BOARD OF REGENTS
NEVADA SYSTEM OF HIGHER EDUCATION

Milt Glick Ballrooms B & C
Joe Crowley Student Union
University of Nevada, Reno
87 West Stadium Way, Reno

Thursday, June 6, 2013, 8:30 a.m.
Friday, June 7, 2013, 8:00 a.m.

Video Conference Connection to:
System Administration, Las Vegas
5550 W. Flamingo Road, Suite C-1, Conference Room

University of Nevada, Las Vegas
4505 S. Maryland Parkway, Greenspun Hall Auditorium

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. Darin Dockstader, CSN; Mr. Alan McKay, DRI; Mr. Thomas Reagan, GBC; Dr. Christopher Harris, NSC; Ms. Dani Chandler, NSHE; Dr. Paul W. Werth, UNLV; Dr. Swatee Naik, UNR; Mr. Ron Marston, TMCC; and Ms. Holly O'Toole, WNC. Student government leaders present included Mr. Antonio R. Guerrero, ASCSN President, CSN; Mr. Noah Fraser; 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. Ziad Rashdan, ASUN President, UNR; Ms. RJ Boyajian, GSA President, UNR; Ms. Stephanie Prevost, SGA President, TMCC; and Ms. Alejandra Leon, ASWN President, WNC.

Chair Geddes called the meeting to order on Thursday, June 6, 2013, at 8:30 a.m. with all members present.

Regent Schofield led the Pledge of Allegiance.

Chair Geddes led the Board of Regents and meeting attendees in a moment of silence in honor of the passing of former Regent Dorothy S. Gallagher.

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.

2. Information Only - Institutional Student and Faculty Presentations *(Agenda Item #2)* – President Johnson announced UNR's Joe Crowley Student Union has named its ballrooms the Milt Glick Ballrooms. In addition, Mackay Stadium has been renamed the Christ Ault Football Field.

   President Johnson introduced Dr. Claus Tittiger, Ms. Jennifer Ott and Mr. Ethan Leaverton.

   Dr. Claus Tittiger is a professor in UNR's Department of Biochemistry and Molecular Biology. Dr. Tittiger's expertise is in the use of functional genomics, molecular biology and biochemical techniques to better understand bark beetles and their interactions with

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

host trees. A specific research goal for Dr. Tittiger has been the development of technology to regulate beetle populations without harming the host trees. Dr. Claus has taken his research a step further by becoming one of UNR's prime players in its Strategic Research Program, which is organized through UNR's Technology Transfer Office. Dr. Tittiger has successfully demonstrated to the business community that his basic research has great value and could provide a blueprint for formulating new businesses for the region.

Ms. Jennifer Ott has a Bachelor of Science degree in analytical chemistry and is a recent MBA graduate from UNR. Ms. Ott has leveraged the technologies discovered through some of Dr. Tittiger's basic research into a bona fide company on the UNR campus called EscaZyme Biochemicals LLC. EscaZyme Biochemicals LLC uses the enzymes of bark beetles to control the devastating effects the beetles can have on a forest. The company includes Dr. Rubi Figueroa Tera who helped discover some of the technologies as Dr. Tittiger's graduate student. Ms. Ott's award-winning business plan for the company won both the $50,000 Sontag Entrepreneurship Competition and the Governor's Cup Business Plan Competition.

Mr. Ethan Leaverton graduated from UNR this spring with a BFA in Theatre. President Johnson said there were few student actors more accomplished than Mr. Leaverton. In 2011 on the UNR campus *Hamlet* was staged for the first time in centuries in its original dialect. Mr. Leaverton was one of the players in that production. Along with acting partner Cameron Miller-DeSart, Mr. Leaverton won the Ryan Acting Competition at the Kennedy Center for the Performing Arts in Washington, D.C. The Ryan Acting Competition is considered the country's most prestigious student acting competition.

The meeting recessed at 9:20 a.m. for committee meetings and reconvened at 11:09 a.m. on Thursday, June 6, 2013, with all members present.

3. Information Only - Public Comment – *(Agenda Item #3)* - Mr. Michael Saltman, Managing General Partner and President of The Vista Group; Ms. Sandra Phillips Johnson, president of the UNLV Alumni Association; and Mr. Ted Quirk, past president of the UNLV Foundation and member of the most recent UNLV Regents' Periodic Presidential Evaluation Committee addressed the Board in support of the evaluation and contract renewal of UNLV President Neal J. Smatresk. A letter of support for President Smatresk was also received by Mr. John O'Reilly *(letter of support on file in the Board Office)*.

Mr. Frank Slaughter addressed the Board regarding his concerns related to graduation rates and length of time to degree completion. He asked the Board to address the issues over time.

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

Ms. Alicia Norris addressed the Board regarding the lack of a telephone system for the hard of hearing or hearing impaired to communicate with faculty and staff. Secondly, Ms. Norris asked the Board of Regents to help the institutions return to academics and to stop treating students as numbers.

Mr. Christian Paskevicius, Mr. Jordan Jackson, Mr. Jessica Lujan, Mr. Louis Pombo, and Mr. Mark Ciavola addressed the Board to request its support of agenda item #19 *(Procedure and Guidelines Manual Revision, CSUN Student Association Fee, UNLV).*

4. Information Only - Chair of the Nevada Student Alliance Report *(Agenda Item #4)* - Mr. Alex Porter, GSA President, GBC, and newly-elected chair of the Nevada Student Alliance *(NSA)*, provided an informational report on recent activities of the NSA including the results of recent elections and ongoing progress to finalize NSA constitutional revisions.

5. Information Only - Chair of the Faculty Senate Chairs Report *(Agenda Item #5)* - On behalf of the Council of Senate Chairs, Dr. Darin Dockstader reported to the Board concerning NSHE related issues of importance to the faculty senate chairs. Dr. Dockstader thanked the Board for its support of the budget enhancements and priorities including pay restoration, mitigation funding and the Knowledge Fund. He said the quality of education depended directly upon the skills of professors, researchers and staff. Returning pay and benefits was crucial to retention and recruitment. Dr. Dockstader looked forward to working with NSHE to make sure students receive the best health benefits possible. He said the faculty senate chairs would like the Board to consider alternatives besides closure of the wellness centers. In an increasingly competitive world, Dr. Dockstader was convinced the institutions were poised to emerge from economic crisis and prepared to provide enhanced educational opportunities to the state. Although challenges are still faced in rural areas, the faculty senate chairs were optimistic for the future and stood ready to work with the Board for the betterment of the state.

6. Information Only - Chancellor's Report *(Agenda Item #6)* - Chancellor Daniel J. Klaich reported to the Board concerning ongoing planning activities and major projects within the NSHE. He said little was known about the federal budget sequestration except it will have an impact on grants and contracts and on student financial aid. NSHE institutions currently receive $113 million in grants and contracts of a type possibly subject to sequestration. He said the System is closely following the available information.

President Sheehan recently returned from the National Conference for Race and Ethnicity in American Higher Education which is an organization geared to address the resurgence of racist incidences in higher education. The conference offers opportunities to understand critical issues facing higher education and to showcase what NSHE

6. Information Only - Chancellor's Report *(Agenda Item #6) – (Cont'd.)*

institutions have done to advance the Board's agenda on diversity. President Sheehan is eager for NSHE to participate in the organization's next national conference.

Regent Page asked Chancellor Klaich if he knew the number of faculty funded by grants. Chancellor Klaich said the number of grant-funded faculty at both universities exceeds 500 and over 200 at DRI. Exact numbers will be provided during agenda item 10 *(Procedure and Guidelines Manual Revision, Salary Reduction and Furloughs)*.

Regent Page asked President Smatresk to apprise the Board of the diversity ranking recently awarded to UNLV. President Smatresk responded UNLV was ranked the 8th most diverse university in the country as well as being ranked in the top 20 *(along with CSN)* in terms of the number of diverse students graduating. A full report would be provided to the Diversity Committee later in the meeting.

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

On May 31, 2013, the Nevada Legislature presented Senate Concurrent Resolution No. 10 memorializing former Regent Dorothy S. Gallagher to the Gallagher family *(SCR-10 on file in the Board Office)*.

Chair Geddes thanked Chancellor Klaich and his staff for their presence and efforts in the 2013 Session of the Nevada Legislature.

Chair Geddes said over the last two years, the Board has emphasized differentiation, articulation, collaboration and "strategeration." The Board is also beginning to see the results of Regent Trachok's efforts to explore how it could become more efficient.

Regent Leavitt expressed his appreciation for Regent Gallagher and what she had done for the Nevada System of Higher Education.

8. Approved - Consent Items *(Agenda Item #8)* - Consent items were considered together and acted on in one motion except for Consent Item #8c *(Handbook Revision – Universities Studies Abroad Consortium)* and #8h *(Handbook and Procedures and Guidelines Manual Revision, Vacancies of System Officers – President Appointment and/or National Search; Provost National Search)* which were considered separately.

Prior to proceeding with the consent items, and specifically in regard to consent item #8e *(Correction to Differential Fee Effective Dates, Orvis School of Nursing, UNR),* Chair Geddes disclosed his niece has been accepted into the school of nursing program. Any benefit or detriment accruing to his niece as a nursing student is not greater than that accruing to any other student in the group. Chief of Staff and Special Counsel to the Board Scott

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

Wasserman advised, pursuant to the statutory provisions governing conflicts of interests, Chair Geddes is required to make this disclosure but may otherwise participate and vote on that agenda item.

8a. Approved – Minutes *(Agenda Item #8a)* - The Board of Regents approved the following meeting minutes:

- January 11, 2013, Board of Regents' Special meeting *(Ref. BOR-8a(1) on file in the Board Office).*
- February 28-March 1, 2013, Board of Regents' meeting *(Ref. BOR-8a(2) on file in the Board Office).*
- March 14, 2013, Board of Regents' special meeting *(Ref. BOR-8a(3)) on file in the Board Office).*

8b. Approved - *Handbook* and *Code* Revision, Model Code of Student Conduct *(Agenda Item #8b)* – The Board of Regents approved a revision to the NSHE *Code*, Title 2, Chapter 6 and inclusion of *new* Chapter 10, as well as related amendments to Title 4, Chapters 1, 8 and 20 to adopt a Model Code of Student Conduct. This item had been presented for initial discussion at the February 28 – March 1, 2013, meeting of the Board of Regents *(Refs. BOR-8b(1), BOR-8b(2), BOR-8b(3) and BOR-8b(4) on file in the Board Office).*

8d. Approved - *Handbook* Revision, University Admission Requirements *(Agenda Item #8d)* – The Board of Regents approved a revision to the Board's policy to clarify the minimum high school course requirements for university admission include Algebra I and higher level mathematics, as listed within the policy *(Title 4, Chapter 16, Section 3 of the Handbook)*. The proposed revisions reflect current practice at the universities *(Ref. BOR-8d on file in the Board Office).*

8e. Approved - *Procedures and Guidelines Manual* Revision, Correction to Differential Fee Effective Dates, Orvis School of Nursing, UNR *(Agenda Item #8e)* - The Board of Regents approved a correction to the differential fee effective dates in the *Procedures and Guidelines Manual*, Chapter 7, Section 7, for UNR course numbers NUR 300-400 and NUR 500-700 from fall of 2013 to spring 2014 *(Ref. BOR-8e on file in the Board Office).*

8f. Approved- Request to Expend Capital Improvement Funds to Remodel Lundberg Hall Science Lab, GBC *(Agenda Item #8f)* - The Board of Regents approved an expenditure of $250,000 in Capital Improvement Funds for the remodel of the Elko Campus Lundberg Hall Science Lab *(Ref. BOR-8f on file in the Board Office).*

8g. Approved - Dale Donathan Endowment, TMCC *(Agenda Item #8g)* – The Board of Regents approved a $5,940 donation from various donors to establish the new Dale Donathan Endowment *(Ref. BOR-8g on file in the Board Office).*

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

Regent Trachok moved approval of the Consent Items except for Consent Item #8c *(Handbook Revision – Universities Studies Abroad Consortium)* and #8h *(Handbook and Procedures and Guidelines Manual Revision, Vacancies of System Officers – President Appointment and/or National Search; Provost National Search)* which were considered separately. Regent Melcher seconded. Motion carried.

The Following Consent Items Were Considered Separately:

8c. Approved - *Handbook* Revision, University Studies Abroad Consortium *(Agenda Item #8c)* – The Board of Regents approved an amendment to Board policy, Title 4, Chapter 23, Section 10 to clarify the University Studies Abroad Consortium (USAC) will report to the Board on a biennial basis *(Ref. BOR-8c on file in the Board Office).*

Regent Stephens said she was concerned the Board has allowed the USAC to operate outside of Board of Regents' policies and procedures although she understood the necessity of the decision. She asked for the USAC to provide a one-time report the first year and then biennially thereafter, particularly in regard to financial and student safety procedures. Vice Chancellor Nielsen responded the basis for a biennial report was to provide USAC enough time to develop and implement policy changes to allow for more market competitiveness. However, she understood the interest in having an additional initial report.

Regent Trachok moved approval to amend Board policy, Title 4, Chapter 23, Section 10 to clarify the University Studies Abroad Consortium will report to the Board on a biennial basis. Regent Page seconded.

Regent Wixom asked what the nature of the policies to be drafted is. Vice Chancellor Nielsen said the policies cover all aspects of the USAC program from financials to personnel policies. The Board provided the USAC program the opportunity to propose amendments or changes to its existing policies for the consideration and approval of the UNR president and the NSHE's Legal Affairs Office.

Regent Wixom said he supports the proposed amendment as written. He also would be interested in identifying what safety procedures are in place for students studying abroad. Vice Chancellor Nielsen responded the USAC has safety policies currently in place. The policy approved by

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

8c. Approved - *Handbook* Revision, University Studies Abroad Consortium *(Agenda Item #8c) – (Cont'd.)*

the Board at its March 2013 meeting requires all USAC policies to be published in one location on the web in order to provide transparency to students and families.

Regent Stephens asked for the Board to receive an initial, one-time, report after the first year. She said it was important for the Board to have an understanding of what is being put into the policies and procedures without having to wait a full two years for an update. Chair Geddes responded the USAC will be asked to provide a report to the Board in one year's time if the proposed policy amendment is passed.

Regent Crear asked if the one-time report was part of the motion or if the motion will be bifurcated. Chair Geddes clarified the current motion is to approve the proposed revision requiring a report every two years. However, the Board will officially request the USAC to return to the Board with a one-time report in one year.

Motion carried.

8h. Approved - *Handbook* and *Procedures and Guidelines Manual* Revision, Vacancies of System Officers – President Appointment and/or National Search; Provost National Search *(Agenda Item #8h)* - The Board of Regents approved revisions to *Handbook* policy Title 2, Chapter 1, Sections 1.5.4 and 1.5.5 and *Procedures and Guidelines Manual* Chapter 2, Section 1 addressing options and best practices related to vacancies in the office of president of a member institution. The revisions include a policy for the designation of an officer in charge at each institution and procedures for the appointment of an acting president or an interim president, conducting national searches for candidates and for the appointment of institutional presidents. The revisions also include policies for the process followed to name an acting president, the structure, size and charge of the President Search Committee, consideration of acting or interim presidents as viable candidates for the permanent appointment, the Board's appointment of a permanent president and requirements for conducting national searches for recruiting candidates when a vacancy occurs in the office of provost *(Ref. BOR-8h(1) and Ref. BOR-8h(2) on file in the Board Office).*

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

8h. Approved - *Handbook and Procedures and Guidelines Manual* Revision, Vacancies of System Officers – President Appointment and/or National Search; Provost National Search *(Agenda Item #8h)* – *(Cont'd.)*

Regent Melcher moved approval of revisions to *Handbook* policy Title 2, Chapter 1, Sections 1.5.4 and 1.5.5 and *Procedures and Guidelines Manual* Chapter 2, Section 1 addressing options and best practices related to vacancies in the office of president of a member institution. The revisions include a policy for the designation of an officer in charge at each institution and procedures for the appointment of an acting president or an interim president, conducting national searches for candidates and for the appointment of institutional presidents, including, the process followed to name an acting president, the structure, size and charge of the President Search Committee, consideration of acting or interim presidents as viable candidates for the permanent appointment, the Board's appointment of a permanent president and requirements for conducting national searches for recruiting candidates when a vacancy occurs in the office of provost. Regent Trachok seconded. Motion carried. Regent Crear voted no.

The meeting recessed at 12:02 p.m. and reconvened at 12:33 p.m. on Thursday, June 6, 2013, with all members present.

9. Action Taken - 2013-2015 NSHE Biennial Budget *(Agenda Item #9)* - Chancellor Daniel J. Klaich reported to the Board regarding the 2013-2015 NSHE Biennial Budget Request which was submitted to the Governor, the Executive Budget, and the resulting actions from the 2013 Regular Session of the Nevada Legislature. The Board of Regents approved spending $2,566,209 from insurance reserve funds to mitigate the impact of implementation of the funding formula to WNC and GBC to five percent in the upcoming biennium *(Ref. BOR-9 and handouts on file in the Board Office)*.

