Nielsen presented proposed amendments to the Board of Regents Code, Title 2 to adopt a model code of student conduct and related amendments to Title 4. As part of its review of the Code, the Code Review Task Force recommended a separate Model Code of Student Conduct be adopted for use by those institutions which have not adopted their own Student Conduct Code. This item was presented for an initial discussion only and will be on the June 2013 Board meeting agenda for final action (*Refs. BOR-19a, BOR-19b, BOR-19c and BOR-19d on file in the Board Office*).

22. Approved - Handbook Revision, Child Protection Policies (Agenda Item #20) – The Board of Regents approved new Chapter 22 of Title 4 of the Board of Regents' *Handbook* addressing Child Protection Policies and amendments to Title 4, Chapter 3, Section 46, Background Checks, to provide enhancement measures for the protection of children who participate in NSHE programs and activities. Included in the motion is an amendment to the proposed policies changing the phrase "child abuse and neglect" to "child abuse or neglect" (*Ref. BOR-20 on file in the Board Office*).

Vice Chancellor Nielsen said proposed new Chapter 22 of Title 4 sets forth actions to be taken for the protection of children participating in NSHE programs and activities while

22. Approved - Handbook Revision, Child Protection Policies (Agenda Item #20) – (Cont'd.)

leaving implementation of those actions to the discretion of the institutions. The policy acknowledges the NSHE has many public events and venues but reserves the right to determine whether or not a selected event is inappropriate for unsupervised children and provides definitions for who is considered a child, who is considered a volunteer, what constitutes child abuse or neglect and what program or activities involve children.

Vice Chancellor Nielsen said the Board is also asked to consider amendments to Title 4, Chapter 3, Section 46 to require institutions to determine whether and to what extent background checks should be conducted of employees, volunteers and outside persons involved in programs and activities for children, and to require NSHE child care workers to report convictions or illegal drug use occurring after employment with NSHE.

Regent Anderson moved approval of Board of Regents *Handbook*, Title 4, new Chapter 22, Child Protection Policies and amendments to Title 4, Chapter 3, Section 46, Background Checks, to provide enhancement measures for the protection of children who participate in NSHE programs and activities. Included in the motion is an amendment to the proposed policies changing the phrase “child abuse and neglect” to “child abuse or neglect.”
Regent Page seconded.

Regent Knecht asked if a 16-year-old were to drive themselves to a UNR athletic event, would they be stopped from attending and considered unsupervised or would the parents be accused of neglect. Vice Chancellor Nielsen said section 2 of the proposed policy allows underage children of driving age to attend campus events. However, proper identification will be required if an event is determined to be of an inappropriate nature.

Regent Melcher was concerned for what defines a volunteer and how the policy will be consistently implemented. Vice Chancellor Nielsen said a volunteer must comply with all NSHE policies. However, parents coming onto campus to attend a child care program event would not be included as a volunteer and subject to the background check and application procedures. The institutions will each need to consider who will be considered a volunteer on their campuses.

Regent Knecht asked Vice Chancellor Nielsen to further address the potential arguments against the policy indicated on page 2 of Ref. BOR-20. Vice Chancellor Nielsen said when considering if the policy goes too far, she had reflected on her review of the Penn State report as presented at the October 19, 2012, special meeting. She felt the report clearly showed there had been a lack of specific policies or consistent requirements across the Penn State campus as a major contributor to the situation. The proposed policy tries to minimize the administrative burden although some burden is necessary.

22. Approved - Handbook Revision, Child Protection Policies (Agenda Item #20) – (Cont'd.)

Regent Knecht cautioned against the belief any proposed policy or measure would prevent any bad action from occurring.

Motion carried.

The meeting recessed at 11:50 a.m. and reconvened at 12:13 p.m. on Friday, March 1, 2013, with all members present.

Chair Geddes thanked President Wells and the DRI staff for hosting the Board meeting.

23. Information Only - Implementation of NSHE Strategic Directions (Agenda Item #23) -

Chancellor Daniel J. Klaich reported on the progress and status of the Strategic Directions adopted by the Board on January 20, 2012. The Strategic Directions include the following initiatives: increasing student achievement, retention and success (Initiative #1); increasing transparency, accountability and performance (Initiative #2); continuous review and revision of programs to support innovation and responsiveness (Initiative #3); and assuring access and affordability of public higher education (Initiative #4) (*Ref. BOR-23 on file in the Board Office*).

Chair Geddes said the Board's Strategic Directions were established to ensure staff were appropriately focused on the Board's priorities. He suggested the priorities be reevaluated if too many items were being added to the Board's legislative agenda. Chancellor Klaich agreed and felt such a discussion would be a natural transition into the biennial budget building process.

24. Action Taken – Report on E-Learning (Agenda Item #24) – Mr. Richard N. Katz presented the results of a project undertaken by Richard N. Katz & Associates and guided by the Chancellor's ad-hoc NSHE E-Learning Steering Committee to evaluate existing and alternative distance education strategies to promote the educational goals of the System. The report included a review of national trends, current strategies and challenges across NSHE institutions, and recommendations for action. The Board of Regents accepted the report and tasked the Chancellor to implement the recommendations on pages 84-94 in light of the guidance of the Board and the feedback from the stakeholders (*Report and Power Point presentation on file in the Board Office*).

Chancellor Klaich said one of the recommendations from the Fresh Look at Nevada Taskforce was to establish a Nevada virtual college. His interpretation of the recommendation was the Board needed to consider all e-learning opportunities. It was in that spirit the services of Mr. Katz were retained. The direction provided to Mr. Katz held few restrictions except the report was to be student-centered. The purpose of the

24. Action Taken – Report on E-Learning (Agenda Item #24) – (Cont'd.)

evaluation was to identify ways to assist students in achieving their learning goals and outcomes more quickly. Chancellor Klaich was discouraged to hear the faculty testimony under public comment earlier in the day and felt the comments had seriously misrepresented the report before the Board. He stated no one has recommended rolling of the NSHE into one Massive Open Online Courses (MOOC) and no one has suggested privatization or the giving away of intellectual property. He said Mr. Katz had heaped praise on the institutions for what had already been accomplished in online learning while trying to harness the energy of the institutions and faculty to become even better.

Chancellor Klaich said NSHE is in a resource constrained environment and cannot look to state government for support. The NSHE is a small system without the ability to recreate on every campus the necessary structure and advising assistance needed. He said the campuses need to collaborate with each other. To see the extent to which technology has impacted higher education all one needs to do is consider how other industries have been impacted. It is clear students will come to the campuses but the campuses also need to go to the students in a way meaningful to the students. The faculty and students are being asked to work together and use resources throughout the System in a meaningful and timely way.

Chancellor Klaich said the report was intended to be provocative and to engage the faculty. Even the most cursory review of the report would reflect there is no budget involved. An implementation plan involving the faculty, students and presidents clearly remained to be developed

Mr. Richard Katz provided a Power Point presentation to the Board of Regents. The presentation included information on the pervasiveness of e-learning throughout higher education, portions of instructional mission becoming unbundled, consumerized and privatized, the changes occurring in the student population, the change and intensification of competitors, keeping pace with maturing e-learning technology, aligning the NSHE's e-learning efforts with the national e-learning market, creating an e-learning structure wanted by the students, the number of students attracted to or taking on-line courses, the costs of change management, his recommendations and next steps.

Mr. Katz said although he does not recommend them, it was important to acknowledge MOOCs exist. More colleges and universities around the country are beginning to accept courses outside the mainstream of their own particular offerings. Students want the feeling and experience of an alma mater but they also want a menu of options to instantly choose from. The NSHE needs to be able to provide a seamless ability for the students to move across barriers. Students will always choose the path of least resistance.

The NSHE institutions have collectively done a great job in developing its initial e-learning structure. However, the campuses fixation on individualism will hinder them from competing at a more significant level of scale. Technology is advancing and changing the way of competition.

