

SPECIAL MEETING
BOARD OF REGENTS
NEVADA SYSTEM OF HIGHER EDUCATION

System Administration, Las Vegas
5550 W. Flamingo Road, Suite C-1, Conference Room
Las Vegas, NV 89103

Friday, July 19, 2013, 9:00 a.m.

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

Members Present:

Mr. Kevin J. Page, Chairman
Mr. Rick Trachok, Vice Chairman
Mr. Robert Blakely
Mr. Cedric Crear
Dr. Mark W. Doubrava
Dr. Jason Geddes
Mr. Ron Knecht
Mr. James Dean Leavitt
Mr. Kevin C. Melcher
Dr. Jack Lund Schofield
Ms. Allison Stephens

Members Absent:

Dr. Andrea Anderson
Mr. Michael B. Wixom

Others Present:

Mr. Daniel J. Klaich, Chancellor
Ms. Crystal Abba, Vice Chancellor, Academic & 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
Ms. Renee Yackira, Vice Chancellor, Administration and Operations
Mr. Steven D. Zink, Vice Chancellor, Information Technology
Mr. Scott Wasserman, Chief of Staff and Special Counsel to the Board
Dr. Mark A. Curtis, President, GBC
Mr. Bart Patterson, President, NSC
Dr. Neal J. Smatresk, President, UNLV
Dr. Marc A. Johnson, President, UNR

Also present were faculty senate chairs Dr. Darin Dockstader, CSN; Dr. Christopher Harris, NSC; Ms. Dani Chandler, NSHE; Dr. Paul W. Werth, UNLV; and Dr. Swatee Naik, UNR. Student government leaders present included Mr. Alex Porter, SGA President, GBC; Mr. Deuvall Dorsey, NSSA President, NSC; and Ms. Stephanie Prevost, SGA President, TMCC.

Chairman Page called the meeting to order on Friday, July 19, 2013, at 9:00 a.m. with all members present except Regents Anderson, Schofield and Wixom.

Regent Crear led the Pledge of Allegiance.

1. Information Only – Public Comment (Agenda Item #1) – None.

Regent Schofield entered the meeting.

2. Approved – Consent Items (Agenda Item #2) - Consent items were considered separately.
 - 2a. Approved – Procedures and Guidelines Manual Revision, Salary Schedules (Agenda Item #2b) – The Board of Regents approved amendments to the *Procedures and Guidelines Manual*, Chapter 3, Section 1 to correct the engineering faculty 12-month minimum salaries and to delete the reference to the prior biennium (*Ref. BOR-2b on file in the Board Office*).

Regent Doubrava moved approval of amendments to the *Procedures and Guidelines Manual*, Chapter 3, Section 1 to correct the engineering faculty 12-month minimum salaries and to delete the reference to the prior biennium. Regent Blakely seconded. Motion carried. Regents Anderson and Wixom were absent.

- 2b. Approved – Minutes (Agenda Item #2a) – The Board of Regents approved the April 19, 2013, Board of Regents’ special meeting minutes with a revision to page 15, paragraph 4 to read “Regent Knecht noted the difference between the Total **Funding per** FTE Student for UNLV and UNR...” (*Ref. BOR-2a on file in the Board Office*).

Regent Geddes moved approval of the April 19, 2013, Board of Regents’ special meeting minutes with a revision to page 15, paragraph 4 to read “Regent Knecht noted the difference between the Total **Funding per** FTE Student for UNLV and UNR...”. Regent Blakely seconded. Motion carried. Regents Anderson and Wixom were absent.

3. Approved - Common Core State Standards Resolution (Agenda Item #3) – The Board of Regents adopted a resolution expressing the Board’s support for Nevada’s adoption of the Common Core State Standards (CCSS) and urged the State Board of Education, the Nevada Department of Education and local school districts to maintain Nevada’s commitment to the implementation of the standards (*Ref. BOR-3 on file in the Board Office*).

Vice Chancellor of Academic and Student Affairs Crystal Abba said passage of Assembly Bill 288 (Chapter 506, *Statutes of Nevada 2013*) requires the Nevada State Board of Education to select a college readiness assessment. The Board’s adoption of the resolution will send a clear signal to the State Board of Education of NSHE’s hope that the selected assessment will align with the CCSS. The resolution will also serve to support Regent Melcher in representing the NSHE’s position as a member of the State Board of Education.