Chancellor Klaich said the budget as adopted by the Board of Regents at its August 24, 2012, meeting generally called for a flat level of operating appropriations based upon the FY 2013 operating budget with three enhancement requests: restoration of salary, implementation of the new funding formula and funding of the Knowledge Fund. The Executive Budget recommended by Governor Sandoval in large part funded the Board's operating budget and enhancement requests.

9. Action Taken - 2013-2015 NSHE Biennial Budget *(Agenda Item #9) – (Cont'd.)*

In regard to pay restoration, the Legislature acted to restore the 2.5 percent salary reduction affecting all state employees beginning with Fiscal Year 2014. The Legislature continued the six furlough days and acted to restore merit pay in Fiscal Year 2015.

The Legislature appropriated $10 million for the Knowledge Fund as requested by the Board and recommended by the Governor. Chancellor Klaich said NSHE looks forward to working with the Governor's Office of Economic Development to prepare and submit grant requests to take advantage of the Knowledge Fund to assist in diversifying and expanding Nevada's economy.

The primary operating budget issue of the legislative session was the decision whether or not to implement a new funding formula by which NSHE institutions would be funded and, if so, how. The Committee to Study the Funding of Higher Education was established pursuant to Senate Bill 374 (Chapter 375, *Statutes of Nevada 2011*) of the 76th session of the Nevada Legislature. The work of the interim committee in large part mirrored the decisions made by the Board in approving the new formula model at its August 24, 2012, special meeting. Similarly, most of the interim committee's recommendations were contained in the Executive Budget.

The final operating budget reflects the various actions taken by the Legislature in implementing a new funding formula including: *(full report on file in the Board Office)*

1. Use of a funding formula primarily driven by resident weighted student credit hours ("WSCH");
2. The Legislature included all "F" grades in the count of WSCH's that will be funded for the current biennium;
3. The Legislature determined to use FY 2012 data for completions since all the data for that year would be actual data. Per this decision, the last full year of actual data will be used in building future budgets;
4. The Legislature approved a small institution factor and accepted the methodology and amounts for this purpose approved by the Board;
5. The Legislature approved the use of separate mechanisms to fund the operations and maintenance ("O&M") of research space on the two university campuses, but added an adjustment to it;
6. The Legislature determined non-General Fund revenues *(primarily student fees and out of state tuition)* should not offset General Fund appropriations. For this and future budgets built utilizing the new formula, tuition and fees generated on a campus will be utilized on that campus and augment the state General Fund appropriations driven by the formula for that campus;
7. The subject of the implementation of the new formula and its immediate impact, particularly on GBC and WNC, generated a great deal of discussion at the Legislature as it did in the SB 374 committee and before the Board of Regents. The Legislature removed the Governor's recommendations to use one million

9. Action Taken - 2013-2015 NSHE Biennial Budget *(Agenda Item #9) – (Cont'd.)*

dollars in each year of the biennium for mitigation and including a "stop loss" provision limiting the budget reductions to an institution to 10 percent in the first year of the biennium and 15 percent in the second year of the biennium and instead approved one time funding of $5.0 million in FY14 and $5.3 million in FY15 to mitigate the impacts of formula implementation on GBC and WNC. The net effect of those decisions on GBC and WNC would have resulted in a nearly unsustainable General Fund reduction equal to between 11.5 and 12.5 percent of current appropriations in each year of the upcoming biennium for each institution. However, pending the Board's approval, System staff has found a possible way to restructure certain insurance reserve accounts with the intention of generating additional one time funding in the amount of $2,566,209 to hold cuts at GBC and WNC to 5 percent in FY 14 and 10 percent in FY 15 from current funding levels.

8. The Legislature determined to include performance pool funding in the manner recommended by the SB 374 committee as implemented by the Performance Funding Task Force of the Board of Regents.
9. The Legislature recommended the additional $500,000 in funding recommended by the Governor, but not supported by the Board of Regents, remain in the Cooperative Extension Budget. However, the Legislature also approved a corresponding decrease in the statewide program budget of UNR. The net effect of these decisions is to restore $500,000 per year to the budget of the Cooperative Extension, but to do so from the UNR statewide budget rather than from new General Fund appropriations;
10. The Legislature determined the various separate budget lines for UNLV and UNR should not be consolidated into a single line as decided by the 76th Session of the Legislature but should be returned to individual budget accounts.
11. The Legislature determined DRI should be included in a research driven formula on a prospective basis as recommended by the SB 374 committee and the Board of Regents. This did not have a monetary impact on the budget as this biennial budget was prepared on a revenue neutral basis. However, the biennial budget request for the 2015 Legislature will be built using this methodology for general and administrative expenses at DRI.

Chancellor Klaich provided a report on the final actions of the 77th Session of the Legislature on the NSHE Capital Improvement Budget Report. He said Assembly Bill 505 (Chapter 445, *Statutes of Nevada 2013*), the Capital Improvement Program of the State Public Works Board, contained three NSHE projects, including approval of $15 million in biennial funding for the deferred maintenance program (HECC/SHECC), approval of an allocation of $456,890 towards the UNR Getchell Hall demolition/Student Achievement Center project, and reauthorization of the UNLV Hotel College Academic Building's 2009 CIP request with a revision to its funding allocation as requested by the Board. These projects are in addition to AB 502 (Chapter 444, *Statutes of Nevada 2013*) authorizing expenditure from the Estate Tax Account in the Endowment Fund of the Nevada System of Higher Education for the design and construction of buildings on the principal campus of the Nevada State College; AB 501 (Chapter 514, *Statutes of*

9. Action Taken - 2013-2015 NSHE Biennial Budget *(Agenda Item #9) – (Cont'd.)*

Nevada 2013) authorizing the issuance of state general obligations for certain capital projects of the Nevada System of Higher Education; and SB 185 [subsequently vetoed by the Governor] increasing the authorized amount for bonds related to UNR capital projects.

Regent Melcher moved approval to spend $2,566,209 from insurance reserve funds to reduce the impact of implementation of the formula funding to WNC and GBC to five percent in the first year of the upcoming biennium and by ten percent in the second year of the biennium. Regent Knecht seconded.

Regent Doubrava asked for further explanation of the insurance reserve funds. Chancellor Klaich said the NSHE is required to maintain separate reserve accounts for claims on three separate insurance accounts covering property, unemployment and workers' compensation insurance. By combining the three reserve accounts into one single account the NSHE can provide for the overall need with fewer dollars.

Regent Crear asked how the funds would have been used if not for mitigation. Chancellor Klaich said without the push to locate funding, consolidation of the reserve accounts would not have occurred and the funds would not have been available for expenditure.

Regent Crear asked if funds were being expended in order to satisfy a legislative requirement. Chancellor Klaich said there was no requirement. The Legislature requested the NSHE's assistance in finding ways to reduce the impact of the new funding formula to the budgets of WNC and GBC. Chancellor Klaich said he had stated on the record during the last day of the 77th Session he would make the recommendation to the Board of Regents but it would ultimately be the Board's decision to use the insurance reserve funds in this manner.

Regent Crear asked if the Legislature was informed the System had found $2.5 million. Chancellor Klaich said the Legislature was notified at the end of the Session.

Regent Knecht said he would support the motion because it was necessary. However, he did not feel it was sufficient. While the overall formula was a positive step forward, the matrix contained a fundamental flaw since is based on cost when it should be based on value.

Motion carried.

President Lucey agreed the funds were necessary but were not sufficient. On behalf of WNC and the students, she was grateful for the System staff for finding the funds and

9. Action Taken - 2013-2015 NSHE Biennial Budget *(Agenda Item #9) – (Cont'd.)*

to the Board for taking action to approve the use of the funds. She was also grateful to legislative leadership who stepped in and realized WNC had been asked to take too deep of a cut.

Mr. Curtis Blackwell, former WNC student body president, thanked the Board for the action taken that day and said the students would endure and persist.

Chair Geddes said plans to implement the formula funded budget will be presented to the Board at its September meeting. He asked the Board members for their input and direction to the campuses and System staff regarding what information needs to be contained in those plans.

Regent Wixom was excited for the opportunities the new funding formula will present in the way business is done. He said he was still committed to the new formula but it will present some new challenges moving forward. As implementation occurs, it is important to keep in mind although the performance pool product is a positive step forward it may not be sufficient. It will be important to gain the input of the institutions and to continue to collect applicable data. Secondly, he held an ongoing concern for deferred maintenance. He felt $15 million was still inadequate to preserve the physical infrastructure within the System. He was not sure how deferred maintenance dollars could be captured moving forward but there needed to be a much better job of it going forward.

President Wells expressed his sincere gratitude to the Chancellor and System staff for including DRI in the funding formula. He was very pleased with the results.

Regent Knecht asked Chancellor Klaich if he knew what the General Fund level was for the University of Nevada Cooperative Extension (UNCE) program to this point. Vice Chancellor Redding requested a few moments to research the answer to the question.

Chancellor Klaich said the Board's action to use the insurance reserve funds will provide GBC $1.1 million in the first year and $175,000 in the second year, and will provide WNC over $1 million in the first year and $275,000 in the second year of the next biennium.

Regent Blakely commended the Chancellor for the results of the 2013 legislative session. He thanked the Governor for supporting the Cooperative Extension program. He said he was happy with the deferred maintenance funding but asked perhaps a study could be conducted to determine maintenance costs and to develop a priority list of deferred maintenance projects.

Chair Geddes asked for the deferred maintenance report from the previous legislative session be placed on September's Investment and Facilities Committee agenda.

9. Action Taken - 2013-2015 NSHE Biennial Budget *(Agenda Item #9) – (Cont'd.)*

Regent Wixom asked Vice Chancellor Redding to include deferred maintenance as a standing item on the Investment and Facilities Committee agenda.

Regent Knecht said Vice Chancellor Redding reported the funding for UNCE was roughly $5.5 million in the current fiscal year, including some additional one-time funds. However, going forward, the UNCE's budget will be approximately $3.4 million per year. President Johnson added $2 million of the $5.5 million in the current year was a one-time bridge fund for UNCE. He reminded the Board the Legislature restored $500,000 per year to the UNCE budget but from UNR's budget rather than from new General Fund appropriations.

10. Approved - *Procedure and Guidelines Manual* Revision, Salary Reduction and Furloughs *(Agenda Item #10)* – The Board of Regents approved amendments to the *Procedures and Guidelines Manual*, Chapter 3, Section 8 with regard to legislative budget action impacting salary reductions and furloughs including: 1) removal of the temporary salary reduction but leaving in place unpaid leave essentially as written from last session; 2) adding new language to extend the possible exemption from the furlough section for external grants and contracts for the period such external support continues in Fiscal Year 2014 and 2015; and 3) specifying the amendment becomes effective July 1, 2013 *(Revised Ref. BOR-10 on file in the Board Office).*

Vice Chancellor Nielsen said the proposed amendment removes the language on the temporary salary reduction but leaves in place the unpaid leave *(furlough)* essentially as written from last session. However, new language has been proposed to extend the possible exemption from the furlough section for external grants and contracts for the period that such external support continues in Fiscal Year 2014 and 2015. She asked any motion made to adopt the amendment include the qualification it become effective July 1, 2013.

Regent Anderson moved approval of amendments to the *Procedures and Guidelines Manual*, Chapter 3, Section 8 with regard to legislative budget action impacting salary reductions and furloughs including: 1) removal of the temporary salary reduction but leaving in place unpaid leave essentially as written from last session; 2) adding new language to extend the possible exemption from the furlough section for external grants and contracts for the period such external support continues in Fiscal Years 2014 and 2015; and 3) specifying the amendment becomes effective July 1, 2013. Regent Page seconded.

President Wells said the policy revision will boost the morale of the research faculty at DRI.

10. Approved - *Procedure and Guidelines Manual* Revision, Salary Reduction and Furloughs *(Agenda Item #10) – (Cont'd.)*

President Johnson said the positive impact will also be felt at UNR. Grants include the level of product and time committed to, and invested into, a project. Removal of the salary reductions will allow more research and medical services to be done for the benefit of patients and people in the state.

President Smatresk said the Board's action was a positive development impacting several hundred employees at UNLV alone.

Regent Page stated there were 546 grant-funded faculty at UNLV, 464 at UNR and 200 at DRI.

Regent Anderson felt this action was particularly important in light of the upcoming sequestration issues.

Motion carried.

9. Action Taken - 2013-2015 NSHE Biennial Budget *(Agenda Item #9) – (Cont'd.)*

As a result of his conversations with Chancellor Klaich, Regent Knecht said all seven teaching institutions will be asked to provide historic information to determine how administrative verses teaching faculty have changed over time at each institution. He did not believe this reporting would be burdensome because much, if not all, the data should be available from IPEDS. However, WNC will be asked to break down its data between the Fallon, Carson City and other area campuses, which may require more work.

Chancellor Klaich said a good amount of the requested data is available from IPEDS. However, to the extent certain data is not available, the System will need to determine what can be done.

11. Action Taken - Legislative Report *(Agenda Item #11)* – The Board of Regents moved to accept the report regarding legislative measures considered or adopted by the Nevada Legislature that impact the Nevada System of Higher Education including the addition of AB 501 *(Slot Tax Proceeds),* AB 502 *(NSC Estate Tax),* and SCR 10 *(Memorializes Former University Regent Dorothy Gallagher)* to Appendix A (pages 24-29 of the agenda) with the position of "support" and changes to the NSHE's position from "support" to "oppose" of SB 185 *(UNR Bonding Capacity Bill)* and SB 34 *(Co-mingling of Non-State Retirees with State Actives & Retirees for PEBP Ratings Pools).* Secondly, the Board of Regents approved an amendment to Title 4, Chapter 15, Section 3 of the *Handbook* to specify that tuition shall not be charged to a veteran of the Armed Forces of the United States who was honorably discharged within the two years immediately preceding the date of matriculation of the veteran at any NSHE institution *(Appendix A (updated) and Ref. BOR-11 and handout on file in the Board Office).*

11. Action Taken - Legislative Report *(Agenda Item #11) – (Cont'd.)*

Vice Chancellor of Administration and Operations Renee Yackira provided an updated report to the Board of Regents regarding legislative measures considered or adopted by the Nevada Legislature impacting the Nevada System of Higher Education. A list of the specific legislative measures had been posted with this agenda as Appendix A *(on file in the Board Office)*. Vice Chancellor Yackira said a final report will be submitted to the Board that captures all of the final actions taken by the Legislature.

Regent Anderson asked for the status of SB 185*(UNR Bonding Capacity Bill)*. Vice Chancellor Yackira said changes were made in a conference committee and the conference report was adopted by both houses of the Legislature. The bill would be forwarded to the Governor as soon as it has been formally enrolled.

Regent Anderson asked if that meant any project within the NSHE will be considered a public work project even if paid for by donated money. Vice Chancellor Yackira responded that would be correct. Chancellor Klaich added the only exception appears to be in the area of a sale or lease back option.

Regent Anderson asked if SB 185 would result in a significant financial affect. Chancellor Klaich believed there would be a negative impact but said it was difficult to quantify as yet.

Vice Chancellor Yackira asked the Board of Regents to approve changes made to existing NSHE positions and to approve an NSHE position on bills recently added to Appendix A:

- AB 501 *(Slot Tax Proceeds)*: AB 501 and the Board's position of support had been added to Appendix A after the last Board of Regents meeting.
- AB 502 *(NSC Estate Tax)*: AB 502 and the Board's position of support had been added to Appendix A after the last Board of Regents meeting.
- SCR 10 *(Memorializes Former University Regent Dorothy Gallagher)*: SCR 10 and the Board's position of support had been added to Appendix A after the last Board of Regents meeting.
- SB 185 *(UNR Bonding Capacity Bill)*: Change in NSHE's position from "support" to "oppose."
- SB 34 *(Co-mingling of Non-State Retirees with State Actives & Retirees for PEBP Ratings Pools)*: Although SB 34 did not make it out of committee, Vice Chancellor Yackira asked the Board to officially change the NSHE's position from "support" to "oppose."

11. Action Taken - Legislative Report *(Agenda Item #11) – (Cont'd.)*

Regent Wixom moved to accept the report and to approve the changes including the addition of AB 501 *(Slot Tax Proceeds),* AB 502 *(NSC Estate Tax),* and SCR 10 *(Memorializes Former University Regent Dorothy Gallagher)* to Appendix A (pages 24-29 of the agenda – also on file in the Board Office) with the position of "support" and changes to the NSHE's position from "support" to "oppose" regarding SB 185 *(UNR Bonding Capacity Bill)* and SB 34 *(Co-mingling of Non-State Retirees with State Actives & Retirees for PEBP Ratings Pools)***.** Regent Trachok seconded. Motion carried.