24. Action Taken – Report on E-Learning (Agenda Item #24) – (Cont'd.)

Mr. Katz said it would not take a great deal to improve the NSHE from its current e-learning position. Although not cheap or easy it also does not have to be massively expensive. The NSHE has unique access and opportunity challenges but is also uniquely blessed in the rural education factor. Students want personal attention and physical campuses but also want to be able to take a great course at another institution.

Mr. Katz specific recommendations include the following (*page 84-94 of the report*):

Recommendation 1: Invest in Quality Matters and Other QA Tools and Techniques

Recommendation 2: Invest in Learning Management System (LMS) Harmonization

Recommendation 3: Invest in Distance Education and Related Policy Review

Recommendation 4: Invest in Learning Analytics

Recommendation 5: Invest in E-Textbooks

Recommendation 6: Invest in a Shared Student Learning Portal and Student e-Portfolio

Recommendation 7: Develop an NSHE-wide Shared Student Services Strategy

Recommendation 8: Invest in a Database of Effective Practices in E-Learning and in an E-Learning R&D capability

Recommendation 9: Invest in Student Readiness for E-Learning

Recommendation 10: Invest in Adaptive Learning

Recommendation 11: Invest in Shared Marketing

Recommendation 12: Continue to invest in rural broadband networking R&D

Recommendation 13: Invest in a repository of learning objects

Recommendation 14: Develop e-Ncore.

Recommendation 15: Create Centers of e-Learning Excellence to Support e-Ncore

Recommendation 16: Hire an E-learning Program Officer and Create an Influential Governance

Mr. Katz said the report was not intended to be prescriptive at the ground level but was intended to move the discussion to a 10,000-foot level strategy.

Regent Trachok felt an entire generation of Nevada's students will be lost if the System's graduation rankings do not climb to at least the 50th percentile. He wanted to see policy options the Board could consider in order to increase student success. He felt the NSHE was forced to look at shared services in Nevada's resource constrained environment. The NSHE has talented faculty and administrators who have already implemented creative on-line courses and hybrid programs. The NSHE has the luxury to see the wave of the future and put the infrastructure in place to make a difference. He suspected support and coordination would need to come from the Chancellor's Office. He also suspected there will need to be someone at the Chancellor's level to take ownership of the project. He suggested the formation of a committee comprised of stakeholders from the campuses to ensure the technology available was being utilized and to determine what other courses, programs, systems or offerings are available to help the NSHE achieve its goals.

24. Action Taken – Report on E-Learning (Agenda Item #24) – (Cont'd.)

Regent Trachok asked if Stanford, MIT, or Harvard gives full credit to their students for online courses. Mr. Katz said they do not. However, this e-learning environment has only been in existence for two years or less and there is a learning curve to quickly adjust policies.

Regent Trachok asked if any four-year university gives full credit to their students for online courses. Mr. Katz said absolutely.

Regent Trachok asked if any current MOOC offerings provide equivalent quality to traditional courses. Mr. Katz said having taken only one MOOC he could not answer the question. The American Council of Education (ACE) recently blessed several courses and is now organized enough to get in the business of anointing certain courses as having met a standard level of quality. Mr. Katz said the transferability of course credits is happening organically at various campuses but the process is not yet predictable.

Regent Trachok asked what would happen if all seven NSHE teaching campuses continued to offer online courses separately. Mr. Katz felt the variable is what would happen if a student is paying full retail prices to attend an NSHE institution when they can take the same course for nothing through a Stanford, Harvard or MIT level institution. Over time, Mr. Katz predicted the result would be the formation of opportunistic colleges and universities offering highly credible degrees through what would largely be credit aggregators. Students will be able to cut the cost of education in half with all the benefits of studying at MIT and Stanford. Those students will simply leave the NSHE system.

Regent Trachok asked if it is important for all eight institutions to work together in collaboration in order to succeed. Mr. Katz said it was essential for all institutions to work together to remove the seams representing the barriers between each other with regard to cross enrollment and credit transfer.

Regent Trachok asked it would make sense for an individual institution to form its own coalition or join groups with only some of the other institutions. Mr. Katz said he saw no reason for the institutions not to form bilateral or trilateral relationships. He also did not see a reason for the Board to discourage the institutions from forming those relationships.

Mr. Charles Milne, CSN Faculty Senate Chair, addressed the Board to urge caution in examining and adopting the recommendations contained in the report. He felt the recommendations must be tested before spreading across the NSHE's institutions. The NSHE is comprised of very different students among its institutions and a one-size fits all approach may fail at any number of them. He urged the Board to allow the faculty at all NSHE institutions to work together to consider and implement the recommendations included in the report aided by the administrations of each institution (*full statement on file in the Board Office*).

24. Action Taken – Report on E-Learning (Agenda Item #24) – (Cont'd.)

Regent Stephens noted not every student is conducive to an online learning environment. She cautioned against hinging rural outreach or collaborations strictly on online education. She also wanted to be careful not express the concept of a Nevada virtual college as a completely separate entity. Speaking from a professional standpoint, there may be a stigma associated with obtaining a degree from a credit-aggregate institution even if the institution is accredited.

Regent Knecht moved acceptance of the report and task Chancellor Klaich to implement the recommendations on pages 84-94 in light of the guidance of the Board and the feedback from the stakeholders. Regent Stephens seconded.

Regent Wixom assumed the taskforce will acknowledge concerns by the Board and other stakeholders, including the faculty. Regent Knecht confirmed it was the intent of his motion to include all stakeholders. He wanted an open and inclusive process. He also wanted the process to acknowledge the Board as a governing board and the Chancellor is the Board's agent in following the Board's policy direction.

Regent Trachok agreed with the motion in terms of accepting the report. However, he asked Regent Knecht to consider a friendly amendment to include specificity in terms of directing Chancellor Klaich to identify strengths and weaknesses and oversee and coordinate system-wide online education efforts. He agreed as long as committee participants include faculty, administration, and Board members.

Regent Knecht clarified his motion included tasking Chancellor Klaich with implementing the 17 recommendations (*pages 84-94*) in light of the guidance he receives from the Board and stakeholders. He trusted the Chancellor to understand the spirit of his motion and structure implementation along the lines of the Board's guidance. He did not feel the need for the Board to overprescribe.

Mr. Wasserman said the motion before the Board is to move acceptance of the report and task Chancellor Klaich to implement the recommendations on pages 84-94 in light of the guidance of the Board and feedback from the stakeholders. He believed the motion was broadly stated to allow the Chancellor to move forward with the recommendations. The Board would meet again to hear the issues being discussed.

Regent Anderson asked if the motion required Chancellor Klaich to implement all the recommendations. Mr. Wasserman interpreted the motion to be the Chancellor would move forward with the recommendations unless the Board has provided guidance to specifically not move forward on a particular recommendation, or if the Chancellor's interpretation of the Board's and stakeholders' guidance is to alter a particular recommendation. If Board and stakeholder guidance is to alter a particular recommendation, Chancellor Klaich would have the authority to make those changes.

24. Action Taken – Report on E-Learning (Agenda Item #24) – (Cont'd.)

Regent Knecht appreciated the report's student focused approach. He felt it was the Board's duty not to promote any one institution but to govern in the broad public interest including providing higher education opportunities, services and facilities in Nevada. In the February 15, 2013, publication of the Chronicle of Higher Education, he pointed out the ACE has approved five MOOCs. Regent Knecht said his reelection campaign had focused on two themes, one being to make sure cooperative extension and community colleges and rural campuses do not go into eclipse and the second to embrace changes in technology.

Regent Knecht saluted Mr. Katz for grasping the essence of creative destruction or disruptive innovation which creates new markets, disrupts existing markets, threatens incumbents in those markets and leads to rapid and substantial turnover in private markets. He felt the NSHE needed to incorporate the stakeholders but should not allow the process to be captured by and operated for the benefit of the existing stakeholders. Regent Knecht said the NSHE needs to continue to recognize it wants to be student centered and to consider broad public interest. It should not be the System's position to protect every stakeholder's current status. Regent Knecht asked for an audio excerpt of the full discussion of agenda item #24 (*Report on E-Learning*) be sent to all the Regents.