Vice Chancellor Abba said it was important for the Board to hear the argument for and against CCSS. She said she was a fervent supporter of the CCSS and felt the standards were necessary for the state of Nevada and the NSHE to meet the College America goals, to insulate the educational pipeline and to appropriately prepare students for the rigors of college coursework. The CCSS are essentially aligned with college and workforce training expectations in English Language Arts and mathematics.

One of the concerns is students taking an assessment in 2014-15 will not have the full benefit of the CCSS curriculum for their entire K-12 education. Based on the state of Kentucky’s experiences, it is unlikely the majority of students will reach the college-readiness benchmark. Due to the concerns some states have pulled back in terms of using the assessment results or whether the results will be used for high school graduation or college entrance requirements.

Vice Chancellor Abba said some groups such as the Tea Party oppose CCSS, citing the National Organization of Education Standards. Some states such as Alabama and Utah have stayed the course for future implementation of CCSS but have dropped out of Smarter Balanced Assessment Consortium (SBAC), one of the two consortia created to prepare a college readiness assessment. In Michigan, an omnibus budget bill signed by the state’s governor blocked the Michigan State Department of Education from continuing its implementation of assessment standards. Indiana pulled back in order to provide more time for review of the issues involved. That leaves 41 states staying the course.

The state of Nevada has adopted the CCSS but the State Board of Education will be making critical decisions in the coming months related to the readiness assessment. It is hoped the chosen assessment will align with CCSS and that is why the resolution is being brought forward at this time.

Three weeks ago Governor Brian Sandoval issued an executive order creating a steering committee charged with ensuring the implementation of CCSS runs smoothly across the state. The steering committee will be chaired by Chancellor Klaich and the State

3. Approved - Common Core State Standards Resolution (Agenda Item #3) – (Cont'd.)

Superintendent of Public Instruction. It is anticipated a number of subcommittees will be established to address various issues including communication strategies and transition plans.

Regent Leavitt moved approval to adopt a resolution expressing the Board's support for Nevada's adoption of the Common Core State Standards and urging the State Board of Education, the Nevada Department of Education and local school districts to maintain Nevada's commitment to the implementation of the standards. Regent Blakely seconded.

Regent Knecht said he was concerned regarding what specific standards will be implemented and enforced. He said he has heard some educational organizations and states have dissented from the national core standards based on the substantive content of the CCSS and its particular provisions. Since he has not had the opportunity to read the full CCSS he asked Vice Chancellor Abba to summarize the broad particulars of the concerns expressed by the dissenting organizations. Vice Chancellor Abba could not speak specifically to Regent Knecht's question. However, she asked the Board to remember the states pulling back on implementation have not pulled out of the CCSS, only out of the SBAC. She said in light of Governor Sandoval's executive order it was important for Nevada to stay the course.

Regent Stephens said she was concerned about waiting until the senior year to provide remediation. She hoped the Governor's steering committee would address remediation for the K-12 students who will not have the full opportunity to prepare for the new assessment. Although she was not in a position to understand the content of the CCSS, she would support the resolution based upon the expertise of System staff and of those states already involved. She emphasized she could not support specific content in the CCSS but was in support of the concept of common standards.

Motion carried. Regent Knecht abstained. Regents Anderson and Wixom were absent.

4. Action Taken - Campus Development, NSC (Agenda Item #4) – The Board of Regents took action on three specific requests related to development of the NSC campus including: 1) granting flexibility for NSC to increase the scope of the project up to 120,000 square feet and to present the change in scope to the legislative Interim Finance Committee on August 29, 2013, with final approval of a plan to increase the scope and/or reduce the amount borrowed to occur at the September 2013 Board of Regents' meeting; 2) approval to defer 100 percent of the NSC Special Building Fee for the 2013-2014 academic year and to defer approximately 50 percent of the fee for the 2014-2015 academic year to reduce the expense to students by \$1.262 million total in accordance with legislative

4. Action Taken - Campus Development, NSC (Agenda Item #4) – (Cont'd.)

intent; and 3) to adopt a resolution to permit reimbursement from the proceeds of tax-exempt Certificates of Participation in connection with certain up-front construction expenses associated with the new Nursing, Science and Education Building and the Student Activities/Administration Building (Exhibit 1) (*Ref. BOR-4 on file in the Board Office*).