Regent Knecht requested clarification if the motion embraced only new positions or if it places on the record a re-embracing of positions previously taken. Chair Geddes said positions as voted upon by individual Regents at the last meeting would stand.

Vice Chancellor Yackira asked the Board of Regents to approve an amendment to existing Board policy that will reconcile AB 260 (Chapter 505, *Statutes of Nevada 2013*) *(Veterans In-State Tuition)* to the Board *Handbook*. AB 260 revises the group of veterans against whom are not assessed tuition charges to: (1) remove the requirement that such veterans were, at some point, on active duty while stationed at a military installation in the State of Nevada or a military installation in another state which has a specific nexus to this State; and (2) require that such veterans were honorably discharged within the years immediately preceding the date of matriculation of the veteran at an NSHE institution. The bill also authorizes the Board of Regents to grant more favorable exemptions from tuition charges for veterans who were honorably discharged if required for the receipt of federal money.

Regent Trachok moved to approve an amendment to Title 4, Chapter 15, Section 3 of the *Handbook* to specify that tuition shall not be charged to a veteran of the Armed Forces of the United States who was honorably discharged within the two years immediately preceding the date of matriculation of the veteran at any NSHE institution. Regent Schofield seconded. Motion carried.

9. Action Taken - 2013-2015 NSHE Biennial Budget *(Agenda Item #9) – (Cont'd.)*

Chancellor Klaich apprised the Board that included with the budget implementation plans to be heard at the September 2013 meeting there may be a request to revise existing Board policy to allow President Lucey permissible use of capital improvement fees to mitigate the budget reduction WNC is facing.

12. Information Only - PEBP Task Force *(Agenda Item #12)* - Vice Chancellor of Administration and Operations Renee Yackira and UNLV Senior Vice President of Finance and Business Gerry Bomotti presented an update on Nevada System of Higher Education activities and any action taken by the Nevada Legislature during the 2013 Regular Session relating to the Public Employees' Benefits Program *(PEBP).*

    Prior to discussion of this item, Mr. Wasserman disclosed Regent Anderson is a retiree from CSN and receives limited benefits under the PEBP program. Regents Knecht and Melcher are also members of PEBP, although not NSHE members of PEBP. Chair Geddes' father is a retired member of NSHE PEBP and his brother is a current member of NSHE PEBP. Mr. Wasserman said although only an informational item that day, if future action is proposed, since the resulting benefits or detriment to an individual member of the PEBP is not greater than that accruing to any other member of the group of NSHE PEBP members under any proposals that may be brought forward then, pursuant to the provisions of *Nevada Revised Statutes* (NRS) 281A.420, and advice of counsel, Regents Anderson, Knecht, Melcher and Geddes may participate in the discussion of this item that is before the Board.

    Vice Chancellor Yackira said PEBP took action to move forward with a Request for Information (RFI) to consider private exchange-type options and asked responding vendors to provide other alternatives, if any. Some of the members of the PEBP Board wanted to move quickly while others were more cautious. The chair of the PEBP is planning to bring back the results of the RFI to the PEBP Board at its September meeting. PEBP has been very receptive to the NSHE's participation in preparing the RFI and in the analysis of the responses.

    Regent Anderson asked if there was talk of eliminating the current retiree private exchange. Mr. Bomotti responded there was not talk of changing the Medicare retiree healthcare exchange. Focus has been on the high deductible plan and making it similar to the Medicare healthcare exchange.

The meeting recessed at 2:03 p.m. and reconvened at 2:22 p.m. on Thursday, June 6, 2013, with all members present.

13. Approved - Personnel Session – UNLV President Neal J. Smatresk *(Agenda Item #13)* - The periodic presidential evaluation report of University of Nevada, Las Vegas President Neal J. Smatresk, along with President Smatresk's self-evaluation, were presented to, and accepted by, the Board of Regents *(Handouts on file in the Board Office)*.

    Regent Crear reported the UNLV Periodic Presidential Evaluation Committee met on April 29, 2013, to discuss the process, procedures and topics to be considered as part of the periodic evaluation of the performance of UNLV President Neal J. Smatresk. The Committee members discussed with President Smatresk all matters relating to the periodic evaluation including strategic plans, goals, objectives, resource allocation

13. Approved - Personnel Session – UNLV President Neal J. Smatresk *(Agenda Item #13)* – *(Cont'd.)*

policies, major challenges and successes, as well as the President's self-evaluation. Shannon Sumpter, UNLV Faculty Senate Chair, submitted the results of a faculty evaluation survey designed to determine the degree to which the faculty support the reappointment of President Smatresk, and requested the report be part of the Committee record and be taken into consideration by the Committee as part of President Smatresk's periodic evaluation.

Regent Crear reported upon the adjournment of the Committee meeting, Evaluation Consultant Dr. Karen Holbrook began conducting interviews with a variety of individuals who are knowledgeable about the work of President Smatresk. The interviewees included a representative sample of vice presidents, deans, academic and administrative department heads, faculty, staff, students, trustees, community and alumni leaders, and presidents of other NSHE institutions. The Committee also heard directly from members of the public at both of the Committee meetings. The Committee met again on May 2, 2013, to discuss Dr. Holbrook's preliminary findings and to meet with President Smatresk to discuss the Committee's preliminary findings. Finally, the Committee provided guidance to Dr. Holbrook on the preparation of the final report to the Board.

Regent Crear introduced External Consultant Dr. Karen Holbrook, Senior Vice President for Global Affairs and International Research and Professor of Molecular Medicine at the University of South Florida.

Dr. Holbrook summarized her report in the eight areas required for a president evaluation including Academic Administration and Planning, Management of the Budget, Student Affairs, Personnel Management, Decision Making and Problem Solving, External Relations and Fundraising, Relationship to the Board, Progress Toward the Master Plan and other Performance Goals, and Research and Economic Development.

Dr. Holbrook concluded by saying President Smatresk has done a remarkable job of managing diminishing resources in an unfavorable environment and turning repeated negatives into positives. She said President Smatresk was not only a strong advocate for UNLV, but also for the System and for the southern Nevada community.

Dr. Holbrook said today's university presidents have new and pressing responsibilities that take them away from many of the institutional activities of even 10 years ago. Some presidents have chosen to focus on only some of those responsibilities, perhaps becoming "external" in their activities, and to delegate the "internal" roles to the provost and other senior administrators. President Smatresk has embraced the new roles and has shed none of the traditional ones, seemingly enjoying all of them and managing them successfully. This was evident from consistency of the positive comments from virtually all of the stakeholders interviewed at UNLV.

Regent Crear moved acceptance of the final evaluation report of UNLV President Neal J. Smatresk. Regent Knecht seconded. Motion carried.

14. Approved- Presidential Contract, UNLV *(Agenda Item #14)* - Pursuant to NRS 241.033, the Board approved a new contract for UNLV President Neal J. Smatresk, effective July 1, 2013, through June 30, 2017 *(Handout on file in the Board Office)*.

Chancellor Klaich recommended President Smatresk's salary and perquisites remain the same, with a salary review to be conducted at the mid-point of the contract.

Chancellor Klaich said the System could not continue to keep the salaries of faculty and staff, including presidents, frozen and expect to retain quality people. The proposed terms of President Smatresk's contract renewal includes a base salary of $246,426.84 with an annual salary supplement of $169,997.16 funded by the UNLV Foundation, a deferred compensation plan consisting of a one-time contribution of $125,000 in tax-deferred compensation funded by the UNLV Foundation contingent upon the action of the Board, a vehicle allowance of $8,000 per fiscal year, a housing allowance of $18,000 per fiscal year and a host account of $5,000 per year for a contractual period beginning July 1, 2013, through June 30, 2017.

Regent Geddes moved approval of a new contract for President Neal J. Smatresk effective July 1, 2013, through June 30, 2017. Regent Crear seconded.

Regent Knecht asked Chancellor Klaich to elaborate on the deferred compensation aspects of the contract. Chancellor Klaich said President Smatresk's initial contract included a $50,000 per year amount deferred to the end of the contract. Of that initial contract, President Smatresk has served 2.5 years and has earned deferred compensation of $125,000 to this point. That $125,000 will be rolled to a retirement account and on a go-forward basis, effective July 1, 2013, that amount will no longer be deferred but added to his compensation.

Regent Knecht said, like everyone else, he has wrestled with the problems of what do in light of faculty pay cuts and freezes. It should not be forgotten that the incomes of Nevada families and business have gone down in recent years although that has begun to level off. He said he would vote in support of the contract renewal because there is not a total compensation increase and because the deferred income characteristics of the initial contract is being changed to a current cash compensation as appropriate for an ongoing relationship.

Motion carried.

President Smatresk said UNLV has been through some difficult times and has experienced some successes. Where things have gone well at UNLV, he credits the people he works with. Where things have not gone well, he holds himself accountable. Over the next four years his goal is to prove UNLV is a top-tier institution. He said Nevada deserved two Tier I institutions. He thanked the Regents and his wife Debbie for their confidence in him.

The meeting recessed at 3:30 p.m. for committee meetings on Thursday, June 6, 2013, and reconvened at 10:00 a.m. on Friday, June 7, 2013, with all members present.

15. Information Only - Public Comment *(Agenda Item #17)* – None.

16. Information Only - WCSD – TMCC - UNR Partnership to Address Academic Preparation of High School Students *(Agenda Item #21)* - TMCC President Maria Sheehan, UNR President Marc A. Johnson and Washoe County School District Superintendent (WCSD) Pedro Martinez presented a Power Point presentation on the WCSD-TMCC-UNR partnership designed to address the level of academic preparation of high school students planning to enter TMCC and/or UNR *(Ref. BOR-21and handout on file in the Board Office).*

    The presentation included information on the need for collaboration on remedial education; an update on the Fresh Start-Growing Success efforts in 2012 and 2013; information on additional partnerships including TMCC High School, and UNR's Gear Up and Dean's Future Scholars; dual credit programs; TMCC's Tech Prep program providing college credit for technology courses; TMCC Success First program in years three and four; WCSD Signature Program that revolves around STEM degrees chosen by students in the 9th grade; programs currently in-progress and how the collaboration between WCSD, TMCC and UNR will continue.

    Chancellor Klaich commended Presidents Sheehan and Johnson and Superintendent Martinez for their collaboration. He said, as leaders in higher education and K-12, there is an obligation to communicate with and inform parents and students of the changes coming in 2014. Conversations need to begin with the local media to get the information out on the new readiness assessments before 2014 so there is not anger on behalf of the parents and students due to lack of information. Superintendent Martinez said it will take commitment by the district and state superintendents, county officials, Board of Regents, legislators and the Governor to communicate with, and get the necessary information out, to the public.

    President Johnson said Common Core State Standards (CCSS) have already been embedded into the teacher preparation courses at the undergraduate and graduate level. A memorandum of understanding is also being developed to define the continuous relationship between WCSD, TMCC and UNR.

    President Smatresk said he truly appreciated the collaboration the higher education and K-12 institutions in the north enjoy. He said the situation in Clark County is simply not comparable. He did not believe the same collaborative opportunity was available in Clark County due to the larger scale involved. Until the scale could be figured out, or the commitment shown in the north be achieved, the partnership would be very difficult to re-create in Clark County.

16. Information Only - WCSD – TMCC - UNR Partnership to Address Academic Preparation of High School Students *(Agenda Item #21)* – *(Cont'd.)*

President Sheehan said the level of work involved for the partnership to succeed is difficult and the issue of continuity among the leadership was significant.

Superintendent Martinez said he has worked in Clark County and in the Chicago, Illinois school district. He said not to let size be an excuse. All Nevadans are residents of the same state and deserve a statewide effort.

President Johnson said each program implemented through the collaboration was initiated as a pilot program before it moved forward.

Regent Knecht noted CCSS seem to have split everyone all over the ideological map. He saluted Presidents Sheehan and Johnson and Superintendent Martinez for their efforts. He said when WCSD stepped up and started telling the truth about the low continuation and graduation rates, it bought itself a lot of credibility.

Regent Trachok asked what the final results were of the first 1,000 students in the test program. Superintendent Martinez said the results were being tabulated but of the 1,000 students in the pilot program, 100 tested at the college-ready level, 400 tested one level below college-ready and 500 students tested two or more levels below college-ready.

Regent Trachok asked what the size of the pilot group would be in the new 7th grade mentoring program. UNR's Vice President of Student Services Shannon Ellis said 500 students would be a safe number through the years.

Regent Schofield said the collaboration is an answer to his prayers. He said Clark County needs to be on the same team as Washoe County or it is going to be left behind. As a Regent, he would be willing to do whatever is necessary. He thanked Presidents Sheehan, Johnson and Superintendent Martinez for approaching the issues in a pragmatic and functional way.

Regent Anderson asked what the current high school math requirements were. Superintendent Martinez said WCSD eliminated pre-algebra and low level English classes in 1998. In 2004-05, splitting Algebra classes into two years or more was eliminated. Conversations are now occurring to push students through four years of math, including statistics, pre-calculus and calculus, and three years of science. He said WCSD also leads in having the majority of the students in the state that are in advanced placement classes and who are able to pass advance placement tests.

Superintendent Martinez said the state of Nevada is challenged with having the majority of its counties, including Clark County, offering pre-Algebra as the beginning class in 9th grade. The question needs to be asked what Nevada is doing to its high school students when the highest math class students receive upon graduation is a low-level geometry class. WCSD started on this path in 1998. However, CCSD just began in 2012.

16. Information Only - WCSD – TMCC - UNR Partnership to Address Academic Preparation of High School Students *(Agenda Item #21) – (Cont'd.)*

Regent Anderson asked how long it had been since the 900 students in the pilot program that did not test in at college-ready level had taken a math class. Superintendent Martinez said every child in the pilot program must have taken at least an Algebra II class. The pilot program has created a conversation to determine what the missing components are between the ACT, SAT and higher education's Accuplacer test. There is a desire to fix the problems and not just the underlying symptoms.

Regent Anderson asked if CCSS will require all districts to bump up their requirements. Superintendent Martinez said CCSS will not be a quick fix and will create some unintended consequences. It is important that all involved be on the same page in communicating and explaining the changes and the long-term benefits or the transition will be difficult for students and parents.

Regent Anderson asked if there was a cost for the high school teachers to take the college curriculum courses. Superintendent Martinez responded WCSD owns the program and TMCC and UNR invested the staff.

Regent Anderson asked how the summer bridge program is funded. President Sheehan responded the colleges provide a small percentage of funding with the remainder paid for through private funds, grants and donors.

Regent Stephens asked what choices or programs are the students unable to attend college left with. President Sheehan responded fundraising is in process for a pilot program for students who are unable to succeed in a regular technology program and need additional services. The pilot program is anticipated to be expensive, with funds being raised as it moves forward.

Regent Page asked Superintendent Martinez if implementation of the CCSS could be replicated in Clark County or if the differences between the Washoe and Clark County School Districts would require a great deal of revision to the program. Superintendent Martinez said the pilot program could be done anywhere including Clark County. It is about commitment, prioritizing resources and changing cultures. The only way it will work is through enforcement by the top administrators.

Regent Page asked if the high school proficiency exam will go away after 2016, if it would only be eliminated in certain counties or state-wide and if it was a positive or negative step. Superintendent Martinez said it was a positive move to eliminate the proficiency exams. He said common standards will reset expectations for children in the state and although the assessments conducted in the ninth and tenth grades will be harder, they will be the better assessment.

Regent Melcher asked what assessment test will be used. Superintendent Martinez said the State Department of Education has been empowered to decide what the assessment

16. Information Only - WCSD – TMCC - UNR Partnership to Address Academic Preparation of High School Students *(Agenda Item #21)* – *(Cont'd.)*

will be. Whichever assessment is chosen, the goal is to have one college-level exam. As a sitting member of the State Board of Education, Regent Melcher said he would also like the Smarter Balanced Assessment Consortium to be considered.

Regent Schofield asked if Superintendent Martinez had a good relationship with the CCSD Superintendent. Superintendent Martinez responded he did.

17. Approved - Employment of President's Spouse, GBC *(Agenda Item #15)* – The Board of Regents approved the consideration of Mrs. Margaret Curtis, spouse of GBC President Mark A. Curtis, for employment as a faculty member at GBC in the subject area of health services in which there is an anticipated need for faculty, in the event Mrs. Curtis applies and is found to be the most qualified candidate and approval of the final appointment and waiver of any applicable policy requirement to return to the Board of Regents for consideration if Mrs. Curtis is determined to be the best qualified candidate and appointed to the position *(Ref. BOR-15 on file in the Board Office).*

President Curtis said reporting lines would be through the normal chain to the department dean and vice president and then up through the chancellor or his designee as necessary.

Dr. Mike McFarlane, vice president of Academic Affairs at GBC summarized the reasons for the request as presented in the briefing paper, including the difficulty in filling and recruiting for positions in a rural community such as Elko. He also said, pending employment, Mrs. Curtis would report to the department dean or to himself. The request is limited to the consideration of Mrs. Curtis for a position in health sciences and human services, if she chooses to apply.