Regent Wixom said while tracking the experiences of his six daughters through the years, the changes in higher education has been breathtaking. His youngest daughter's attendance of an online high school had been a remarkable experience but one which changed his whole paradigm of thought. Some in academia may still dismiss online education but it works for employers making it relevant. The Board of Regents must listen to the faculty but he hoped the faculty also listened to the Board. He fully supported the e-learning initiative.

Regent Leavitt felt the most critical issues facing higher education were access and cost and resource constrained state governments across the country. He referred to page 25 of Ref. BOR-24 and read into the record "*The MOOC experiment is focused on breaking the assumed unbreakable links between access, cost, and quality, shifting the cost of education (freemium model), by fostering open global access, and by promising high educational quality at massive scale. The American Council on Education – with support from the Gates Foundation – is evaluating approaches to accrediting successful completion of a MOOC.*" Regent Leavitt also referred to the Udacity website and provided a brief history of the origins of Udacity.

Regent Leavitt said the NSHE is behind the curve and the future is yesterday. He could easily see the day when ACE accredited courses would be allowed to comprise 60 of the 120 hours required for a baccalaureate degree. He acknowledged the discussions surrounding online curriculum would result in an amazing collaborative effort. In his eight years on the Board, Regent Leavitt felt the discussion had been one the most engaging presentations he has heard and applauded Mr. Katz for his report.

24. Action Taken – Report on E-Learning (Agenda Item #24) – (Cont'd.)

President Smatresk provided some general thoughts on behalf of the presidents. The institutions have all been experimenting with online education, some with success and some not so effective. The presidents are in support of new technologies to improve learning outcomes and reduce costs. President Smatresk said the presidents felt the report did not highlight the stunningly wonderful programs already occurring at the institutions. For example, at UNLV, distance education has become a profit center for the institution with approximately 12 to 15 initiatives which hold up to any best practices on a national standard. It was acknowledged perhaps the online programs were not being offered at scale. To move the e-learning initiative ahead, the presidents suggested the following action plan for immediate implementation:

1. Conduct a thoughtful and accurate inventory of what is being done with an assessment of what has worked and what has not.
2. Assess the data available internally and from around the country on the effectiveness of distance education outcomes, particularly in regard to learning readiness.
3. Review what are considered the most successful national programs as judged by learning outcomes and articulation issues.
4. Review of the costs attached to putting those programs on and where those efforts are best brought to bear in a multi-institution platform.
5. Formation of a working committee with high-level support by each institution from the provost or chief academic officer.
6. Convene a NSHE-wide workshop on this topic in which the institutions can delve into what has been learned and then develop a further action plan.

President Johnson felt the report did not reflect an all or nothing viewpoint. A workshop made sense to consider and assess the report's recommendations with the full participation of the faculty and students.

Regent Melcher felt the report raised concerns for how decisions are made but did not question the need for more to be done. If nothing else, He felt a sense of urgency had been created. He agreed a committee or coalition would be a key piece to any implementation plan. He said the presidents' suggestions were very important with equal importance given to the System Office's presence and collaboration. Although he could not support all the recommendations as presented, he hoped such a coalition would pull the information together and do what is right for the System and each institution. He was cautious but appreciated the input received from faculty and staff.

Regent Anderson agreed the presentation on e-learning had been one of the most thought-provoking during her time on the Board.

Regent Trachok asked Mr. Katz if he had the opportunity to consider each institution's course offerings to determine which ones are competitive on a national and worldwide level. Mr. Katz said he was not equipped to provide such an assessment. However, he asked why NSHE would not make its globally recognized academic talent available on a

24. Action Taken – Report on E-Learning (Agenda Item #24) – (Cont'd.)

global level. He did not believe NSHE will ever be a huge supplier to the MOOCs. He advised NSHE to pay close attention to the MOOCs and learn to be an effective importer of other's MOOC content. He said the NSHE cannot just continue to incrementally improve its existing but separate online learning courses but needed to improve on becoming a holistic, student-centered system. No amount of improvement by the separate institutions is going to elevate the System as whole.

Regent Knecht said it was important to recognize and embrace the concerns raised by the faculty senate chairs and others. His felt the NSHE should offer a proliferation of options tailored to the students' needs and not create a one-size-fits-all situation. He said the beauty of disruptive innovation and productivity gains is in the offering of options and products. He recognized the good job the institutions have done thus far as indicated in the report. He asked the Chancellor to take his comments in addition to the presidents' suggestions under consideration in moving forward.

Regent Page said it was important to engage faculty who know what is going on and are already doing it well.

Motion carried.

Mr. Alex Porter, SGA President, GBC, and member of the E-Learning Steering Committee shared input from the Nevada Student Alliance (NSA) on student issues with e-learning including the potential for e-learning to greatly expand the availability of advanced courses, issues created due to the many communication hurdles involved with the e-learning process and positive and negative aspects of e-learning opportunities (*full statement on file in the Board Office*).

25. Motion Failed - Senior Citizens Course Fee Waiver (Agenda Item #31) - The Board of Regents discussed matters related to the reinstatement of the senior citizen discount previously suspended in June 2011 (Title 4, Chapter 17, Section 11) (Ref. BOR-31 on file in the Board Office).

Regent Blakely felt reinstatement of the senior citizens discount was an issue of fairness benefitting senior constituents in available job opportunities and a more fulfilling life.

Vice Chancellor Abba reported 21 states and the District of Columbia allow for senior citizens discounts or fee waivers. Various policy considerations have also been offered in the reference material to assist the Board with its discussion. However, some of the policy considerations include administrative burden. The Student Affairs Council was supportive in reinstating the senior citizens course fee waiver but recommended the policy be limited to non-degree seeking citizens age 65 and above and for the institutions to be given the option to waive special student and course fees as the institution sees fit or has funding available to do so.

25. Motion Failed - Senior Citizens Course Fee Waiver (Agenda Item #31) – (Cont'd.)

Regent Anderson said she was in favor of a senior citizen discount. However, the fee waiver causes institutions extra money and takes seats from students who need course credit. While the discount was intended to be on a space-available basis it did not always work well. Another problem arises when there is an entire class of seniors with no one having paid registration fees. Her recommendation would be to set a time limit, such as for the last week of enrollment, before senior citizens are allowed to register giving paying students the first opportunity to register.

Regent Schofield said it was important for senior citizens to keep their minds active.

Chair Geddes said he was supportive of reinstatement of the policy but only if space is available, if the senior citizens are Nevada residents and with payment of a nominal fee to cover administrative costs.

Regent Stephens was in favor of reinstating the senior citizens discount program. She disagreed with the proposed non-degree seeking aspect and would prefer to expand the program to allow senior citizens to retrain themselves.

Regent Wixom said no one was against senior citizens taking classes but there were legitimate reasons for suspending the policy and those reasons have not changed. The policy suspension was not to prevent senior citizens from taking classes but to address the reduced and limited course availability for degree-seeking students. Senior citizens are still entitled to take classes or seek degrees.

Chair Geddes clarified the discount never applied to professional schools. Regent Stephens would prefer to see the senior citizens discount program expanded for professional school purposes down the road. Regent Blakely agreed with Regent Stephens.

Regent Blakely moved approval to expire the suspension placed on the Senior Citizen Course Fee Waiver in June 2011 (*Title 4, Chapter 17, Section 11*).
Regent Schofield seconded.

Regent Melcher said he could not support reinstatement of the policy until there is a better financial situation. He felt if one discount was reinstated then the other discounts would be next. However, the financial situation is still dire.

Regent Trachok agreed the Board needed to be fiscally responsible until the financial situation improves.

Upon a roll call vote, the motion failed. Regents Crear, Doubrava, Geddes, Melcher, Page, Trachok, Wixom and Anderson voted no. Regents Blakely, Knecht, Leavitt, Schofield and Stephens voted yes.

25. Motion Failed - Senior Citizens Course Fee Waiver (Agenda Item #31) – (Cont'd.)

Regent Blakely moved approval to bring a policy to the Board at its June 2013 meeting, to reinstate the Senior Citizens Course Fee Waiver only if space is available, if the senior citizens are Nevada residents and with payment of a nominal fee to cover administrative costs. Regent Schofield seconded.

Regent Melcher respectfully requested Regent Blakely rescind his motion. He could not consider supporting reinstating of the policy until more funding is available.

Regent Blakely rescinded his motion. Regent Schofield rescinded his second.

The meeting recessed at 2:30 p.m. and reconvened at 2:42 p.m. on Friday, March 1, 2013, with all members present.

26. Information Only - NSHE Grid-Based Energy Purchase Reduction (Agenda Item #32) - Vice Chancellor of Finance and Administration Vic Redding presented for information an update of progress made by NSHE institutions toward complying with the directive set forth in NRS 701.215 to reduce grid-based energy purchases for state-owned buildings by 20 percent by 2015 (Ref. BOR-32 on file in the Board Office).

Vice Chancellor Redding provided a summary of the informational report, including an inventory of progress made by each institution, planned future projects, estimated savings (*where available*) as well as details on how the initiatives were completed without direct state funding such as rebate programs, grant programs, utilization of construction/building renewal projects and so forth. Using 2005 as the base year, NSHE has reduced its grid-based electric purchases by 10 percent over the last seven years. He noted the data for every project was not complete since it was not known at the time of project implementation such a level of reporting would be needed. However, to the extent the data is available or could have been recreated, the information has been presented.

Ms. Stacey Crowley, Director, Nevada State Office of Energy (*NSOE*), said the NSOE has been working to develop a baseline for all state buildings of which the NSHE has approximately half of the square footage. Energy consumption data and square foot data is being gathered and calculated to make a kilowatt-hour (*kWh*) per square foot calculation of energy reduction state-wide. Using 2005 as the base year, the state has experienced an 11.1 percent energy reduction as of the end of 2012 (*handout on file in the Board Office*). The state's progress is in line with the NSHE's. The NSOE is a partner with the NSHE on this initiative and looks forward to working together to meet the goal. The NSOE has been developing a set of strategies which will ultimately lead to a state reduction plan. The strategies are still in development but include energy tracking, a state-wide energy

26. Information Only - NSHE Grid-Based Energy Purchase Reduction (Agenda Item #32) – (Cont'd.)

efficiency manager, conceptualizing energy teams to establish low- or no-cost protocols and behavioral changes, and energy performance contracting to get energy retrofit work done on certain projects to be paid for over time.

Regent Crear asked if there was a dollar amount associated with the reductions. Vice Chancellor Redding said the mandate was a 20 percent reduction in grid-based energy purchase per square foot. To the extent square footage has been added there has not been a penalty. He will gather information for the total dollar amount system-wide.

Regent Crear asked if 95 percent of all state-owned buildings are powered by NV Energy, where the remaining five percent is generated. Ms. Crowley said there are approximately 15 municipal utilities or co-ops throughout the state which serve the more rural communities including some state and NSHE buildings. The base year for municipal utilities and co-ops will be 2010 since their data is gathered differently.

Regent Crear asked if it is possible for NSHE to shop its energy for the lowest price. Chair Geddes said the only company to have successfully left the local utility and purchase its own energy was Barrack Mines. Although it is an option, NSHE would have to pay NV Energy for the infrastructure built to deliver power to NSHE properties.

Regent Crear asked Vice Chancellor Redding if it was possible. Vice Chancellor Redding said he would need to research the practicality of making such a move.

Ms. Crowley said the costs of exiting the system should be compared to the price of the new power procured. She also noted the new power supply would be recognized as a utility by the Public Utilities Commission and subject to compliance with all associated rules and regulations.

Chair Geddes said in response to concerns for a cost-benefit analysis, the summaries provided in the reference material outline what has been done to-date and what has been achieved. Going forward NSHE and the NSOE will work together on the cost benefit of any new efficiency measures while collecting existing data.

Regent Knecht asked for data collection and reporting to include the rate of energy purchases saved or purchases avoided. He would also expect to see comparisons to the actual rate the NSHE would have paid as opposed to a forecasted rate used at the time of a project's approval. Secondly, he asked to see the discount rate to conclude present worth and to determine the rationale for discount rates.

27. Information Only - Demonstration of the iNtegrate Student Information System (Agenda Item #28) - A live demonstration of the iNtegrate Student Information System was provided to the Board of Regents. The demonstration was provided by UNLV student, Ms. Kylee Kline, in conjunction with UNLV's Mr. Shannon Goodman, Associate Vice President for Enrollment and Student Services.

Regent Wixom felt since the iNtegrate project's beginning in 2003 it has been the best example of effective shared governance he has ever seen. The System took a risk when it engaged with the project and it has proved to be enormously successful.

Chair Geddes said the Regents do not often have the opportunity to see the end result of years and millions of dollars in investment and how the investments change students' lives on a daily basis.

28. Approved - Handbook Revision, Common Core State Standards and K-12 Alignment (Agenda Item #25) - Vice Chancellor of Academic and Student Affairs Crystal Abba and Assistant Vice Chancellor for Academic and Student Affairs Allison Combs presented an update on NSHE work to support Nevada's implementation of Common Core State Standards:

- A. Assistant Vice Chancellor Combs provided a brief update on the work conducted under the grant NSHE received in August 2012 from the National Governors Association (NGA) to help Nevada identify and execute actions related to postsecondary implementation of the Common Core State Standards; (*Ref. BOR-25a on file in the Board Office*)
- B. Vice Chancellor Abba requested approval of a new policy recognizing the importance of K-12 alignment with the goals of higher education, requiring NSHE to work collaboratively with the Nevada Department of Education (NDOE) and local school districts on transition plans for high school students, and authorizing institutions to enter into agreements with school districts to provide college readiness programs under certain conditions (*Title 4, Chapter 16, new Section 2*). The revisions are recommended with support from the Academic Affairs Council (*Ref. BOR-25b on file in the Board Office*).

Vice Chancellor Abba clarified the new K-12 standards are not a canned curriculum and will better prepare students to meet higher education's expectations of college readiness. Student assessments will be taken in the 3rd to 8th grade and in the 11th grade. In 2013, 48 states including Nevada agreed to adopt the Common Core State Standards. In 2014-15, all 48 states involved will issue the first formal assessments which will shed a spotlight on the level of college readiness. It is anticipated the assessment will reveal students are unprepared according to the Common Core State Standards. Although the standards were adopted in 2010 they will not be fully implemented until the end of 2014-15. In 2014-15 students will be assessed on standards they have not had the benefit of throughout

28. Approved - Handbook Revision, Common Core State Standards and K-12 Alignment
(*Agenda Item #25*) – (Cont'd.)

their curriculum. There has to be a point in time at which the change takes place. In 2014 policies will be brought to the Board of Regents regarding the use of those scores for placement. A student who scores at the college readiness benchmark in the 11th grade and continues to take a rigorous curriculum in the student's senior year will most likely be ready to enter into college level courses. The anticipated policies will likely include many caveats to consider including what the students do in their senior year. However, if a student reaches the college readiness bench mark and then does nothing to improve the student's readiness during the student's senior year, a reassessment will take place to determine if placement in remedial courses is appropriate.

Regent Knecht asked which two states did not agree to the standards and why. Vice Chancellor Abba said Texas has developed its own standards, Alabama recently dropped out and she believed Alaska had also not adopted the standards.

Regent Anderson asked if assessment testing had any impact on the promotion of students from one grade to the next. Vice Chancellor Abba said no, the assessments along the way are to ensure students are on the right path. The 11th grade assessment is different than anything seen before now. The institutions will have access to some of the testing material to help diagnose deficiencies.