Vice Chancellor Nielson asked the motion include the final approval of the appointment and waiver of any applicable policy requirement will need to return to the Board of Regents if Mrs. Curtis is determined to be the best qualified candidate and appointed to the position.

Regent Knecht moved approval of the consideration of Mrs. Margaret Curtis, spouse of GBC President Mark A. Curtis, for employment as a faculty member at GBC in the subject area of health services in which there is an anticipated need for faculty, in the event Mrs. Curtis applies and is found to be the most qualified candidate and approval of the final appointment and waiver of any applicable policy requirement to return to the Board of Regents for consideration if Mrs. Curtis is determined to be the best qualified candidate and appointed to the position. Regent Doubrava seconded. Motion carried.

18. Information Only - Demonstration of Regent Districts on Legislative Website *(Agenda Item #16)* - Chief of Staff and Special Counsel to the Board of Regents Scott Wasserman provided a demonstration of the Legislature's "Who's My Legislator / What's My District" website (www.leg.state.nv.us/) which provides a user-friendly interactive website for constituents to determine representation. The website allows constituents to identify Regent districts and links constituents with the Regents' contact information and biographies on the Nevada System of Higher Education's website.

    Mr. Wasserman said the addition of the Regents to the legislative website is the result of the excellent relationship and partnership between the Board of Regents Office and the Legislative Counsel Bureau. He thanked Ms. Kathy Steinle, GIS Specialist and Mr. Rick Combs, Director of the Legislative Counsel Bureau for their willingness and quick response to the request for assistance.

19. Approved - *Handbook and Procedures and Guidelines Manual* Revision, Insurance Rates and Policy Revisions *(Agenda Item #18)* - The Board of Regents approved: 1) the student health insurance rates for academic year 2013-14 as presented; 2) revision to *Title 4, Chapter 17* of the *Handbook* to permit individual institutions to adopt a mandatory health insurance program, in which specific student groups at participating institutions must provide evidence of health insurance coverage obtained individually or purchase coverage through a System program. This requirement applies only to specific student groups identified by the institution and approved by the Board, and is similar to procedures for dental, medical, and international students; 3) the UNLV Graduate and Professional Student Association's (GPSA) request to move UNLV graduate students taking nine or more credits per semester and graduate assistants taking six credits or more per semester to a mandatory health insurance program; and 4) adoption of a new format when requesting changes to Student Health Insurance/Health Service fees *(Ref. BOR-18 on file in the Board Office).*

    Prior to the discussion, Regent Stephens disclosed she is an employee of United Health Networks. One of United Health Network's subsidiaries was recommended as a health insurance carrier for UNR for the 2013-14 academic year. Although she did not participate in any manner in negotiation of the contract, nor did she receive any financial gain from the negotiations, she chose to abstain from the vote and refrained from making any comments on this agenda item.

    Prior to the discussion, Regent Page disclosed he is an employee of Wells Capital Management, a subsidiary of Wells Fargo. Another subsidiary of Wells Fargo, Wells Fargo Insurance Service, has been recommended as a broker for insurance coverage. He did not participate in any manner in negotiation of the contract or receive any gain from the contract. Although Wells Capital Management and Wells Fargo Insurance Services are separate and distinct legal entities he will abstain from the vote or from supporting the passage or failure of this agenda item.

19. Approved - *Handbook and Procedures and Guidelines Manual* Revision, Insurance Rates and Policy Revisions *(Agenda Item #18) – (Cont'd.)*

Vice Chancellor of Finance and Administration Vic Redding said the agenda item was prepared in a new format intended to make the current fees and proposed changes easier to see and understand.

Vice Chancellor Redding said the System currently offers mandatory participation health insurance plans for medical and dental students, for UNR & UNLV graduate students on assistantships, and for international students at UNR, UNLV, and CSN. Staff has recommended continuation of those programs in their existing form.

The System also offers voluntary health insurance for undergraduates at UNR, UNLV and NSC and graduate students not on assistantships at the two universities. Staff has recommended continuation of those programs in their existing form but at new rates with the exception of UNLV graduate and professional students, which will be addressed later in the report.

Vice Chancellor Redding said the proposed rates represent System staff's recommendation for the best option for coverage for academic year 2013-14. Three aspects impact the rates being presented: 1) normal healthcare inflation continues; 2) there are some built-in structural additional costs with the enhanced benefits and taxes under the Affordable Care Act (ACA); and 3) for voluntary plans, the System will pay a premium for voluntary participation plans in order to address an underwriting concern for adverse selection. The next year will be a transition year in the world of student health insurance as the ACA impacts continue to make their way through the healthcare arena.

Regent Knecht asked if the mandatory healthcare rates for medical, dental or foreign students will increase or decrease. Vice Chancellor Redding responded there was a decrease for medical students and dental students and a slight increase for international students at CSN. As a general statement mandatory plans are less expensive than voluntary plans although other factors are involved. Vice Chancellor Redding added the existing structure of the voluntary plans at UNR and UNLV are recommended to continue but with an increase in rates.

Regent Knecht asked if the mandatory plan, as proposed, will benefit some current participants by lowering their rate. Vice Chancellor Redding said when the final negotiated rates came out last April, the UNLV GPSA voted to move to a mandatory model for graduate and professional students taking nine credits or more and six credits or more for a graduate assistant. Mandatory coverage is defined with a mandatory hard waiver. Graduate students would be required to enroll in the plan or provide evidence of other ACA-compliant coverage such as through an employer, spouse, Medicaid or healthcare exchange. To facilitate that option, System staff is requesting the Board's consideration of a new section under *Title 4, Chapter 17* of the *Handbook* to authorize institutions to adopt a mandatory health insurance program.

19. Approved - *Handbook and Procedures and Guidelines Manual* Revision, Insurance Rates and Policy Revisions *(Agenda Item #18) – (Cont'd.)*

Vice Chancellor Redding said there are three factors in regard to the mechanics of moving from a voluntary model to a mandatory one: pool gets larger, underwriter gains more comfort and the ACA, effective January 1, 2014, will require everyone, including students who do not receive insurance through an employer, to participate in one of several specific options including opting-out at a yet-to-be-determined cost and participation in a mandatory plan such as the one being presented. Students could choose to opt-out of the System's plan in favor of a healthcare exchange if the System's rates prove to be more expensive.

Regent Knecht asked how many students will be required to mandatorily participate who are not currently under that designation. Dr. Jamie Davidson, Associate Vice President for Wellness, UNLV, responded an estimated 500 graduate students would be added to the existing mandatory insurance program.

Regent Knecht asked how many are currently covered in the mandatory insurance program. Dr. Davidson responded there are approximately 600 UNLV graduate assistants already covered in the mandatory plan. He said for graduate students taking nine or more credits it is impossible to tell exactly how many are covered because insurance can be purchased on-line or through a spouse or significant other.

Regent Knecht said it seemed to him some people would be denied the option to opt-out but a similar number of other people already mandatorily participating would benefit by a lowering of their current rates. Dr. Davidson responded that was roughly accurate. According to their projections, moving to the mandatory grouping of medical, dental and international students will save approximately $600,000 in premiums for the students in addition to having a sustainable program for obtaining quotes in the future.

Regent Knecht said the new ACA will change everything anyway because everyone will be subject to some sort of participation or sanction. Vice Chancellor Redding said that was correct.

Regent Knecht asked the UNLV GPSA why it favored the cost savings of one group over the higher cost and denial of the other group when the groups were of comparable size. He would like to know if the move is being made in anticipation of the ACA going into effect or it was some other answer. UNLV GPSA President Michael Gordon responded since December 2012 the GPSA had been involved in heated discussions on the impact to all student categories. He said the factors taken under consideration by the GPSA included the need to understand the impact on research graduates and the role insurance has in attracting graduates to UNLV, that UNLV could end up being one of the few schools west of the Mississippi not offering insurance coverage, inclusion of an opt-out mechanism, and the knowledge that a large percentage of graduate students drop out for financial reasons, often related to the cost of healthcare.

19. Approved - *Handbook and Procedures and Guidelines Manual* Revision, Insurance Rates and Policy Revisions *(Agenda Item #18) – (Cont'd.)*

Regent Knecht felt the Board had arrived at a point where the steps already taken to limit people's choices seem to justify further action. He had not been in agreement with those steps to begin with although he understood some of the practicalities involved. He said it remained to be determined if the ACA will go into effect in a timely manner or as planned. He did not like the coercion and wanted people to have more choices to tailor a health care plan to their needs on an actuarial and not on a cross-subsidization basis. For those reasons he would not support the requested action.

Vice Chancellor Redding said his department looked long and hard at the correlation between health insurance and completion or retention rates and found many factors involved, of which health insurance was one.

President Patterson thanked UNLV for including NSC students in their rate pool.

Regent Blakely moved approval of 1) the student health insurance rates for academic year 2013-14 as presented; 2) the addition of *Handbook* language that would permit individual institutions to adopt a mandatory health insurance program, in which specific student groups at participating institutions must provide evidence of health insurance coverage obtained individually or purchase coverage through a System program. This requirement applies only to specific student groups identified by the institution and approved by the Board, and is similar to procedures for dental, medical, and international students; 3) the UNLV Graduate and Professional Student Association's request to move UNLV graduate students taking nine or more credits per semester and UNLV graduate assistants taking six credits or more per semester to a mandatory health insurance program; and 4) adoption of a new format when requesting changes to Student Health Insurance/Health Service fees. Regent Doubrava seconded.

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

20. Approved - *Procedure and Guidelines Manual* Revision, CSUN Student Association Fee, UNLV *(Agenda Item #19)* – The Board of Regents approved an amendment to the *Procedures and Guidelines Manual* Chapter 7, Section 8, Student Association Fees, to lower the Student Association Fee for UNLV undergraduates from $2.47 per credit to $1.97 per credit. The Consolidated Students of the University of Nevada – Las Vegas (CSUN) placed before its student body a referendum to lower the CSUN Student Association Fee from $2.47 per undergraduate credit to $1.97 per undergraduate credit. The referendum item passed through the CSUN Constitutional Revisions Committee and CSUN Senate with the required two-thirds vote prior to being placed before the students in the referendum election. The referendum was passed by the UNLV Student Body in a referendum election on May 1-2, 2013, with a vote of 191-39 *(Ref. BOR-19 on file in the Board Office).*

President Smatresk said in the spirit of shared governance he supports the CSUN's request.

Regent Page moved approval of an amendment to the *Procedures and Guidelines Manual* Chapter 7, Section 8, Student Association Fees, to lower the Student Association Fee for UNLV undergraduates from $2.47 per credit to $1.97 per credit. Regent Knecht seconded.

UNLV CSUN President Mark Ciavola said the UNLV undergraduate students have been paying into CSUN revenue far more than can be spent in the course of a year. All proper procedures have been adhered to in passing the constitutional resolution. The resolution passed the CSUN Senate by a two-thirds vote and was approved by 83 percent of the votes from the UNLV Student Body.

Mr. Alex Porter, Chair of the Nevada Student Alliance and GBC SGA President, asked, in the interest of all Nevada students, how the funds were being used and if the excess funds could be used to help all students such as through scholarships.

Mr. Ciavola said CSUN has never been in the habit of spending money on UNLV departments or administration that the UNLV administration would already support. He said it would be a dangerous road to use student government fees to fill gaps in student services or other departments typically supported by the UNLV administration. In his first year as CSUN President, Mr. Ciavola said he increased scholarships by $50,000, creating a summer scholarship, a special scholarship for research and development, a textbook scholarship and a non-traditional student scholarship. He is also working on creating a scholarship for veterans and military families. Even with those additional programs CSUN will still receive more in revenue than it can spend on scholarships or student government.

Regent Stephens felt Mr. Porter's question was directly related to services on the UNLV campus the excess funds could provide. Mr. Ciavola said the services already provided

20. Approved - *Procedure and Guidelines Manual* Revision, CSUN Student Association Fee, UNLV *(Agenda Item #19) – (Cont'd.)*

are significant for a student government. CSUN has explored new ways to serve students in a broader sense rather than certain specific corners of the undergraduate student population. CSUN does not reach the level of spending it receives in revenue. He felt it was disingenuous to the undergraduate students to have them believe CSUN needs a $1.3 million budget in FY 2013-14 when CSUN could not even spend the current year's entire $900,000 budget. The savings were not a result of reduced student services or programs but rather from hard work and sacrifice from student government representatives as a whole. In 2012-13, CSUN government representatives voluntarily took a 25 percent payroll reduction, lowering CSUN's payroll from 31 percent of the entire budget to 18.5 percent while also increasing the number of student workers.

Mr. Ciavola said savings of $111,850 were also achieved by eliminating the CSUN's agreement to support the UNLV Rebel Yell Newspaper. The CSUN and the Rebel Yell Advisory Board mutually agreed students should not be funding the school paper that reports on student government. An alternative source of student funding was found outside of student government.

Regent Leavitt asked for a brief description of CSUN's main budget categories. Mr. Ciavola responded of the $1.237 million budget scheduled for 2013-14, the spending categories include 18.5 percent on compensation to student workers as well as percentages on other categories including overhead, salary and fringe benefit costs on a graduate assistant and business manager, entertainment and campus life, marketing, student involvement activities, elections and government affairs.

Regent Leavitt asked what Mr. Ciavola was being paid prior to the voluntary salary reductions. Mr. Ciavola responded previously the CSUN president's salary was the full

cost of tuition and fees for a full-time student plus a stipend totaling approximately $22,000 per year. However, based on the overall reduction to student government payroll, his salary in the next academic year will be $13,500.

Regent Leavitt did not want to minimize the time commitments involved but felt $22,000 was extraordinarily high. Mr. Ciavola said payroll reductions need to be made at a gradual pace because students run for those elected positions knowing how much the salary will be. In preparing for the reductions, student government worker salaries at several competing institutions were taken into consideration. The UNR undergraduate student body president makes $8,800 per year while other comparable institutions pay as high as $12,000. The salary reductions have been a gradual process but are being done in a responsible manner. He agreed the previous salary had been too much. He noted in his first term as president he donated half of his salary back to students in the form of outreach luncheons. During his term as a senator he did not accept a salary at all.

20. Approved - *Procedure and Guidelines Manual* Revision, CSUN Student Association Fee, UNLV *(Agenda Item #19) – (Cont'd.)*

Regent Leavitt appreciated that Mr. Ciavola did not set but inherited the situation and that he is voluntarily working to curtail the expenditures.

Regent Leavitt asked if the referendum had asked the UNLV Student Body what other services could be provided. Mr. Ciavola clarified the current fee is $2.47 per credit or approximately $7.50 per class. The CSUN had conversations with the student body on what other services could be provided but most of the services requested were things the student government could not provide such as better parking or shuttle bus services. Mr. Ciavola said there was not a lot that could be done that was not already being done in the realm of student government.

Regent Leavitt said he could not support the request until he sees a survey indicating what other services could be provided and a breakdown of the CSUN's budget. Mr. Ciavola said there was not an actual survey. The discussions with the student body were conducted through marketing roundtables and conversations with student leaders around campus. He understood Regent Leavitt's concern for CSUN's budget. However, the budget process for CSUN has always been handled within the Association. He was not asking the Board to make decisions for CSUN at the micro-level. The referendum had been discussed within CSUN and with the students for over a year. The referendum has gone before the UNLV Senate twice and passed through committee successfully and unanimously. He was more than happy to share the CSUN budget with the Board but he did not believe the budget should affect the Board's decision considering the wide support of the measure on campus and the level of due diligence it was given.

Regent Leavitt asked what the fulltime student equivalent (FTE) was at UNLV. President Smatresk responded there were approximately 19,000 FTE at UNLV.

Regent Leavitt felt that 230 student respondents out of 19,000 was an incredibly small sample size for a vote.

Regent Knecht congratulated Mr. Ciavola and CSUN for bringing forward the proposal and for providing thorough answers to the Board's questions. He noted the previous funding relationship between the CSUN and the Rebel Yell Newspaper and said, as a former student reporter and columnist, he would have been appalled to take tax dollars for reporting. Above all, he did not agree with the possible presumption that any dollars that can be put in the political allocation are better than leaving them in the private market of students. He indicated his support of the request to decrease the CSUN Association fee.

Mr. Porter appreciated Regent Leavitt's comments on the small pool of students. He said it was important for all student government spending to focus on the students.

20. Approved - *Procedure and Guidelines Manual* Revision, CSUN Student Association Fee, UNLV *(Agenda Item #19) – (Cont'd.)*

Regent Stephens said she was in support of the requested fee reduction but also felt Regent Leavitt's questions were appropriate in requesting the details of the CSUN budget. She did not feel it was micromanaging to request information on items brought before the Board. Mr. Ciavola responded he had not meant any disrespect but wanted to clarify the CSUN Senate typically determines its budget based on the total revenue.