Ms. Allison Combs, Assistant Vice Chancellor of Academic Affairs, reported Nevada was one of three states to receive a \$65,000 grant in August of 2012. The grant will end this June. Members of the State Team working on the grant project include GBC President Mark Curtis, NSC President Bart Patterson, Chancellor Daniel J. Klaich, Dr. William Speer, Dean of the College of Education at UNLV, Dr. James W. Guthrie, Superintendent of Public Instruction, Nevada Department of Education and Judy Osgood, Senior Policy Analyst, Governor's Office. Three focus areas emerged during the course of the grant, including 1) the need to familiarize math, English and teacher prep faculty with elements of the Common Core State Standards; 2) additional support systems for 12th graders; and 3) through the NGA grant, the Hatcher Group is developing a communications strategy including a tool kit with Frequently Asked Questions, possible website development, and Power Point presentations to help students and parents understand what will be coming in 2014-15.

Vice Chancellor Abba said the State Team and the NGA grant have also focused on how students who take the assessment but do not achieve college readiness will be impacted in 2015-16. NSHE's higher education institutions are already helping the local school districts by providing support for remedial and 100-level classes. The Board of Regents is being asked to approve a policy statement indicating Nevada's adoption of the Common Core State Standards is good for higher education, good for Nevada's business community and will provide insulation for the education pipeline. Secondly, the policy statement will provide for NSHE institutions to enter into agreements with local school districts to provide 100-level and remedial courses at a discount. The discretion for

28. Approved - Handbook Revision, Common Core State Standards and K-12 Alignment (Agenda Item #25) – (Cont'd.)

entering into those agreements will lie with the presidents. This is NSHE's way of standing up and saying the Common Course State Standards are important and as vital partners, NSHE is willing to put its resources on the table.

Regent Anderson moved approval of a new policy recognizing the importance of K-12 alignment with the goals of higher education, requiring NSHE to work collaboratively with the Nevada Department of Education and local school districts on transition plans for high school students, and authorizing institutions to enter into agreements with school districts to provide college readiness programs under certain conditions (*Title 4, Chapter 16, new Section 2*).

Regent Trachok seconded. Motion carried. Regent Blakely was absent.

29. Information Only - UNLVNow Project: UNLV Campus Area Plan and Basic Economic Terms for the UNLV Mega-Events Center (Agenda Item #33) - UNLV President Neal J. Smatresk and Mr. Donald Snyder, Dean, Harrah College of Hotel Administration, UNLV, provided an update on UNLVNow activities.

Dean Snyder said cost estimates, the operating model, the funding model and relationships with private partners have been the subject of the most recent dialogue with the project stakeholders. The UNLVNow project has evolved from a UNLV-focused project to what could be a game changer not only for UNLV but for the resort industry in Nevada. As such, to move the project forward there clearly needs to be a three-way partnership between the University, the resort industry and Majestic Realty Co. While having a sense of urgency, the project team remains committed to developing the project correctly and will take the time necessary to develop fully justified recommendations for the Board of Regents' consideration.

Regent Leavitt asked how long it took to develop the Fremont Street Experience and the Smith Center. Dean Snyder said the Fremont Street Experience took five to seven years to development while the Smith Center took nearly 18 years.

30. Information Only – Transfer and Articulation (Agenda Item #26) - Vice Chancellor of Academic and Student Affairs Crystal Abba provided a Power Point presentation and reviewed Board policies governing transfer degrees, including data on transfer students. In addition, Erika Beck, NSC Provost, Darren Divine, CSN Vice President for Academic Affairs and Carl Reiber, UNLV Vice Provost for Academic Affairs reported on the southern working group formed to review transfer issues among the southern institutions and the group's findings, including the creation of a transfer center to provide seamless

30. Information Only – Transfer and Articulation (Agenda Item #26) – (Cont'd.)

coordination between institutions, early identification, dual advising between institutions, early identification of major area of study, appropriate course selection, institutional awareness of specific student issues, enrollment, finance aid and reverse transfer where appropriate (*Ref. BOR-26 and handout on file in the Board Office*).

Chair Geddes asked if transfer information will be incorporated into the iNtegrate project. Mr. Rieber replied the technological issues between institutions have been resolved with transferability now occurring within 24 hours of initiating the formal process.

Regent Stephens asked if consideration was given to situations where the same course description and numbers are not transferring for full credit between community colleges and universities. Mr. Rieber said there is always a case-by-case basis when students experience difficulty. Students are encouraged to go directly to an advisor. However, the System does have a state-wide common numbering system. If a course is 100 percent the same between two institutions it will be commonly numbered and will transfer.

President Smatresk said courses with the same common course number are supposed to have the same standards and should transfer. When difficulties occur it is important for the specific situation to be reported so systemic issues can be resolved.

Regent Stephens said she was not speaking for a specific student but as a Regent who has heard several general concerns in terms of how the transfer process is challenging. Mr. Rieber said although transfer is not yet perfect it is continually being improved and he would be happy to work with her on a specific circumstance. The System has worked hard to make sure courses with 80 percent similarity are assigned a common course number. In cases where problems exist those situations are being resolved in a manner that maintains academic standards.

Dr. Divine said CSN does its best to research and resolve any issues. They have found many of the issues are a result of informal agreements, miscommunication or misunderstanding.

Regent Anderson asked what the process is for a CSN student to transfer to NSC. Mr. Rieber said a good working relationship exists between UNLV, NSC and CSN to focus on student success. Ms. Beck said specific memorandums of understanding are in place to assist in referrals.

Regent Wixom appreciated the effort and cooperation between UNLV, NSC and CSN.

Regent Melcher said a recent situation involving student transfer between GBC and UNR was handled quickly. He felt transfer issues were being taken seriously.

31. Withdrawn - Financial Aid Presentation (Agenda Item #27) – This item was withdrawn and will be brought back at the June 6-7, 2013, Board of Regents meeting (*Ref. BOR-27 on file in the Board Office*).

32. Information Only - 2013-2015 NSHE Biennial Budget (Agenda Item #29) - Chancellor Daniel J. Klaich reported to the Board regarding the 2013-2015 NSHE Biennial Budget Request submitted to the Governor, the Executive Budget, and new developments from the 2013 legislative session.

Chancellor Klaich said there were no surprises from the two major pre-session budget hearings held thus far. The first hearing on January 25, 2013, primarily provided an overview of Board action over the last two years and provided a review of the Board's recommended biennial budget compared to the Governor's requested budget. The budget hearing on February 15, 2013, focused on the difference between the Board's recommended budget and the Governor's requested budget.

Chancellor Klaich said NSHE is extremely pleased the Governor included the new funding formula in the Executive Budget recommendation. Many tough decisions and compromises were worked through including mitigation which will allow for long-term planning and is a significant step forward.

Chair Geddes said, as announced during his Chair's Report, several short special meetings have been scheduled throughout the legislative session to keep the Board apprised as more information becomes available. Chancellor Klaich said Chair Geddes and Vice Chair Page have also requested all presentations and information provided to the Legislature be provided to the Regents.

Regent Knecht provided a presentation to the Legislature's Joint Budget Committee on February 22, 2013, and asked that copies of his statement be distributed to members of the Board (*statement on file in the Board Office*).

33. Information Only – Legislative Report (Agenda Item #30) – Vice Chancellor of Administration Renee Yackira provided an update on measures being considered by the Nevada Legislature impacting the Nevada System of Higher Education. A list of the specific legislative measures was posted with this meeting agenda as Appendix A (*Appendix A posted with the agenda and on file in the Board Office*).

Vice Chancellor Yackira said a link has been provided on the NSHE webpage to all materials provided to-date to the 77th Session of the Legislature. In addition, a single laminated card listing the NSHE's strategic directions, budget request, budget priorities, funding formula information, institution information and contact information has been provided to all legislators (*handout on file in the Board Office*). Dr. Constance Brooks, Director of Government Relations, and various government relations staff will continue to maintain a presence in Carson City throughout the legislative session.