Motion carried. Regent Leavitt voted no.

On behalf of the Board, Regent Wixom presented Chair Geddes with a gift from the members of the Board and thanked him for his time, effort and energy as Board Chair over the last two years.

The meeting recessed at 12:20 p.m. and reconvened at 12:46 p.m. on Friday, June 07, 2013, with all members present.

The members of the Board took a few minutes to each thank Chair Geddes for his leadership during his tenure as Chair of the Board.

21. Information Only - State Authorization For Distance Education *(Agenda Item #20)* - Vice Chancellor of Academic and Student Affairs Crystal Abba provided a report on the efforts to provide authority for states, including Nevada, to join the State Authorization Reciprocity Agreement (SARA). This agreement was developed for institutions delivering distance education in states beyond their home state to gain state authorization in other states where they are providing education services. These efforts are being led and supported nationally by multiple higher education organizations, including the Western Interstate Commission for Higher Education (WICHE) and the State Higher Education Executive Officers Association (SHEEO) *(Ref. BOR-20 on file in the Board Office).*

Vice Chancellor Abba said WICHE has indicated it is very close to finalizing the SARA agreement. Each individual institution will need to conduct a cost-benefit analysis to decide if it wants to opt-in as an institution. If an institution decides to opt-in, there will be a fee between $2,000 and $6,000 depending on the size of the institution. Larger institutions such as UNLV will pay $6,000 versus the $150,000 they would otherwise potentially face. Smaller institutions such as WNC typically only serve students from one other state, that being California, where publicly accredited institutions are not required to seek authorization. It will be important for the institutions to be agile enough to know which states they are serving students in and what the requirements are.

Chancellor Klaich said it was only through the dogged pursuit of Vice Chancellor Abba that this legislation was passed. He said this kind of bureaucracy could be crushing to the institutions.

21. Information Only - State Authorization For Distance Education *(Agenda Item #20)* – *(Cont'd.)*

Regent Doubrava asked if NSHE has already joined the SARA. Vice Chancellor Abba responded not as yet. SB 446 (Chapter 341, *Statutes of Nevada* 2013) allows Nevada as a state to enter into the agreement but the individual public and private institutions will also need to determine if they want to opt-in.

Regent Doubrava asked what impact the agreement will have on private institutions not in Nevada but serving Nevada residents. Vice Chancellor Abba said, for example, if Utah opts in to SARA and Nevada opts in to SARA, Nevada will not have to seek independent authorization because the two states will recognize each other's authorization and rely upon the reciprocity agreement (SARA). The reciprocity agreement will help to avoid the administrative burdens involved such as where to go for authorization, costs involved and renewal requirements.

Regent Doubrava asked if private institutions will be allowed to opt-in to Nevada without any controls. Vice Chancellor Abba said Nevada's Commission on Post-Secondary Education will continue to be responsible for the authorization of non-public institutions of higher education in the state. However, private institutions may come into Nevada without having to seek authorization from the Commission on Post-Secondary Education if the private institution and its home state opted-in to the reciprocity agreement. To some extent that makes NSHE, WICHE and the other compacts nervous because of the issues known to be involved with private institutions. WICHE will use the opt-in fees paid by the institutions to set up an infrastructure to make sure those states and institutions opting in are meeting stringent requirements in terms of financial responsibility for the institutions and consumer protection. Student complaint provisions will be brought before the Board before NSHE enters into SARA in order to meet those same consumer protection requirements.

22. Approved- Employment Contract, Interim Athletic Director, UNLV *(Agenda Item #22)* – The Board of Regents approved an Interim Director of Athletics Employment Agreement for Christina ("Tina") Kunzer-Murphy. Ms. Kunzer-Murphy will serve in the interim position until December 31, 2013, unless a permanent director of athletics is appointed prior to that date *(Ref. BOR-22 on file in the Board Office).*

President Smatresk said Ms. Kunzer-Murphy has agreed not to be a candidate for the permanent position.

Regent Trachok moved to approve an employment contract for Ms. Christina ("Tina") Kunzer-Murphy to serve as Interim Director of Athletics until December 31, 2013, unless a permanent director of athletics is appointed prior to that date. Regent Doubrava seconded.

22. Approved- Employment Contract, Interim Athletic Director, UNLV *(Agenda Item #22)* – *(Cont'd.)*

Regent Crear asked if there was anything in Ms. Kunzer-Murphy's background the Board is not aware of that would prohibit her from moving into this position. President Smatresk said he has had a number of candid discussions with a number of people. To the best of his knowledge there is no compelling reason why Ms. Kunzer-Murphy could not be UNLV's athletic director.

Mr. Wasserman noted Regent Crear's question was asked and responded to in a fair manner. However, he cautioned the agenda item is for approval of the contract and not for a personnel session. Individuals have certain rights if they are to appear before the Board in a personnel session.

Regent Knecht asked if Ms. Kunzer-Murphy is already employed with UNLV. President Smatresk stated Ms. Kunzer-Murphy has been employed with the UNLV Alumni Association for approximately six months and has been involved in alumni and donor development.

Regent Knecht asked if the NSHE's personnel jurisdiction reached to the Alumni Association. Mr. Wasserman responded in the affirmative. Ms. Nielsen agreed with Mr. Wasserman.

Regent Knecht requested a roll call vote.

Regent Stephens asked why the agenda item was not framed in a way to allow questioning by the Regents if it was known ahead of time that Ms. Kunzer-Murphy was an employee. Mr. Wasserman responded the Regents are able to ask questions regarding hiring the candidate for the position of interim athletic director and about Ms. Kunzer-Murphy's experience in general terms related to the position being contemplated and whether that experience is appropriate to offer the contract being contemplated. However, the decision to hire the athletic director is in the hands of the president. Specific questions about a specific incident at a specific time would be more in the nature of a personnel hearing.

Regent Leavitt thanked Ms. Kunzer-Murphy for her willingness to step into the role as UNLV's interim athletic director. He said Ms. Kunzer-Murphy has worked in Las Vegas for a long time and is imminently qualified for the role. He was excited about her enthusiasm and commitment to the Las Vegas community.

Regent Blakely said Ms. Kunzer-Murphy seemed to have experience regarding compliance with NCAA regulations. He felt that was an appropriate expectation for an interim position.

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

22. Approved- Employment Contract, Interim Athletic Director, UNLV *(Agenda Item #22)* – *(Cont'd.)*

Ms. Kunzer-Murphy thanked the Board of Regents for the opportunity to serve UNLV in this capacity.

23. Approved - *Handbook* Revision, Board Oversight of Intercollegiate Athletics *(Agenda Item #23)* - The Board of Regents approved revision and consolidation of existing Board intercollegiate athletic policies in a new *Handbook* chapter to: 1) move *Handbook* Title 4, Chapter 10, Sections 25-28 and Title 4, Chapter 20, Section 6 to a *new* Chapter 24; 2) add references to the National Junior College Athletic Association (NJCAA) institutions where appropriate; 3) require certain athletic department financial information and athletic reports to be presented on an annual basis for Board review; and 4) add a provision to Title 4, Chapter 10, Section 25(1) (c) stating how a Regent may refer the name of a candidate for athletic director or coach *(Ref. BOR-23a and Ref. BOR-23b on file in the Board Office).*

Mr. R. Scott Young, Deputy Chief of Staff to the Board of Regents provided the history and purpose for the request.

Regent Wixom referred to page 8 of Ref. BOR-23a, specifically subsection 9a, and asked if the financial information should be referred to a finance committee or if it is better to leave the language in general terms. Chair Geddes responded the Association of Governing Boards (AGB) guidelines indicated the financial information and athletic reports should be reviewed by the full Board because of the importance of the issues.

Regent Trachok moved to approve revision and consolidation of existing Board intercollegiate athletic policies in a new *Handbook* chapter by: 1) moving *Handbook* Title 4, Chapter 10, Sections 25-28 and Title 4, Chapter 20, Section 6 to a *new* Chapter 24; 2) adding references to the National Junior College Athletic Association (NJCAA) institutions where appropriate; 3) requiring certain athletic department financial information and athletic reports to be presented on an annual basis for Board review; and 4) adding a provision to Title 4, Chapter 10, Section 25(1) (c) stating how a Regent may refer the name of a candidate for athletic director or coach. Regent Page seconded. Motion carried.

24. Information Only - *Code* Revision, Athletic Director and Coach Contract Procedures *(Agenda Item #24)* - At the April 19, 2013, Special Meeting of the Board, the Regents requested a proposal be brought forward to revise existing policies regarding approval of athletic director and coach contracts to only require contracts that exceed three years in length and $1.2 million in total compensation, including incentives but excluding standard

24. Information Only - *Code* Revision, Athletic Director and Coach Contract Procedures
(Agenda Item #24) – (Cont'd.)

perquisites available to all NSHE employees, be approved by the Board. The Regents also requested the proposal adopt new intercollegiate athletic best practices policies regarding athletic director and coach contract negotiations and approval by requiring the institutional counsel to negotiate such contracts on behalf of the institutional president and to further require the Vice Chancellor for Legal Affairs to approve the form of the contract prior to the contract becoming effective. This was the first hearing at which this request was being presented for information only. Final action will be requested at a future meeting of the Board *(Handbook Title 2, Chapter 5, Section 5.4.2) (Ref. BOR-24 on file in the Board Office).*

Mr. R. Scott Young, Deputy Chief of Staff to the Board of Regents provided the history and purpose for the request.

Chair Geddes felt the threshold required for Board approval should be $1.5 million instead of $1.2 million. Secondly, he referred to page 4 of Ref. BOR-24, subsection (f), and said he did not believe the System's vice chancellor of legal affairs should be sitting in the negotiations with the presidents. Mr. Wasserman clarified it would be the institution's general counsel sitting in negotiations and not the System's counsel.

Regent Wixom asked if the threshold of $1.2 million was in the aggregate as opposed to annually. Mr. Young responded yes.

Regent Wixom asked what perquisites were included in the $1.2 million. Mr. Young said salary does not include standard perquisites available to all NSHE employees but does include performance bonuses. For example, the salary would not include a car allowance.

Regent Wixom asked if the salary included tickets or other types of compensation. Mr. Young responded his understanding of prerequisites means those benefits or compensation beyond the base salary awarded because it is a part of the position. He felt tickets were a normal part of an athletic contract and would not be included in the total base compensation.

Regent Wixom asked if the base salary would include appearances on radio or talk shows. Chair Geddes said that type of compensation would be included.

Regent Wixom asked if media contracts were made with the individuals or the institution.

Mr. Wasserman asked the presidents if media contracts were considered separately or if such contracts were included when determining base salary. President Johnson said media contracts are part of the contract in some cases but under a different line item than base salary.

Mr. Wasserman's interpretation is media contracts were a form of compensation and could be included as part of the base salary.

24. Information Only - *Code* Revision, Athletic Director and Coach Contract Procedures *(Agenda Item #24) – (Cont'd.)*

Regent Crear requested the definition of base salary be clarified.

Mr. Wasserman said a definition of base salary or compensation could be included since the final reading on this request will not be until the September 2013 Board meeting. As Mr. Young has pointed out, the proposed policy does include performance bonuses as part of the base salary. Previously, the policy did not include performance bonuses or perquisites.

Regent Crear asked if a head football or basketball coach's contract is for 36 months and less than the salary threshold then it would not come to the Board. Mr. Young said that was correct.

Regent Crear said that was challenging because the Board is still held accountable for those high level positions.

Regent Geddes said the intent of the policy revision is to set a threshold and to try to put athletics more on the same field as academics. Currently the presidents can hire a dean or provost without having to appear before the Board.

Regent Crear said unfortunately society places more emphasis on the head basketball coach than they do on the dean of a major institution. In today's world where everything is proven in a public court of justice, he felt the Board should have some level of oversight.

Regent Stephens asked if the $1.2 million threshold was an AGB recommendation. Mr. Young said the $1.2 million threshold was recommended by one of the Regents and is not part of AGB best practices.

Regent Stephens asked what the reason was behind specifying $1.2 million. Mr. Young said, in general, he looked at it as a continuation from the NSHE Athletic Hiring Report *(Crowley study)* presented to the Board in September 2011. The recommendation from the Crowley study was 24 months and $150,000. There is a certain level below which the Board probably does not need to get involved but still needs to hold the presidents accountable. As coaching salaries reach higher levels, there should be a higher threshold. The setting of the thresholds is a policy decision of the Board.

Chair Geddes said he had suggested $1.2 million because it is also the threshold for presidents to approve lease agreements without Board approval.

Regent Melcher agreed the policy language needed to clarify what perquisites or performance bonuses base salary entails.

Regent Trachok said the issue could be solved by changing "salary "to "total compensation." Secondly, he said the System hires presidents to make decisions and

24. Information Only - *Code* Revision, Athletic Director and Coach Contract Procedures
(Agenda Item #24) – (Cont'd.)

manage budgets at a salary significantly less than the coaches. He liked the idea of the Board staying out of micromanaging the presidents. If there is any wrong doing then the contract language gives the president or athletic director the ability to terminate the individual immediately. The Board's perspective should be to review fiscal aspects and make sure the appropriate due diligence and background checks were conducted so as not to run into problems seen elsewhere.

Regent Trachok felt it advisable to have legal counsel involved with the president or athletic director during contract negotiations. He said having the System's legal counsel perform a last review was advisable.

Regent Page agreed the term "salary" should be changed to "total compensation." He also agreed that legal counsel needed to be present during athletic contract negotiations.

Regent Blakely said another option was to leave the current policy in place as written.

President Smatresk said the presidents bring head football and basketball coach and athletic director contracts to the Board virtually every time. As much as he agrees with Regent Trachok that the Board should not be down in the weeds, he also agreed these issues have a tendency to be nationally explosive. He felt having legal counsel and the Board involved in a contract is not an unreasonable approach to take.

President Johnson referred to page 4 of Ref. BOR-24, subsection (f), and said the wording used gives the institution's legal counsel the role of primary negotiator instead of the president, which would leave coaches and athletic directors the only positions in the Code requiring someone other than the president as the hiring authority. In terms of accountability, President Johnson said typically if the coach is not receiving oversight, then the athletic director is held accountable; if the athletic director is not receiving oversight then the president is held accountable.

Regent Melcher said he is concerned about the Board's discussion of its policies and procedures during the same time as an employment contract. He asked the presidents if coaches and athletic directors should be present at Board meetings. President Johnson said he would like to have the opportunity to introduce the individual to the Board but felt the Board focused too much on approving the personality instead of the contract.

Regent Melcher agreed and said the Board should not be conducting a second interview.

Regent Stephens agreed the Board should not be conducting a personnel session. However, the Board sets the policies and procedures for the contract and is supposed to provide a high-level review of the proposed contracts. She asked how the Board is to consider approval of a contract without ever discussing the process involved. She was not concerned that a person may have to sit through a meeting when they may be receiving a significant contract.

24. Information Only - *Code* Revision, Athletic Director and Coach Contract Procedures
(Agenda Item #24) – (Cont'd.)

Regent Melcher said the Board often questioned itself and its procedures in front of a candidate. He said there is a time to address those issues but it is not when approving the contract.

President Richards asked if it was the intent of the Board to require approval of part-time athletic directors at the smaller institutions. He suggested the smaller programs be excluded from the proposed policy. Chair Geddes responded compliance issues were important regardless of the size of the program.

Regent Page felt it important to bring candidates to a Board meeting.

Regent Knecht said suitability of the candidate is the real issue. He agreed if the Board is going to be held accountable then the Board should be allowed to consider suitability and prospective risk and not just for the terms of the contract.

Regent Trachok said the Board does not have the expertise to determine who will be a good coach or a bad coach in a twenty minute discussion. He felt more due diligence and background work was needed.

Regent Knecht agreed with Regent Trachok. He asked what standards the Board was held to legally and practically and how those standards will be met. Mr. Wasserman said the distinction is clearly over who is hiring the individual. The Board hires the presidents, the chancellor and its' own chief of staff. When the Board hires a chancellor, chief of staff or president, the Board interviews the candidates. The Board does the actual hiring. All others are hired by the chancellor, by the chief of staff or by the presidents. Under current policy, the Board's role in those instances is to consider approval of the contract as proposed, not to interview candidates to determine whether they should be hired. If the Board chooses to revise policy and be involved in the hiring of the coaches, then the Board needs to be involved throughout the entire search and hiring process.

Chair Geddes said the policy is attempting to define the Board's role. The Board needs to establish its policies so that when the candidate's contract is presented at a Board meeting, that candidate can be discussed instead of the Board's procedures.

Regent Stephens agreed more time needed to be spent on due diligence and background checks. She said the presidents should be able to utilize their managerial authority to go through a hiring process. However, how is the Board to know if policies and procedures were adhered to if it cannot discuss those policies in front of the candidate. Chair Geddes clarified that the Board can ask if the procedures are followed with regard to the candidate, but questions relating to prior hiring processes should not be asked of the candidate appearing before the Board that day.