33. Information Only – Legislative Report (Agenda Item #30) – (Cont'd.)

Vice Chancellor Yackira reported specific bills being tracked include Assembly Bill 138 (*Revises provisions governing the partial abatement of certain taxes*); Senate Bill 173 (*Makes appropriation to the Knowledge Fund*); Senate Bill 102 (*Revises provisions relating to the Kenny C. Guinn Memorial Millennium Scholarship*); Senate Bill 345 (*Creates the Advisory Council on Science, Technology, Engineering and Mathematics*); Senate Bill 223 (*Revises provisions governing the carrying of concealed firearms on school property*).

Vice Chancellor Yackira said there is currently not a bill on NSHE's continued participation in PEBP because interaction has much improved between the System's representatives and the PEBP Chair and Executive Officer. More information will be presented to the Board after the PEBP Board's meeting scheduled later in the month.

Regent Crear asked for an update on the relationships within NSHE to create the one System one voice concept. Vice Chancellor Yackira said a communication process has been instituted between the Chancellor, staff and presidents. Having Dr. Brooks and campus government relations staff on site has been very valuable to legislative leadership. Requests for information are being taken directly to Dr. Brooks and she is able to facilitate those requests.

Mr. Orion Cuffe, representing the Nevada Student Alliance (*NSA*), updated the Board on the January 25, 2013, Day of Education events. It was unfortunate many key legislators were not able to attend the reception due to a Joint Education Committee meeting which ran late. However, approximately 30 NSA representatives were at the Capitol throughout the day and were able to meet with many legislators regarding the budget plans and the funding formula.

34. Approved - 2014 Board Meeting Dates (Agenda Item #34) - The Board of Regents approved the meeting dates and venues for the Board of Regents' meetings to be held in calendar year 2014. Meeting dates and venues are as follows:

- March 6-7, 2014 CSN - Charleston Campus
- June 5-6, 2014 TMCC
- September 4-5, 2014 UNR
- December 4-5, 2014 UNLV

Tentative special meeting date if necessary: January 24, 2014

Tentative special meeting date if necessary: April 25, 2014

Tentative special meeting date if necessary: August 22, 2014

Tentative special meeting date if necessary: October 24, 2014

Regent Page moved approval of the 2014 Board meeting dates and venues. Regent Crear seconded. Motion carried. Regent Blakely was absent.

35. Approved - Investment & Facilities Committee (Agenda Item #35) - Chair Michael B. Wixom reported the Investment & Facilities Committee met on February 28, 2013, and heard the following:

- David Breiner and Wendy Walker from Cambridge Associates reported on asset allocation and investment returns for the pooled endowment and pooled operating funds for the quarter ending December 31, 2012.
- Director of Banking and Investments Ruby Camposano reported on the activities and the current balance of the reserve account of the Operating Pool fund which was a positive \$40.90 million as of end of business on Wednesday, February 27, 2013.

Action Items:

Board action was requested to approve the following recommendations of the Investment and Facilities Committee:

- The Committee recommended approval of the minutes from the November 29, 2012, Committee meeting (*Ref. IF-2a on file in the Board Office*).
- The Committee recommended approval of the Resolution and Amendment to the United States Postal Service (USPS) Ground Lease – UNR (*Ref. IF-2b on file in the Board Office*).
- David Breiner and Wendy Walker from Cambridge Associates reported on asset allocation and investment returns for the pooled endowment and pooled operating funds for the quarter ending December 31, 2012. The Committee recommended approval of the following Cambridge recommendations:
 - Redeem \$1.5 million from the PIMCO Total Return Endowment account to fund the pool's regular quarterly disbursements.
 - Rebalancing of the Operating Pool. Specifically, the Committee recommended approval of the redemption of \$6 million from the Vanguard Institutional Index fund, \$3.5 million from Manning and Napier, \$4.5 million from the MFS International accounts and \$10 million from the Commonfund Real Return portfolio. In addition, the Committee recommended approval to direct \$20 million of the redemption proceeds to the PIMCO Low Duration portfolio and the remaining \$4 million to the pool's cash account.
 - In light of the Endowment Pool's new spending rate approved by the Board at its November 2012 meeting, David Breiner and Wendy Walker from Cambridge Associates presented two revised asset allocations proposals for the Endowment Pool, as described in the reference material. The Committee recommended approval of the implementation of proposal B (*discussion materials on file in the Board Office*).
- *Handbook Revision - Operating Pool Reserve:* Ms. Ruby Camposano, Director of Banking and Investments, reported on the activities and the most current balance of the reserve account of the Operating Pool fund (*Ref. IF-4 on file in the Board Office*).
 - The Committee recommended approval of a transfer of an additional \$20 million from the Operating Fund Reserve account to the Market Fluctuation account. In addition, the Committee also recommended approval of a revision to the Board of Regents' *Handbook* policy, Title 4, Chapter 10, Section 6(F)(5) to increase the maximum size of the percentage, from 5 to 10 percent, of the balance in the Operating Pool the market fluctuation account may be equal to.

35. Approved - Investment & Facilities Committee (Agenda Item #35) – (Cont'd.)

- UNR Graduate and Family Housing ground lease - The Committee recommended approval of a ground lease with BBCS-UNR Housing, LLC, an affiliate of Balfour Beatty Campus Solutions, subject to approval of the development agreement, ground lease boundaries, operating agreement, and management agreement by the Chancellor after consultation with the Chair of the Investment and Facilities Committee (*Ref. IF-5a and Ref-IF-5b on file in the Board Office*).
- UNLV Regional Transportation Commission of Southern Nevada (RTCSN) Easement for a Sign. The Committee recommended approval of a request by UNLV to grant a 36 square foot easement to RTCSN for the installation of a sign on Maryland Parkway for the new UNLV Transit Center (*Ref. IF-6 on file in the Board Office*).
- NSC Campus New Facilities. The Committee recommended approval to delegate authority to the Investment and Facilities Committee related to the proposed construction of two new buildings at Nevada State College. Delegation authority encompasses approval of the lease-purchase document, the ground lease document, the developer agreement, and financing and related transaction documents subject to the following conditions: 1) The Nevada State Treasurer is unable to finalize the documents for the sale of the bonds in time for the matter to be placed on the agenda for the Board of Regents Special Meeting, April 19, 2013; and 2) There is an increase in interest rates occurring before the June 6-7, 2013, Board of Regents' meeting, such that the blended interest rates applicable to the financing of the project is "anticipated to be" greater than 4.25 percent; and 3) NSC consults with and obtains the approval of the Chancellor after his consultation with the Chair of the Board of Regents (*Ref. IF-7 on file in the Board Office*).

Regent Wixom read the action taken by the Investment & Facilities Committee regarding IF-7 (*NSC Campus New Facility*) into the record as written in the Chair's report.

President Patterson asked if the wording condition #2 could be changed to "... the financing of the project is anticipated to be greater than 4.25 percent; and..." Regent Wixom felt the change was fair.

Mr. Wasserman said the action taken by the Investment & Facilities Committee will not change. However, the full Board can approve the report and any recommendations.

Regent Wixom moved acceptance of the report and approval of the Committee recommendations with the revision noted. Regent Leavitt seconded.

In regard to IF-5 (*UNR Graduate and Family Housing Ground Lease*), Regent Page asked if the full Board could receive an update of the final terms. Regent Wixom said the terms would be approved by the Chancellor in consultation with the Investment and Facilities Committee Chair.

35. Approved - Investment and Facilities Committee (Agenda Item #35) – (Cont'd.)

Regent Page asked if the full Board would receive an update after the agreements are in place. Chancellor Klaich said the Board would receive a full update on the entire scope of the transaction.

Regent Page said President Johnson has assured him a project labor agreement would be considered.

Motion carried. Regent Page abstained. Regent Blakely was absent.

36. Approved - Workforce, Research and Economic Development Committee (Agenda Item #36) - Chair Rick Trachok reported the Workforce, Research and Economic Development Committee met on February 28, 2013, and heard the following:

- Steve Hill, Executive Director, Governor's Office of Economic Development (GOED) provided information concerning the Nevada Knowledge Fund created under Assembly Bill 449 (Chapter 507, *Statutes of Nevada 2011*). The presentation included an update on Governor Brian Sandoval's budget proposal to add \$10 million to the Knowledge Fund and related legislative activity, an overview of how the Fund will work with NSHE institutions, and the proposal process. Karsten Heise, Technology Commercialization Manager, GOED, and Bernhard Bach and Aaron Covington from the Physics Department at UNR provided an overview of applied research centers, a new transformative business model the GOED is working on with UNR.
- Dr. Stephen G. Wells, President of DRI, presented a report on efforts by DRI and other NSHE institutions to team with GOED; the Department of Employment, Training and Rehabilitation; and IBM to advance Nevada's efforts in innovation-based economic development and advanced workforce training, specifically focusing on the creation this year of the Center of Excellence in Water in Las Vegas.
- Vice Chancellor Marcia Turner provided an overview of the NSHE Health Sciences System researcher/scholar expertise database and website which profiles health sciences faculty research, scholarly activities and expertise, and facilitates collaborative efforts with research faculty.

Action Items:

Board action was requested to approve the following recommendations of the Workforce, Research and Economic Development Committee:

- The Committee recommended approval of the minutes of the November 29, 2012, meeting of the Workforce, Research and Economic Development Committee (*Ref. WRED-2 on file in the Board Office*).

36. Approved - Workforce, Research and Economic Development Committee (Agenda Item #36) – (Cont'd.)

- The Committee recommended approval of a directive to staff to work with UNLV, UNR and DRI to develop policy changes for consideration of the Committee at its next meeting on June 6, 2013, based on the Committee's continued discussion of actions the Board may consider to promote research and entrepreneurial activity supporting economic development. The policy changes discussed include methods of facilitating intellectual property-related activities at the institutions, authorizing entrepreneurial leave for research faculty, and enhancing partnerships with private industry (*Ref. WRED-6 on file in the Board Office*).
- The Committee recommended approval of the nomination of the following individuals for the 2013 Regents' Researcher Award and Rising Researcher Award (*Ref. WRED-7a and Ref. WRED-7b on file in the Board Office*):
 - Nevada Regents' Researcher Award
Dr. Hans Moosmüller, DRI
 - Nevada Regents' Rising Researcher Award
Dr. Mei Yang, UNLV
Dr. Matthew Forister, UNR
Dr. Rajan K. Chakrabarty, DRI

Regent Trachok moved approval of the Committee's recommendations and acceptance of the report. Regent Leavitt seconded. Motion carried. Regent Blakely was absent.

37. Approved - Academic and Student Affairs Committee (Agenda Item #37) - Chair Andrea Anderson reported the Academic and Student Affairs Committee met on February 28, 2013, and heard the following:

- Vice Chancellor Crystal Abba presented for discussion Board policies governing the review of academic programs, including initial Board approval and subsequent Board reviews in the third and fifth years and following the tenth year of the program's existence. This presentation follows the Committee's discussion of the low-yield policy (*Title 4, Chapter 14, Section 5*) having occurred at the November 2012 meeting.
- Allison Combs, Assistant Vice Chancellor for Academic Affairs and Director of Public Policy, presented the 2012 NSHE Remedial Report including information on the percent of recent Nevada high school graduates requiring remediation.

Action Items:

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

- The Committee recommended approval of the minutes of the November 29, 2012, meeting of the Academic and Student Affairs Committee (*Ref. ASA-2a on file in the Board Office*).

37. Approved - Academic and Student Affairs Committee (Agenda Item #37) – (Cont'd.)

- The Committee recommended for approval the elimination of the Bachelor of Applied Science in Fire Science at NSC as a result of budget cuts and the subsequent inability to hire faculty to support the program. There are no students currently enrolled in the program (*Ref. ASA-2b on file in the Board Office*).
- The Committee recommended for approval the elimination of the Bachelor of Science in Education of Deaf and Hard of Hearing at NSC as a result of budget cuts and the subsequent inability to hire faculty to support the program. There are no students currently enrolled in the program (*Ref. ASA-2c on file in the Board Office*).
- The Committee recommended for approval the elimination of the Associate of Applied Science Occupational Therapy Assistant at CSN program due to a lack of available, long-term program leadership. There are no students currently enrolled in the program. At its November 2012 meeting, the Board took action directing CSN to move forward with program elimination (*Ref. ASA-3 on file in the Board Office*).
- The Committee recommended approval of a revision to Board policy concerning the requirements for the review of new programs (*Title 4, Chapter 14, Section 4*). Specifically, the proposed revision requires review of new programs following the first year of the program's existence, in addition to the existing requirement for review following the third and fifth year (*Ref. ASA-4 on file in the Board Office*).
- The Committee recommended for approval the nomination of the following individuals for 2013 Regents' awards (*Ref. ASA-7 on file in the Board Office*):
 - Nevada Regents' Creative Activities Award
Peter Epstein, UNR
 - Nevada Regents' Teaching Award-Community College
Cynthia Hyslop, GBC
 - Nevada Regents' Teaching Award-University, State College and DRI
Megan Becker-Leckrone, UNLV
 - Nevada Regents' Academic Advisor Awards
Susan Trist, WNC (Community College)
Elena Pravosudova, UNR (Undergraduate)
Robert Ostergard, UNR (Graduate)

Regent Anderson said Regent Stephens requested removal of the Committee recommendation regarding agenda item #3 (*Elimination of the Associate of Applied Science Occupational Therapy Assistant at CSN*).

Regent Anderson moved approval of the Committee's recommendations with the exception of agenda item #3 (*Elimination of the Associate of Applied Science Occupational Therapy Assistant at CSN*) and acceptance of the report. Regent Stephens seconded. Motion carried. Regent Blakely was absent.

Regent Stephens said due to the interest expressed by multiple Regents as well as the Administration of CSN she asked to postpone any action regarding the elimination of the OTA program at CSN until a later meeting.

38. Approved – Audit Committee (Agenda Item #38) - Chair Kevin C. Melcher reported the Audit Committee met on February 28, 2013, and heard the following:
- The Committee met on Thursday, February 28, 2013, and received follow-up responses for seven internal audit reports presented to the Audit Committee at its September 2012 meeting. Follow-up reports requested by the Committee at its December meeting were received for the NSHE Report on Internal Control Matters and the UNLV Dental Practice.
 - The timing of foundation financial statement audits was discussed. The UNLV Football Foundation indicated its audit will be completed in a timely manner so as to be included as part of the NSHE Financial Statement audit.
 - The Committee discussed the format of institution responses. Assistant Vice Chancellor for Internal Audit Sandi Cardinal will communicate the requested format to the institutions.

Action items

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

- The Committee recommended approval of the minutes from the November 29, 2012, meeting (*Ref. A-2a on file in the Board Office*).
- The Committee recommended approval of the following internal audit reports:
 - Graduate School of Human Resources, UNR (*Ref. A-3 on file in the Board Office*).
 - University Studies Abroad Consortium, UNR (*Ref. A-4 on file in the Board Office*).
 - Food Service Management Agreement, UNLV (*Ref. A-5 on file in the Board Office*).
 - Consolidated Students of the University of Nevada, Las Vegas (*Ref. A-6 on file in the Board Office*).
 - First Year Housing Exceptions, UNLV (*Ref. A-7 on file in the Board Office*).
 - Western Interstate Commission for Higher Education, NSHE (*Ref. A-8 on file in the Board Office*).
 - Bookstore Operations, NSC (*Ref. A-9 on file in the Board Office*).
 - Differential Program and Special Course Fees, NSC (*Ref. A-10 on file in the Board Office*).
 - Controller's Office, TMCC (*Ref. A-11 on file in the Board Office*).
 - Facilities Management, CSN (*Ref. A-12 on file in the Board Office*).
- The Committee recommended approval of the Audit Exception Report (*a compilation and status of the audit findings of the Audit Committee for the six month period*) for the period ended December 31, 2012 (*Ref. A-14 on file in the Board Office*).

Regent Melcher moved approval of the Committee's recommendations and acceptance of the report. Regent Trachok seconded. Motion carried. Regent Blakely was absent.