Regent Stephens did not want to see a "please do not discuss" clause in a policy.

24. Information Only - *Code* Revision, Athletic Director and Coach Contract Procedures *(Agenda Item #24) – (Cont'd.)*

Regent Crear said he also had no problem with a candidate appearing before the Board and agreed the Board needed to approve those contracts. When he has voted against a contract it has been because either the process was not followed or he felt it was a bad contract. He said the Board needs to address the hiring of candidates before the contract is approved by the Board. If hiring policies are not thoroughly addressed then those policies will not be thoroughly followed. He asked if the Board should consider its involvement on the search committees for head coaches and athletic directors.

President Smatresk said UNR or UNLV did not want to make a bad or unsuccessful hire. To address the Board's concerns regarding the background process and contract review, he suggested the presidents submit a background report to the Regents for their inspection prior to the hiring of the candidate. Secondly, President Smatresk agreed with President Johnson that legal counsel will not negotiate a contract in his place.

Regent Leavitt said the Board hires presidents to make decisions and he has every confidence in the decision a president is going to make. It should be no more complicated than to have the president report the process followed including a requisite background check and the contract terms involved. The only question should be whether the president has followed the process.

Regent Knecht felt the real issues will be decided in the court of public opinion. From his perspective the public will ask the Board why it did or did not do enough. He liked President Smatresk's suggestion of a report outlining the due diligence performed.

Mr. Wasserman said no action would be taken that day. The Board's input and suggestions will be incorporated into the proposed policy and decision units will be presented to the Board at its September 2013 meeting.

The meeting recessed at 2:20 p.m. and reconvened at 2:30 p.m. on Friday, June 07, 2013, with all members present.

Chair Geddes thanked the Board of Regents' staff for their hard work. He thanked President Johnson and the staff at UNR for hosting the Board meeting.

25. Information Only - Results of the 1st Annual Governor's Series *(Agenda Item #29)* – Governor Brian Sandoval, Mr. Michael Yackira, NV Energy, and Mr. Michael Brown, Barrick Gold Corporation announced UNLV as the winner of the 1st Annual Governor's Series. The Governor's Series was launched in the Fall of 2012 and establishes a formal head-to-head athletic and academic challenge between the University of Nevada, Las Vegas Rebels and the University of Nevada, Reno Wolf Pack. This all-encompassing competition will annually crown one school the winner of the Governor's Series.

25. Information Only - Results of the 1st Annual Governor's Series *(Agenda Item #29)* – *(Cont'd.)*

Governor Sandoval complemented the student athletes involved for their conduct on the field and in the classroom. He thanked the Board of Regents and presidents for what they do for higher education in the state of Nevada. He thanked NV Energy and Barrick Gold Corporation for sponsoring the competition.

Governor Sandoval said the final score was UNLV - 34.5 and UNR - 10.5.

Chancellor Klaich said a special award honoring Bill Ireland also goes to the student at each school who excelled in the Series. President Johnson announced that the 1st Bill Ireland Award at UNR went to Mr. Albert Rosetti. President Smatresk announced the Award at UNLV went to Mr. Buddy Borden.

On behalf of the Board of Regents and NSHE, Chair Geddes and Chancellor Klaich thanked Governor Sandoval, NV Energy and Barrick Gold Corporation for their support of higher education in Nevada.

26. Information Only - Coordination of Commencement Exercises and Start Times *(Agenda Item #25)* - The Board discussed the process by which the institutions schedule commencement ceremonies and start times *(Title 4, Chapter 1, Section 7) (Ref. BOR-25 on file in the Board Office).*

Chair Geddes said commencement is a time for the students and their families and supported the existing policy as written.

Regent Page said Southwest Airlines weekend flights do not start until later in the morning and asked UNR to consider changing its morning start times by 30 minutes to 8:30 a.m. to allow Regents flying from Las Vegas to attend.

Regent Schofield asked the institutions to coordinate with each other to allow the Regents to attend as many commencements as possible.

Regent Melcher appreciated receiving the commencement schedule for future years. He said the future schedule reflected a much improved coordination from the previous year.

Regent Wixom said he was appreciative of the presidents' efforts to coordinate the schedules. He said his past requests for the ceremonies to be coordinated had been wrong, adding the highest priority is to create a positive, uplifting and engaging process for the students and their families.

27. Information Only - UNLVNow Project *(Agenda Item #26)* - UNLV President Neal J. Smatresk and UNLV Senior Vice President of Finance and Business Mr. Gerry Bomotti provided an update on the action taken by the Nevada Legislature on Assembly Bill 335 (Chapter 507, *Statutes of Nevada 2013*) *(AB 335)* and the key components of the bill

27. Information Only - UNLVNow Project *(Agenda Item #26)* – *(Cont'd.)*

proposing the creation of a University of Nevada, Las Vegas Campus Improvement Authority *(the "Authority")* to support the UNLVNow Project *(Ref. BOR-26 and handout on file in the Board Office).*

Mr. Bomotti provided a summary report of the key components of AB 335, including *(full summary report on file in the Board Office)*:

- The bill establishes the boundaries of the Authority as the Maryland Parkway campus of UNLV, including all that is owned or controlled by the Board of Regents and used by UNLV with at least 20 years remaining on any land lease;
- AB 335 does not create a tax district but enables a series of actions initiated through the Board of Regents to review and study the feasibility of a mega events-center and to present a turnkey plan for the 2015 Session of the Nevada Legislature by September 30, 2014;
- The bill creates the structure of the Authority as a public body, similar to the Las Vegas Convention and Visitors Authority (LVCVA), with no member receiving compensation. The Authority's structure is designed to be "arms-length" from the Board of Regents so any future authorized financing will not impact NSHE financial statements or existing financing;
- The bill creates an 11 member board with four members from the Board of Regents to be appointed by August 31, 2013; and two from the Clark County Board of County Commissioners, two from the Las Vegas Convention and Visitors Authority, one from the Governor, one from the Senate Majority leader and one from the Speaker of the Assembly, to be appointed by September 30, 2013; and two members to be recommended by the LVCVA but voted upon by the full Authority Board by October 30, 2013. The term of appointment for all Authority board members begins on October 1, 2013, and ends on September 30, 2015. The Authority board must hold an organizational meeting during October 2013 and after that as needed. Any action taken by the Authority Board must be approved by a minimum of eight votes;
- AB 335 describes the mega-events center project and related activities including studying the need for, feasibility of and financial alternatives for a mega-events center and other required infrastructure. Focus is on the general design, size and cost *(to the extent funds are available for such)* of the mega-events center. Additionally, if specifically approved by the Board of Regents, the Authority may assist in the planning and designing of any Thomas and Mack Center renovation improvements.
- AB 335 also allows up to two percent of the portion of funds received by UNLV from AB 501 *(Issuance of State General Obligations for Certain Capital Projects of the NSHE)* for the renovation of the Thomas and Mack Center to be used by the Authority to support its activities.

UNLV Executive Dean for Strategic Development Don Snyder said he was pleased with the bill's unanimous approval by both houses of the Legislature.

27. Information Only - UNLVNow Project *(Agenda Item #26)* – *(Cont'd.)*

Dean Snyder said the September 30, 2014, deadline to present a report for the 2015 Session of the Legislature will provide the soon-to-be-seated Authority Board with enough time to study, assess, evaluate and make recommendations related to a mega-events center and its funding.

Dean Snyder said UNLV will be working with the various other appointing agencies indicated in the bill to make their appointments by the respective deadlines. Secondly, UNLV will assemble the materials compiled over the last two years and will develop a recommended work plan to present to the members of the new Authority board. Finally, much work will go into preparing for the initial Authority board meeting in October 2013.

Dean Snyder said UNLV will provide a briefing to the Board of Regents at its regular meeting in September 2013.

Regent Melcher noted the full Board of Regents will need to take action on its appointments at the upcoming July 19, 2013, special meeting.

Regent Schofield expressed his support of the mega-events center and for the positive impact it will have on the UNLV campus, students and Las Vegas community. He urged the Board's support of the project and thanked Dean Snyder for his participation.

Regent Leavitt asked for clarification on the Board of Regent's nomination and appointment process. Mr. Wasserman said legislation often refers to nominations being made by the full Board or by the Board Chair. For instances where the full Board must approve appointments, an agenda is posted, the Board Chair provides direction on who is being recommended for the appointment and the full Board considers the recommendations.

Regent Stephens said she was in support of the UNLVNow Project and expressed her appreciation to Dean Snyder for addressing her concerns regarding the proposed Student Village at UNLV.

28. Information Only - *Handbook* Revision, Standing Committees of the Board of Regents *(Agenda Item #27)* - At the request of Regents Geddes, Page and Trachok, the Board of Regents discussed a revision to the Bylaws providing for the reorganization of the standing committees of the Board *(Title 1, Article VI, Section 3) (Ref. BOR-27 on file in the Board Office).*

Mr. Wasserman said the proposed revision to the Bylaws will require two readings. The September 2013 meeting will be the soonest action could be taken and will require two-thirds approval by the full membership of the Board.

28. Information Only - *Handbook* Revision, Standing Committees of the Board of Regents
(Agenda Item #27) – *(Cont'd.)*

The proposed amendment reduces the number of standing committees from seven to the following three:

1. Audit Committee – Retains the Audit Committee and authorizes the Audit Committee to appoint a non-voting ex-officio member with expertise in financial accounting.
2. New Finance and Facilities Committee – Creates a new Finance and Facilities Committee that is responsible for matters related to budget, finance, and investments. Under this new Committee, combine the responsibilities of the Business and Finance Committee and the Investment and Facilities Committee, both of which would be dissolved.
3. New Programs and Planning Committee – Creates a new Programs and Planning Committee that is responsible for matters related to academic programs, research, student affairs, cultural diversity, workforce and economic development, and health sciences. Under this new Committee, combine the responsibilities of the Academic and Student Affairs Committee, the Cultural Diversity Committee, the Health Sciences System Committee, and the Workforce, Research and Economic Development Committee, which would all be dissolved.

If approved, the proposed consolidation plan would result in corresponding revisions to specific committee responsibilities or actions dispersed throughout the *Handbook* and/or *Procedures and Guidelines Manual.*

Regent Trachok said the proposed consolidation was one result of meetings with the presidents over a period of several months. The reasons behind the proposed consolidation include streamlining the committees and to make them more accessible to the Regents, the public and the faculty, staff and students of NSHE.

Regent Melcher said the briefing paper states "This proposal would reduce the number of standing committees from seven to three, thus allowing two of the three standing committees to meet at the same time for extended periods, as well as freeing up more time for the full Board of Regents meeting." Regent Trachok did not agree with the suggestion that two of the committees meet at one time. He recommended the proposed committees meet at three different times.

Regent Melcher like the proposed structure, adding it would allow him to be more informed of what is going on in the various committees.

Chair Geddes said he had envisioned the committees running at the same time. He said if there are going to be three committees meeting at three different times to allow all the Regents to attend then all the committee items should be placed on one agenda for consideration by the full Board.

28. Information Only - *Handbook* Revision, Standing Committees of the Board of Regents
(Agenda Item #27) – (Cont'd.)

Regent Crear said it would be ineffective to combine several committees into one. He felt there was a risk the individual committee subjects would not receive the full attention they deserve, such as cultural diversity. Although he understood the concerns regarding time constraints, he thought the purpose of a committee structure was to divide and conquer.

Regent Blakely said the proposed consolidation would only be acceptable if the Business and Finance Committee was retained and met at the same time as the proposed New Programs and Planning Committee. Beyond that it would take three to four hours for one of the consolidated committees to meet just to get through its agenda. He agreed if the committees were all going to occur at different times then there should be one agenda presented to the full Board.

Regent Blakely said he was concerned the momentum seen in Cultural Diversity Committee under the leadership of Regent Crear would deteriorate. Secondly, the Health Sciences System Committee still had many controversial and unsettled issues.

Regent Anderson agreed the committees need to run concurrently. She felt the Health Sciences System Committee would overwhelm the proposed New Programs and Planning Committee and should remain a separate committee.

Regent Stephens felt the concerns were typical of any governing body. She said the proposed consolidation plan undermines the purpose of having a committee structure.

Regent Wixom favored the proposed changes but understood the concerns expressed. He commended Regent Trachok for the many hours spent meeting and working with the presidents. To some extent the existing structure is broken because it prevents the Regents from being informed and participating at the level needed and it keeps the presidents torn between which committees they should attend. He requested the Board consider having the three committees as recommended plus a fourth committee to address cultural diversity and academic and student affairs issues. He felt Health Sciences System issues could be addressed in an ad hoc committee format. He would support the proposed consolidation if those four committees ran concurrently. With that change, he felt the proposed consolidation would allow the Board to become more effective and would allow the presidents to participate in the committee meetings.

Regent Doubrava said as a committee chair for the first time he has quickly realized the importance of having a committee dedicated to one area.

Regent Leavitt felt the Board's current committee structure works well. He knows of no other board that operates as a committee of the whole. He saw distinct advantages to having four committees instead of six or seven committees. The number of committees made no difference because every member of the Board would serve regardless. The

28. Information Only - *Handbook* Revision, Standing Committees of the Board of Regents
(Agenda Item #27) – *(Cont'd.)*

difference is in the number of opportunities provided to be a chair or vice chair of a committee that generates a lot of energy and interest in a given area. The Board receives every committee agenda well in advance of the meeting. If there is an issue of concern in a specific committee, there is the opportunity to talk to the committee chair and even make arrangements to attend the committee meeting. The Board members should be reading all the agendas, not just the ones assigned to them. He had complete faith and trust in the committees and supported the distribution of power and leadership.

Regent Leavitt noted in 2009, during his tenure as Chairman of the Board, the committees were restructured to eliminate off-cycle meetings and the number of regular meetings per year was reduced from six to four *(quarterly)*. Although there were concerns the number of special meetings would increase that has not been the case or only modestly so. He felt the proposed structure would not allow committee topics to receive the attention they deserve.

Regent Page thanked Regent Trachok for the enormous amount of time spent working on the proposal. He felt the current structure requires some type of compromise and adjustment as the process moves along.

Regent Schofield complimented Regent Trachok for attempting to improve processes. He has served on committees for over 40 years in the State Assembly, State Senate and Board of Regents and he could not think of another way to accomplish the work involved. He felt the committee structure was a reflection of democracy in action. He urged Board members not to complain about what cannot be done but to focus on improving areas being done right.

Regent Blakely suggested the new Finance and Facilities Committee and the new Programs and Planning Committee each be two hours, there be a stand-alone Health Sciences System Committee and a stand-alone Cultural Diversity Committee, each held for two hours and a fifth committee, the Audit Committee, held for one hour.

Mr. Wasserman suggested the new Programs and Planning Committee (P&PC) could roll academic and student affairs and the workforce, research and economic development together and could meet for three hours. Opposite of the P&PC would be the new Finance and Facilities Committee rolling the Business and Finance Committee and Investment and Facilities Committee together for a two hour meeting followed by the Audit Committee to meet for one hour. Separately, the Health Sciences System and the Cultural Diversity committees could meet opposite each other for a two hour period.

Regent Knecht said the challenge to the presidents of being in two committees at once can be acute at times. Certain committee chairs in the past have insisted each president be in their committee. During his own tenure as a committee chair he felt it important for a president or institutional representative be present when an agenda item required it.

28. Information Only - *Handbook* Revision, Standing Committees of the Board of Regents *(Agenda Item #27)* – *(Cont'd.)*

Regent Knecht was not persuaded there was a substantive problem with some level of institutional representation being available in two places at one time so long as the committee chairs do not insist on every president's full presence.

Secondly, Regent Knecht felt maintaining the six committee structure would also maintain the structure of shared governance. He could see some argument for change in the portfolios of six committees. He suggested there be four committees with two, the Finance and Facilities Committee and the Programs and Planning Committee, meeting three hours each and the other two could be one hour meetings.

Regent Melcher said he tries to read all the committee agendas and corresponding materials but the information can be so extensive it makes it difficult to understand what is being voted on. Secondly, in regard to the Audit Committee, he felt it was a good idea to appoint a non-voting ex-officio member with expertise in financial accounting. Thirdly, he asked for decision points to be presented at the September 2013 meeting.

Regent Leavitt said one of his intentions for having reduced the number of regular meetings from six to four per year was to reduce the agenda to the most important policy-related discussions. Unless it was a consultant's report, it angered him to see 40 or 60 minute reports that could be read outside of a meeting on an agenda. If each of the six current committees were reduced to 90 minutes it would free up an hour and a half for the full Board to hear the weightiest of issues. He did not know of any board that gets to sit in and hear what every other committee of that board is doing. If there is no trust and faith in delegation then he suggested having a committee of the whole.

Regent Crear thanked Regent Trachok for the amount of personal time spent working on the proposed consolidation plan.