39. Approved - Business and Finance Committee (Agenda Item #39) - Chair Kevin C. Melcher reported the Business and Finance Committee met on February 28, 2013, and heard the following:

- Calendar year 2012 Self-Supporting Summer School and Calendar Year Budgets, Budget to Actual Comparisons, for each university and college of the NSHE.
- All Funds revenues and expenses of the NSHE for the second quarter of fiscal year 2012-2013.
- NSHE Fiscal Exceptions of self-supporting budgets and the status of state appropriations for the second quarter of fiscal year 2012-2013.
- Budget transfers of state appropriated or self-supporting funds between functions for the second quarter of fiscal year 2012-2013.
- The University of Nevada, Reno reported on the University's plan for addressing the Fire Science Academy accumulated operating deficit.

Action items

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

- The Committee recommended approval of the minutes from the November 29, 2012 Business and Finance Committee meeting (*Ref. BF-2a on file in the Board Office*).
- The Committee recommended approval of the NSHE Mid-Year fiscal year 2012-2013 Self-Supporting Budgets and the Summer School and Calendar Year Self-Supporting Budgets for calendar year 2013 (*Ref. BF-2c(1) and Ref. BF-2c(2) on file in the Board Office*).
- The Committee recommended approval of a resolution to allow the Nevada System of Higher Education on behalf of the University of Nevada, Las Vegas and University of Nevada, Reno, to issue up to \$220 million in long-term fixed rate, tax exempt revenue refunding bonds to be issued within fiscal year 2013 or as soon as bond market conditions to refinance outstanding bonds for interest savings permit (*Ref. BF-5 on file in the Board Office*).

Regent Melcher moved approval of the Committee's recommendations and acceptance of the report. Regent Trachok seconded. Motion carried. Regent Blakely was absent.

40. Approved – Cultural Diversity Committee (Agenda Item #40) - Chair Cedric Crear reported the Cultural Diversity Committee met on March 1, 2013, and heard the following:

- Vice Chancellor Vic Redding presented the Fiscal Year 2012 Tier II Supplier Diversity Spending Report.

40. Approved – Cultural Diversity Committee (Agenda Item #40) – (Cont’d.)

- Mr. Luis Valera, Vice President for Diversity Initiatives and Government Affairs, UNLV, reported on the STEM Summit hosted by UNLV on January 15, 2013. The summit focused on UNLV’s commitment to increase participation in STEM disciplines and produce informed citizens who possess and apply the necessary understanding to expand Nevada’s STEM-capable workforce to compete in a global society. Over 200 people registered for the Summit, including faculty and students. Presenters included Steve Hill, Executive Director, Governor’s Office of Economic Development. Objectives included identifying opportunities to expand and enhance efforts to actively support the Governor’s goals for economic development and to collaborate with the Clark County School District to promote STEM within local schools. Carl Reiber, Vice Provost for Academic Affairs, UNLV, reported on efforts following the summit to take advantage of opportunities to expand STEM initiatives on the UNLV campus and within the community.
- Mr. Luis Valera and TMCC President Maria Sheehan, co-chairs of the Equity, Diversity and Inclusion Council, reported on the recent work of the Council and initiatives the group is pursuing. The Council is working on leveraging efforts to attend out-of-state conferences to the benefit of all institutions and gathering information to help build a recruitment database for hiring faculty and administrators. An update was also provided on the planning for the Second Annual Diversity Summits scheduled in southern and northern Nevada in Fall 2013; the work of UNLV’s Office of Diversity Initiatives, including efforts to pursue grants through UNLV’s MSI status; and the work of TMCC’s Equity and Inclusion Office.

Action items

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

- The Committee recommended approval of the minutes from the November 30, 2012, meeting (*Ref. CD-2 on file in the Board Office*).
- The Committee recommended approval of an amendment to the *Procedures and Guidelines Manual* addressing supply chain diversity for Tier I suppliers to establish a supplier outreach process for NSHE institutions (*Chapter 5, Section 2*) (*Ref. CD-3 on file in the Board Office*).

New Business Items:

In response to an email from Mr. Navgeet “King” Zed, SGA President, TMCC, Chair Crear asked Mr. Zed to work with TMCC’s Office of Equity and Inclusion on issues related to diversity and orientation programs.

Regent Crear moved approval of the Committee’s recommendations and acceptance of the report.
Regent Page seconded. Motion carried. Regent Blakely was absent.

41. Approved – Health Sciences System Committee (Agenda Item #41) - Chair Mark W. Doubrava reported the Health Sciences System Committee met on March 1, 2013, and heard the following:

- Chair Doubrava recognized Chancellor Emeritus Jim Rogers and thanked him for his support for NSHE health sciences programs and our efforts to develop an Academic Health Center (AHC) in partnership with the University Medical Center and Clark County. Recently, Mr. Rogers generously donated several hours of airtime during his "Inside Nevada" program for this initiative. He also recognized Assistant Sheriff Greg McCurdy as well as Sergeant Glen Wilde and Dana DiPalma, of the Crisis Intervention Team Training unit from the Las Vegas Metropolitan Police Department. Assistant Sheriff McCurdy was instrumental in facilitating the incorporation of "Hearing Voices" into the curriculum of Metro's crisis intervention training program. To date, over 188 officers have received this specialized training. He also introduced and welcomed new Regent Allison Stephens to the committee.
- Vice Chancellor Turner presented an update on the Health Sciences System activities since the last meeting. Her update included an overview of the RN to BSN national initiative and how NSHE institutions are working together to address this initiative. This topic will be brought back and explained in depth at an upcoming meeting.
- Vice Chancellor Turner provided an overview and demonstration of the NSHE Health Sciences Academic Research and Scholarly Activity Searchable Database.
- Vice Chancellor Turner provided an update on the Health Workforce in Nevada study. Regents will receive a copy once published.
- Dr. Carolyn Yucha and Dr. Georgia Dounis from UNLV, presented the UNLV/UNSOM Inter-Professional Education Collaborative initiative developed between UNLV Schools of Nursing and Dental Medicine and the department of Physical Therapy and UNSOM. They presented an overview of the faculty development session held on February 8, 2013, and the inter-professional geriatric training program in which they are currently engaged.
- Dr. Michelle Carro, Associate Director of Clinical Training at UNLV provided an overview and services provided by the Therapy and Innovative Clinical Education mental health clinic (The PRACTICE) on the UNLV campus. This clinic is a collaborative effort by the UNLV Colleges of Education and Liberal Arts.
- Dean of UNSOM/Vice President of the Division of Health Sciences, Dr. Thomas Schwenk, presented a status report on the strategic planning and operations initiatives UNSOM is engaged in throughout Nevada and highlighted several initiatives including activities under way in partnership with the University Medical Center of Southern Nevada (UMC).
- Dr. Stephen Wells, President of DRI, provided an update on DRI's Human Health and Environment Program, including an update on current grants and partnerships.

41. Approved – Health Sciences System Committee (Agenda Item #41) – (Cont'd.)

Action Items:

Board action was requested to approve the following recommendations of the Health Sciences System Committee:

- The Committee recommended approval of the minutes from the November 30, 2012, meeting (*Ref. HSS-2 on file in the Board Office*).

New Business Items:

Chair Doubrava recommended at the next several committee meetings to have a discussion to explore the possibility and impact of developing an allopathic medical school at UNLV.

Regent Doubrava moved approval of the Committee's recommendations and acceptance of the report. Regent Wixom seconded. Motion carried. Regent Blakely was absent.

42. Information Only – New Business (Agenda Item #42) – None.

43. Information Only – Public Comment (Agenda Item #3) - None.

The meeting adjourned at 4:43 p.m.

Prepared by: Jessica C. McMullen
Special Assistant and Coordinator to the Board of Regents

Submitted by: R. Scott Young
Deputy Chief of Staff to the Board of Regents

and

Scott G. Wasserman
Chief of Staff and Special Counsel to the Board of Regents

Approved by the Board of Regents at the June 6-7, 2013, meeting.