Regent Trachok felt the Board had a very helpful discussion with differing viewpoints. The proposal had not been driven by his dissatisfaction with the existing structure but rather by an attempt to make the current process better. He will continue to work on the proposal and bring it back for further discussion at the September meeting.

29. Approved - Academic and Student Affairs Committee *(Agenda Item #33)* - Chair Andrea Anderson reported the Academic and Student Affairs Committee met on June 6, 2013, and heard the following:

GBC President Mark A. Curtis reviewed the results of GBC's recent accreditation visit and review by the Northwest Commission on Colleges and Universities (NWCCU), noting positive comments received on taking a high-quality institution to the next level, as well as recognition of GBC's technological infrastructure and efforts to reach out to serve rural Nevada. The visit resulted in several recommendations from the review team,

29. Approved - Academic and Student Affairs Committee *(Agenda Item #33) – (Cont'd.)*

including recommendations related to mission fulfillment, core theme planning and institutional planning. GBC received many commendations, including appreciation for its culture of collegiality; leadership at all levels; fiscal agility; and use of technology, which could serve as a national model.

Ms. Renee Davis, Director of Student Affairs, NSHE, presented highlights from the 2011-12 NSHE *Financial Aid Report* including information on financial aid programs, awards distributed across the System and the impact of sequestration on the Title IV Student Financial Assistance Programs. Highlights included NSHE beginning to see the positive effects of Board policy passed in April 2010 for increased allocations to student financial assistance; Nevada's improved national ranking in the number of low-income students attending college; and the continuing increase in the percentage of need-based aid disbursement to NSHE students.

Vice Chancellor Abba presented a summary report on compensated outside professional and scholarly services performed by full-time faculty members across the NSHE, including institutional resolution of potential conflicts of interest in accordance with Board policy *(Title 4, Chapter 3, Section 9 and Title 4, Chapter 11, Section 12)*.

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 February 28, 2013, Committee meeting *(Ref. ASA-2a on file in the Board Office).*
- The Committee recommended elimination of the Associate of Applied Science in Land Surveying/ Geomatics at CSN due to lack of demand for the program *(Ref. ASA-2b on file in the Board Office).*
- The Committee recommended elimination of the Associate of Arts in Landscape Architecture at TMCC due to low enrollment *(Ref. ASA-2c on file in the Board Office).*
- The Committee recommended approval of a revision to UNLV's Academic Master Plan, previously approved at the November 2012 meeting, to include among its planned programs a Bachelor of Science in Graphic Design and Media *(Ref. ASA-3 on file in the Board Office).*
- The Committee recommended approval of a new Bachelor of Science in Graphic Design and Media at UNLV. Through the program, students will learn the professional skills and competencies necessary to compete in the global marketplace for graphic arts, media and visual design *(Ref. ASA-4 on file in the Board Office).*
- The Committee recommended approval of a new Bachelor of Science in Molecular Microbiology and Immunology at UNR. The program will offer an additional option for students interested in pursuing careers in life science, health care and biotechnology-related areas and will supply much needed trained microbiologists to the state and nation *(Ref. ASA-5 on file in the Board Office).*

29. Approved - Academic and Student Affairs Committee *(Agenda Item #33) – (Cont'd.)*

- The Committee recommended approval of a new Bachelor of Applied Science emphasis in Graphic Communications at GBC. The approval is for the upper-division curriculum, as this degree is designed to transfer directly from completed Associate of Applied Science degrees in Graphic Communications *(Ref. ASA-6 on file in the Board Office).*
- The Committee recommended elimination of the following fields of study under the Associate of Arts and Associate of Science programs at WNC in an effort to consolidate the degree programs. The AA and AS will remain degree options for current and prospective students *(Ref. ASA-7a and Ref. ASA-7b on file in the Board Office).*
    a. Associate of Arts
        1. Musical Theater
        2. Fine Arts
        3. Criminal Justice
    b. Associate of Science
        1. Computer Science
        2. Physics
        3. Geoscience
        4. Mathematics
        5. Engineering Science
        6. Chemistry
        7. Biophysical Science
- The Committee recommended elimination of the Associate of Applied Science in Computer and Office Technology at WNC. Students currently enrolled in the program will be accommodated through graduation *(Ref. ASA-8 on file in the Board Office).*
- The Committee recommended elimination of the Occupational Safety and Health Administration (OSHA) Institute at CSN. Changes in the operating paradigm of OSHA force CSN to offer courses in other states in direct competition with other OSHA training centers and those same centers can offer classes in Las Vegas at a lower rate than CSN can offer. *(Ref. ASA-9 on file in the Board Office).*

Regent Anderson moved acceptance of the report and approval of the committee recommendations. Regent Trachok seconded. Motion carried.

30. Approved - Business and Finance Committee *(Agenda Item #34)* - Chair Kevin C. Melcher reported the Business and Finance Committee met on June 6, 2013, and heard the following:

- All Funds revenues and expenses of the NSHE for the third quarter of fiscal year 2012-2013.
- NSHE Fiscal Exceptions of self-supporting budgets and the status of state appropriations for the third quarter of Fiscal Year 2012-2013.

30. Approved - Business and Finance Committee *(Agenda Item #34)* – *(Cont'd.)*

- NSHE crime statistics report for calendar year 2012 prepared in compliance with the Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics as part of the Higher Education Act of 1965. The Committee requested that the NSHE institutions provide written explanations in future reporting for significant changes in crime statistics between reporting periods.
- Budget transfers of state appropriated funds between functions for the third quarter of fiscal year 2012-2013.

Action items:
Board action was requested to approve the following recommendations of the Budget and Finance Committee:

- The Committee recommended approval of the consent agenda, including the minutes from the February 28, 2013, Committee meeting, Third Quarter Fiscal Year 2012-13 NSHE All Funds report, Third Quarter Fiscal Year 2012-13 Budget Transfers Request report, and the Report on Campus Crime Statistics *(Refs. BF-2a; Ref. BF-2b(1) and Ref. BF-2b(2); Ref. BF-2c(1) and Ref. BF-2c(2); and Ref. BF-2d(1) and Ref. BF-2d(2) on file in the Board Office)*. The Committee requested to be provided with the interest rate on the Board approved existing bond refinancing of up to $160 million and the date of the sale.
- The Committee recommended approval for the Nevada System of Higher Education to expend any excess student registration fee revenues for the purpose of funding additional adjunct faculty and to seek Interim Finance Committee authorization to expend any additional registration fee revenues not utilized for adjunct faculty and any nonresident tuition and surcharge fee revenues in addition to the amounts authorized in FY 2013 *(Ref. BF-4 on file in the Board Office).*
- The Committee recommended approval for the Desert Research Institute to borrow up to $650,000 from the Nevada State Office of Energy Revolving Loan Program to partially finance the construction of two photovoltaic systems and to seek any necessary approvals from the Legislature's Interim Finance Committee *(Ref. BF-5 on file in the Board Office).*
- The Committee recommended approval of a resolution, on behalf of the University of Nevada, Reno, that would permit reimbursement from the proceeds of tax-exempt bonds for certain up-front construction expenses associated with the new Student Achievement Center at the university *(Ref. BF-6 on file in the Board Office).*

Regent Melcher moved acceptance of the report and approval of the committee recommendations. Regent Page seconded. Motion carried.

31. Approved – Audit Committee *(Agenda Item #35)* - Chair Kevin C. Melcher reported the Audit Committee met on June 6, 2013, and requested the institutions provide a copy of their host forms for review and comparison.

31. Approved – Audit Committee *(Agenda Item #35) – (Cont'd.)*

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

- The Committee recommended approval of the minutes from the February 28, 2013, Committee meeting *(Ref. A-2a on file in the Board Office).*
- Internal Audit Follow-up Reports – The Committee recommended acceptance of the following internal audit follow-up reports:
  - Faculty Dental Practice, UNLV. *(Ref. A-2b on file in the Board Office)*
  - Purchasing Department Operations, CSN. *(Ref. A-2c on file in the Board Office)*
  - Controller's Office, GBC. *(Ref. A-2d on file in the Board Office)*
- Engagement Letters, Grant Thornton – The Committee recommended acceptance of the Engagement Letters with external auditors, Grant Thornton, for the year ending June 30, 2013.
  - Nevada System of Higher Education. *(Ref. A-2e(1) on file in the Board Office)*
  - University of Nevada School of Medicine Practice Plans. *(Ref. A-2e(2) on file in the Board Office)*
  - UNR and UNLV NCAA agreed-upon procedures. *(Ref. A-2e(3) on file in the Board Office)*
- Internal Audit Reports – The Committee recommended approval of the following internal audit reports: *(Ref. Audit Summary on file in the Board Office).*
  - Associated Students of the University of Nevada, Reno, UNR. *(Ref. A-3 on file in the Board Office)*
  - Hosting, UNR. *(Ref. A-4 on file in the Board Office)*
  - Differential Program and Special Course Fees, UNR. *(Ref. A-5 on file in the Board Office)*
  - Payroll Office, BCN. *(Ref. A-6 on file in the Board Office)*
  - Residency Determinations, UNLV. *(Ref. A-7 on file in the Board Office)*
  - Sponsored Projects Administration, NSC. *(Ref. A-8 on file in the Board Office)*
  - Peoplesoft Security, TMCC. *(Ref. A-9 on file in the Board Office)*
  - Special Course Fees, TMCC. *(Ref. A-10 on file in the Board Office)*
  - Special Course Fees, WNC. *(Ref. A-11 on file in the Board Office)*
  - Hosting, WNC. *(Ref. A-12 on file in the Board Office)*

Regent Melcher moved acceptance of the report and approval of the committee recommendations. Regent Blakely seconded. Motion carried.

32. Approved - Investment and Facilities Committee *(Agenda Item #36)* - Chair Michael B. Wixom reported the Investment and Facilities Committee met on June 6, 2013, and heard the following:

- Wendy Walker from Cambridge Associates reported on asset allocation and investment returns for the pooled Endowment and pooled Operating Funds for the quarter ending March 31, 2013. Ms. Walker also informed the Committee that the

32. Approved - Investment and Facilities Committee *(Agenda Item #36)* – *(Cont'd.)*

Real Assets allocation in the Endowment Pool is currently being reviewed. Cambridge Associates will bring a recommendation at the September 2013 meeting which may include changes in the structure of managers within the allocation and the asset class benchmark.

- 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 $31.9 million as of end of business on Wednesday, June 5, 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 February 28, 2013, Committee meeting *(Ref. IF-2 on file in the Board Office).*
- At the March 2013 meeting, the Board approved new asset allocation and policy targets for the Endowment Pool. For implementation purposes, at the June 6, 2013, meeting, Cambridge Associates brought forward several rebalancing recommendations. The Committee recommended approval of the following recommendations *(June 6, 2013, NSHE Discussion Materials prepared by Cambridge Associates LLC on file in the Board Office)*:
    a. A $2.5 million disbursement from the cash portfolio for distribution to campuses representing quarterly distribution for the quarter ending June 30, 2013.
    b. A neutral weighting to Total Public & Private Equity, with the current underweight to Private Equity/Venture Capital balanced by an offsetting overweight to Public Equity;
    c. Within overweighted Public Equity, a tactical underweight to U.S. Equity and a tactical overweight to Emerging Markets Equity, based on relative valuation opportunities, effected with the following proposed transactions:
        i. $14.2 million redemption from Vanguard Institutional Index
        ii. $4.2 million redemption from Vanguard Mid-Cap Index
        iii. $2.5 million redemption from Vanguard Small-Cap Index
        iv. $6.9 million additional investment to Manning & Napier
        v. $7.6 million additional investment to MFS International
        vi. $3.5 million additional investment to DFA Emerging Markets Value
        vii. $7.3 million additional investment to Capital International Emerging Markets Growth
    d. Roughly neutral weightings to Marketable Alternatives, Real Assets and Bonds/Cash, effected with the following proposed transactions:
        i. $2.0 million redemption from EII Realty
        ii. $4.4 million redemption from Wellington DIH
        iii. $1.5 million redemption from Wells Fargo Government Money Market
        iv. $0.4 million redemption from Wells Fargo Treasury Money Market

32. Approved - Investment and Facilities Committee *(Agenda Item #36)* – *(Cont'd.)*

e. The Committee also approved the following:
   i. Hire Brandywine Global Opportunities Absolute Return (GOAR) as a new fund manager with a $9.1M initial investment.
   ii. Hire a new fund manager, Franklin Templeton Global Bonds Plus, a global government bond manager and open an account with $4.6M initial investment.
   iii. Maintain the "core" U.S. bond managers currently in-place – PIMCO Total Return Fund and Wells Capital – but reduce allocation as follows to create capacity for the prospective new funds:
      (a) Redeem $8.3 million from PIMCO Total Return;
      (b) Redeem $3.9 million from Wells Capital Montgomery.

f. The Committee approved a new Policy Index and Long-Term Policy Index for the Endowment Fund.

- The Committee approved a request from UNR to market and sell real property located at 835 Lahontan Way, Reno, Nevada, at a price no less than its appraised value of $165,000. The Committee also approved a waiver of Title 4, Chapter 10, Section 1.9(d) requiring subsequent approval of the transaction by the Board for a period of 90 days or less, authorizing Chancellor Daniel J. Klaich, or his designee, to sign the sale and associated documents *(Ref. IF-5 on file in the Board Office).*

New Business:

- Regent Geddes requested an item for the next Investment and Facilities Committee agenda. He would like the Committee to consider a $10 million one-time disbursement to the campuses from the Operating Pool reserve account distributed using the normal allocation rate in order for the campuses to begin building toward the success they need for the weighted student credit hour requirement.
- Chair Wixom directed that a periodic report on deferred maintenance issues be added to the September agenda.
- Regent Knecht requested that a review of new GASB standards that may be pertinent to the Investment and Facilities Committee be done at a future meeting.

Regent Wixom noted the Investment and Facilities Committee recommended approval of a request from UNR to market and sell real property located at 835 Lahontan Way, Reno, Nevada, at a price no less than its appraised value of $165,000. The Committee also approved a waiver of Title 4, Chapter 10, Section 1.9(d) requiring subsequent approval of the transaction by the Board for a period of 90 days or less, authorizing Chancellor Daniel J. Klaich, or his designee, to sign the sale and associated documents.

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

33. Approved - Workforce, Research and Economic Development Committee *(Agenda Item #37)* - Chair Rick Trachok reported the Workforce, Research and Economic Development Committee met on June 6, 2013, and heard the following:

Lori Brazfield, Director, System Administration Sponsored Projects Office, presented the NSHE Sponsored Programs Report for the fiscal year ending June 30, 2012, that includes information on sponsored project awards and expenditures for all NSHE institutions. The Chair asked all institutions to provide a report on what strategies they will be pursuing at the institution level to increase grants and contracts.

Karsten Heise, Technology Commercialization Manager, GOED, and representatives of DRI reported on GOED's Innovation-Based Economic Development effort to implement an applied research center at DRI through the Center for Advanced Visualization Computation and Modeling (CAVCaM).

DRI President, Dr. Stephen G. Wells, reported on a proposed project involving a partnership between DRI, the Springs Preserve, and Nuvege, a company based in Japan. Nuvege is planning its first venture outside Japan in Las Vegas, Nevada, involving large-scale, small carbon footprint, water efficient (greater than 95 percent recycled) organic indoor agriculture and sustainability for the future. DRI is actively involved and collaborating on joint research efforts.

NSF Principal Investigator and state EPSCoR Director, Gayle Dana, reported on a recently awarded NSHE EPSCoR grant funded at $20 million that started on June 1, 2013, and will focus on water, energy and the environment. NSF Track-1 project will create a center of research excellence on solar energy conversion to electricity within the context of minimizing its negative impacts on water usage and the environment. Ms. Dana discussed the many partners involved in the project, including all NSHE institutions, as well as the human infrastructure and number of positions that will be funded under this grant.

Bentley McDonald presented information on Real Education Matters, a non-profit organization that builds bridges between Nevada's students and businesses.

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 from the February 28, 2013, Committee meeting *(Ref. WRED-2 on file in the Board Office)*.
- The Committee recommended approval of a revision to Board policy setting forth the Board of Regents support of efforts by faculty and staff to advance research, technology commercialization, industry engagement, and the entrepreneurial goals of the institution, as well as the objectives set forth in the state Economic Development Plan and the Knowledge Fund created pursuant to *Nevada Revised Statutes* 231.1592, and similar activities *(Title 4, Chapter 12, new Section 11)*. The policy requires that the presidents review institutional procedures, policies and

33. Approved - Workforce, Research and Economic Development Committee *(Agenda Item #37) – (Cont'd.)*

protocols necessary to establish and sustain a culture that promotes and incentivizes these research and entrepreneurial goals and activities *(Ref. WRED-3 on file in the Board Office)*.

- The Committee recommended approval of a revision to Board policy authorizing UNLV, UNR, and DRI to establish policies that govern entrepreneurial leave for faculty engaged in entrepreneurial activity that advances research, supports the state Economic Development Plan, technology transfer, commercialization, or the Knowledge Fund, as expressed in *Nevada Revised Statutes* 231.1592, or similar activities. (*Title 4, Chapter 3, new Section 16*) *(Ref. WRED-4 on file in the Board Office).*

Regent Trachok moved acceptance of the report and approval of the committee recommendations. Regent Doubrava seconded. Motion carried.

34. Approved- Cultural Diversity Committee *(Agenda Item #38)* - Chair Cedric Crear reported the Cultural Diversity Committee met on June 7, 2013, and heard the following:

Dr. Erika Beck, Provost, NSC, and Dr. Nicholas Natividad, Assistant Professor of Criminal Justice, NSC, presented an overview of the newly established Nepantla program at NSC. As part of a broader effort aimed at increasing the student success rates of underrepresented students, the Nepantla program recruits, mentors and uniquely engages these high school students to cultivate a college-going environment and culture. The Nepantla program, which includes a summer bridge program, has an academic focus, and includes soft-skills components and counseling on career and professional development to help ensure student success for incoming college freshman at NSC.

Dr. Reginald Stewart, Director of Diversity Initiatives, UNR, reported on the Center for Student Cultural Diversity's College Life 101 Program and its success in closing the achievement gap and guiding underrepresented students toward college graduation. The program, which reaches as far down as 5th grade, received an award in 2013 from the U.S. Department of Education as a National Best Practice Program and in 2011 for Excellence in Innovation from the College Board.

Mr. Luis Valera, Vice President for Diversity Initiatives and Government Affairs, UNLV, and Greg Brown, Vice Provost for Policy, Faculty and Institutional Research, reported on the significant steps departments and colleges are undertaking to broaden the diversity of the faculty and recruitment process at UNLV. These efforts are part of the development of a comprehensive plan in response to the 2011 UNLV Campus Climate Survey.

Chancellor Klaich presented information concerning the diversity of cabinet-level positions at NSHE institutions. The Chair asked that follow-up reports be provided to the Committee on an annual basis.

34. Approved- Cultural Diversity Committee *(Agenda Item #38) – (Cont'd.)*

TMCC President Sheehan and Mr. Luis Valera, Vice President for Diversity Initiatives and Government Affairs, UNLV, co-chairs of the Equity, Diversity and Inclusion Council, reported on the recent work of the Council, including attendance at the National Conference on Race & Ethnicity in American Higher Education (NCORE) and efforts to expand NSHE recruiting networks beyond Nevada. Additional updates included the planning for the 2013 Diversity Summits in southern and northern Nevada, as well as work to establish a statewide database to diversify recruiting efforts and collaboration among the institutions.

Action Items:
Board action was requested to approve the following recommendations for approval of the Cultural Diversity Committee:

- The Committee recommended approval of the minutes from the March 1, 2013, Committee meeting *(Ref. CD-2 on file in the Board Office)*.
- The Committee recommended approval of the 2011-12 NSHE Diversity Report and direction to provide information on supply chain inclusion and the work of EDIC in future reports *(Ref. CD-4a and Ref. CD-4b on file in the Board Office).*

New Business:
- The Committee discussed the pros and cons of conducting culture surveys at all institutions, similar to UNLV's 2011 survey.

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

35. Approved - Health Sciences System Committee *(Agenda Item #39)* - Chair Mark W. Doubrava reported the Health Sciences System Committee met on June 7, 2013, and heard the following:

- Chairman Doubrava invited Chancellor Emeritus Rogers to provide remarks during his Chair's Report. The Chancellor Emeritus shared his thoughts regarding the most effective way to expand medical education in Nevada. He noted the importance of implementing a major capital campaign to raise funds and generate ongoing support. A different approach to fundraising is needed, i.e., collaboratively amongst the institutions. He pledged $25 million from himself and his wife Beverly to support this effort.
- Vice Chancellor of Health Sciences Marcia Turner's update on general NSHE Health Sciences System activities was deferred to the next meeting.

35. Approved - Health Sciences System Committee *(Agenda Item #39) – (Cont'd.)*

- Dr. Shannon Crozier, Director of the UNLV Center for Autism Spectrum Disorders, presented an overview of the Center's mission and its current and potential future programs to support families with children with autism spectrum disorders and professionals who are in a position to help care for these children and their families.
- 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).
- Dean Schwenk's presentation on the vision for public medical education in Nevada was deferred to the next meeting.
- Chairman Doubrava led a discussion regarding the creation of an allopathic medical school at UNLV, including a discussion on the consequences for the UNSOM in Reno. He noted this needed to be a public discussion and the Regents must be fully engaged in this discussion. He provided historical background on Dr. Fred Anderson's vision for the medical school. Chair Doubrava noted the time has come for a serious discussion of the creation of an allopathic medical school at UNLV. He entertained a discussion among the Regents. Regent Leavitt asked about coordinated fundraising between UNSOM and UNLV. He also asked what impact the Roseman Medical School would have on the UNSOM enhancement plans, and if it impacts the need for expansion of NSHE medical education in Las Vegas. He also wanted to know what the "buzz" of the discussion of a UNLV medical school was. Dr. Doubrava believes there is local support, and some think the UNSOM is located at UNLV. He referred the Regents to recent news items. Regent Knecht agreed the full spectrum of options should be considered. He noted he was willing to participate in donor relations. Regent Melcher appreciated the discussion, however, regretted that Item #7 regarding the overview of the UNSOM Vision did not take place prior to this discussion. He is open to discussion, but believes we need to understand where we are today, focus on the current UNSOM to avoid diluting its effectiveness and support its ability to do more to serve Nevada. Regent Doubrava referenced the UC System, how it addressed the need and ability to grow medical education. Regent Wixom believes we need to face current realities, noting funding shortages. He also believes it is important to avoid taking funding from other programs. Given where we are, he felt the best avenue is to embrace and grow what we have, and over time look at the creation of a second medical school in Las Vegas using what we have as a footprint. He noted the need to have the discussion in the context of specifics, such as where the funding will come from, and how we can avoid "cannibalizing" what we currently have, and that we must preserve the current medical school. He also said philanthropic support is critical, and that we need to be careful of unintended consequences. Chairman Doubrava, mentioned he has been looking at some of the funding requirements, and noted one easy way to do this is to look at the UNSOM 3rd and 4th years' funding of approximately $10 million and add an additional $10 million to create the 1st and 2nd years. Regent Melcher and Regent Wixom expressed concern and noted this proposal

35. Approved - Health Sciences System Committee *(Agenda Item #39)* – *(Cont'd.)*

would have negative effects on UNSOM. Regent Stephens noted we already have the last two years in Las Vegas and need the first two years, but we don't necessarily need a UNLV name on it. Dean Schwenk stated that creating a new school generally costs roughly $30 million per year, and having a medical school based in one institution, with two campuses with a full four years in both locations would be less expensive. He noted there are other models that support this two-campus option, and Chairman Doubrava requested a copy of those models. Regent Melcher noted the Cooperative Extension is a good example of how a state-wide program can provide services, engage in collaboration and be supported in the local community. Regent Knecht noted a referenced document he sent to the Regents *(on file in the Board Office)*. He proposed a third alternative, which involves talking about reining in other parts of the state budget to help fund this enhancement. Chairman Doubrava stated he will follow up with Dean Schwenk about questions regarding his vision statement. The presentation on the vision statement will be deferred to the next meeting.

Action Items:
Board action is requested to approve the following recommendations of the Health Sciences System Committee:

- The Committee recommended approval of the minutes from the March 1, 2013, Committee meeting *(Ref. HSS-2 on file in the Board Office).*

Regent Doubrava moved acceptance of the report and approval of the Committee recommendations. Regent Blakely seconded. Motion carried.

36. Approved - Election of Officers *(Agenda Item #32)* - In accordance with Regents' Bylaws *(Article IV, Section 2)*, an election of officers for FY 2013-14 was held. These officers were elected to serve from July 1, 2013, through June 30, 2014.

A. Chair – Regent Trachok nominated Regent Page.

Upon a roll call vote, motion carried unanimously.

B. Vice Chair – Regent Blakely nominated Regent Crear.
Regent Wixom nominated Regent Trachok.

Upon a roll call vote, Regent Trachok was elected to the office of Vice Chair. Regents Melcher, Page, Trachok, Wixom, Anderson, Geddes, and Leavitt voted for Regent Trachok. Regents Schofield, Stephens, Blakely, Crear, Doubrava voted for Regent Crear. Regent Knecht abstained.

37. Approved - *Handbook* Revision, Board Approval of NSHE Positions on Legislative Measures *(Agenda Item #30)* – The Board of Regents approved a revision to *Handbook* Title 4, Chapter 1, Section 8.6, to codify the current practice of the Chancellor to present to the Board at each meeting of the Board during a legislative session, a list of legislative measures with the position taken on behalf of the NSHE noted, for consideration of approval or revision of position by the Board. Existing Board policy provides that during legislative sessions, when it becomes necessary to take a position on behalf of the NSHE on proposed legislation to be heard by a legislative committee and (1) the Board has not yet taken a position on the bill and (2) the Board will not meet before the bill is heard by the legislative committee, the Chancellor, as the chief executive officer of the System, or his/her designee, may take a position on behalf of the System on the bill before the legislative committee. The Chancellor shall notify the members of the Board of the Chancellor's position on the bill before the bill is heard by the legislative committee *(Title 4, Chapter 1, Section 8.6)*. *(Ref. BOR-30 on file in the Board Office).*

Regent Trachok moved approval of a revision to *Handbook* Title 4, Chapter 1, Section 8.6, to codify the current practice of the Chancellor to present to the Board at each meeting of the Board during a legislative session, a list of legislative measures with the position taken on behalf of the NSHE noted, for consideration of approval or revision of position by the Board. Regent Anderson seconded. Motion carried.

38. Approved - *Handbook* Revision, Production or Inspection of Records and Requests for Information by Regents *(Agenda Item #28)* – The Board of Regents approved revision to *Handbook* Title 4, Chapter 1, Section 4, to specify that a request anticipated by an institution or unit to require in excess of six hours to prepare is subject to the Board's prior approval. Such approval will occur at a public meeting of the Board. The revision also clarifies the Regent making the request will be identified when the information is so distributed.

Pursuant to Board of Regents *Handbook* Title 4, Chapter 1, Section 4, unless otherwise prohibited by law, all books, records and documents, except material related to restricted access research, that are in the custody of an NSHE institution or unit must be made available to Regents for inspection or copying upon request for reasons germane to the performance of their duties as Regents. The policy further provides that if, in the opinion of the Board Chair, requests for information are beyond the production or copying of books, records or documents and require more than a minimal use of an institution's or unit's personnel or resources, the request must be approved by the Board of Regents. The policy does not define "minimal" for purposes of determining when it is appropriate for a request for information to be subject to the prior approval of the Board.

38. Approved - *Handbook* Revision, Production or Inspection of Records and Requests for Information by Regents *(Agenda Item #28) – (Cont'd.)*

Mr. Wasserman stated the portion of the policy proving to be problematic is "Accordingly, if *[in the opinion of the Board Chair requests for information are beyond the production or copying of books, records or documents and require more than a minimal use of an institution's or unit's personnel or resources, the request must be approved by the Board of Regents]*." The Board is being asked to revise that sentence to read "Accordingly, if *a request for information by a Regent is anticipated by an institution or unit to require in excess of six hours to prepare a response, the request is subject to the Board's prior approval at a public meeting of the Board."* The Board Chair is currently being asked to interpret a rule that has never been defined nor enforced. The institution possesses the knowledge on how much time it will take to gather requested information. If the estimated time exceeds six hours then the request can be placed on an upcoming agenda.

Secondly, the response to a request is distributed to the Board and Chancellor without indicating the name of the requester. The Board is being asked whether or not to identify the requesting Regent.

Regent Knecht said he was not convinced there was a real problem and did not see the need to fix the policy at this time. He was not suggesting the institutions would decide to assign a significant number to a request they did not want to fulfill but he would rather have the judgment rest with the Chairman of the Board. In regard to identifying the requesting individual he noted the process used by the Legislature provides a mechanism for a legislator to indicate whether they want to be identified as the source of a Bill Draft Request (BDR) or to have the request submitted anonymously. He said he was happy to be identified most of the time on his information requests. However, there are times a Regent does not want to be identified for good cause.

Mr. Wasserman noted the statute previously allowing legislators to anonymously submit BDR's was revised years ago and no longer allows anonymous submissions.

Chair Geddes said he favored the proposed revision. He said the City of Reno's policy has a two hour threshold for staff to work on any one individual council member's request unless the request was ratified by the full council.

Regent Stephens said she was not particularly in support of the overall policy. The structure of a city council is different and not a fair comparison to a statewide elected board. She was under the impression the System Office was there to assist the Regents. In some cases she may request information to determine if there is an issue to be addressed by the full Board. There have been times when knowing which Regent made the request has helped in analyzing the information. She agreed there may be instances when anonymity is appropriate. She found it unsettling for the administrative arm of a body of elected officials to be able to determine the time constraints of a request.

38. Approved - *Handbook* Revision, Production or Inspection of Records and Requests for Information by Regents *(Agenda Item #28) – (Cont'd.)*

Regent Wixom moved approval of the revision to *Handbook* Title 4, Chapter 1, Section 4, to specify that a request anticipated by an institution or unit to require in excess of six hours to prepare is subject to the Board's prior approval at a publicly noticed meeting and that the Regent making the request be identified when the information is so distributed. Regent Trachok seconded.

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

39. Information Only - Fraternity and Sorority Life at UNLV and UNR *(Agenda Item #31)* - At the request of the Board of Regents, UNR and UNLV representatives provided a general overview of fraternity and sorority life at their respective campuses. Mr. Marcelo F. Vazquez, Associate Dean of Students, UNR; Mr. Dennis Campbell, Jr., Coordinator of Greek Life, UNR; Mr. Michael Champagne, Student and Vice President of Phi Beta Sigma, UNR; and Mr. Randy McCrillis, Executive Director of Civic Engagement and Diversity, UNLV, provided a Power Point presentation including information on each institution's organizational structure and governance, procedures for misconduct adjudication, and the positive impacts and benefits of sorority and fraternity membership *(Refs. BOR-31a, BOR-31b and BOR-31c on file in the Board Office).*

Regent Anderson asked what the alcohol policy was at each campus. Mr. Vazquez stated UNR's policy on alcohol is mostly residential based and allows only those persons age 21 and over that live in the chapter facility to consume alcohol on property. Off campus, members must make every effort to prevent underage drinking and must follow their fraternity's national rules.

Mr. McCrillis said none of the UNLV fraternities or sororities own property in Las Vegas. UNLV's policy on alcohol requires verification that anyone serving alcohol is over the age of 21. UNLV does not provide alcohol on campus for its fraternities and sororities.

Regent Page said he appreciated the review of oversight but he has seen several instances where fraternities and sororities have been suspended from national societies for hazing incidents. Mr. McCrillis responded for UNLV fraternities and sororities it is mostly the national organizations that have pulled their own charters, most recently for hazing involved in an underage drinking incident. The national organizations step in quickly to

39. Information Only - Fraternity and Sorority Life at UNLV and UNR *(Agenda Item #31)* – *(Cont'd.)*

remove the offenders from the campus. Mr. Vazquez said UNR works with the national organizations when dealing with hazing allegations or violations of any sort. UNR's strict guidelines on hazing are followed.

40. Information Only – New Business *(Agenda Item #40)* – Regent Knecht requested a presentation of newly implemented Government Accounting Standards Board requirements be presented to the full Board.

Regent Knecht requested a future agenda item to discuss institutional bookstore buy-back policies. He was frustrated with the public's perception the Board and faculty are not sensitive to the costs of textbooks and other required materials, particularly since instructors can order a tailor-made set of materials that may not have a high retail value. He understood the System was greatly at the mercy of the publishing companies but asked for a discussion to be held at the Board level to communicate the Board's concern to the faculty on the matter.

Regent Knecht asked staff to distribute copies of an excerpt from a publication prepared by the American Council of Trustees and Alumni called "Free to Teach, Free to Learn – Understanding and Maintaining Academic Freedom in Higher Education." He said UNR and UNLV both appeared on a red light watch list as not being as open to freedom of speech as one would hope. He asked for a Board discussion on the promotion and encouragement of academic freedom and free speech on university and college campuses and where the System might do better to promote a healthy diversity of opinions going forward *(handout on file in the Board Office)*.

Regent Melcher thanked NSHE staff for their hard work over the two-day Board meeting. Secondly, he asked Chair-elect Page to distribute a reminder to all institutions to keep their online event calendars current. He recognized it was summer but indicated there were currently no events listed for the next three years.

Regent Melcher asked for the Board to return to the discussion on service areas and how best it could serve the entire state of Nevada at the September meeting.

41. Information Only – Public Comment *(Agenda Item #41)* – None.

The meeting adjourned at 4:58 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 its September 5-6, 2013, meeting.