President Patterson summarized that, at its January 11, 2013, meeting, the Board of Regents approved construction on the NSC campus through a lease purchase arrangement of a Nursing, Science and Education Building and a Student Activities/Administration Building totaling 100,000 square feet at a total cost not to exceed \$61 million, subject to final review by the Board of Regents. Approval was then sought and granted by the legislative Interim Finance Committee to move forward with the project. At its November 29-30, 2012, meeting, the Board of Regents had also approved a Special Building Fee of \$150 per semester for all NSC students enrolled for more than three credit hours, effective Fall 2013.

In conjunction with the State Treasurer's Office, NSC has finalized a financing package through the use of public Certificates of Participation to be issued through the Treasurer's Office. He noted Certificates of Participation were the Board's and NSC's preferred method of financing.

For a variety of reasons, NSC is in a position to seek approval of a 10 percent change in the initial square footage. These reasons include appropriation of \$1.26 million during the legislative session from remaining estate tax funds for the purpose of deferring the students' portion of the cost of the project, savings from dramatically reducing administrative costs, savings from value engineering through substitution of less expensive materials and minor design changes as well as initiation of a capital campaign. The increased square footage may provide flexibility to potentially design a third floor on the building.

President Patterson requested the Board of Regents grant NSC the flexibility to increase the scope of the project up to 120,000 square feet and to present this change in scope to the legislative Interim Finance Committee on August 29, 2013. Final approval of a plan to increase the scope and/or reduce the amount borrowed will occur at the September Board meeting.

Secondly, President Patterson requested the Board defer 100 percent of the Special Building Fee for the 2013-14 academic year and defer approximately 50 percent of the fee for the 2014-15 academic year to reduce the expense to students by \$1.26 million total, in accordance with legislative intent.

Third, President Patterson requested the Board adopt a resolution to permit reimbursement from the proceeds of tax-exempt Certificates of Participation in connection with certain up-front construction expenses associated with the new Nursing, Science and Education Building and the Student Activities/Administration Building (Exhibit 1).

4. Action Taken - Campus Development, NSC (Agenda Item #4) – (Cont'd.)

Chancellor Klaich thanked President Patterson and the NSC team for bringing the Board a better project at a better cost. He particularly liked President Patterson's recommendations for the revision to the student fees and funds per legislative intent.

Regent Knecht said in the last three months interest rates have increased not quite 100 basis points in general. He asked President Patterson if the requested action in any way delays the System getting to market with the financing. He was concerned interest rates may continue to increase causing the System to lose the benefit of current historically low rates. President Patterson responded the action being requested would not delay the financing. He also had been concerned about the capital markets but working through the project with the State Treasurer's Office and the Chancellor's Office has calmed those fears. More money will be saved with the proposed direction as long as interest rates do not increase much higher. In addition, pushing the project completion from fall 2014 to fall 2015 eliminated the need to buy out existing building leases. If there is a dramatic increase in the interest rates, then NSC will have to downsize the project.

Regent Knecht said the balancing of the various factors provided him with some comfort although he did not like the idea of having to downsize the project.

Regent Stephens moved to approve three specific requests related to development of the NSC campus including: 1) granting flexibility for NSC to increase the scope of the project up to 120,000 square feet and to present the change in scope to the legislative Interim Finance Committee on August 29, 2013, with final approval of a plan to increase the scope and/or reduce the amount borrowed to occur at the September 2013 Board of Regents' meeting; 2) approval to defer 100 percent of the NSC Special Building Fee for the 2013-2014 academic year and to defer approximately 50 percent of the fee for the 2014-2015 academic year to reduce the expense to students by \$1.262 million total in accordance with legislative intent; and 3) to adopt a resolution to permit reimbursement from the proceeds of tax-exempt Certificates of Participation in connection with certain up-front construction expenses associated with the new Nursing, Science and Education Building and the Student Activities/Administration Building (Exhibit 1). Regent Doubrava seconded. Motion carried. Regents Anderson and Wixom were absent.

Regent Blakely said he had been uncomfortable with the previously estimated price per square foot but was impressed by President Patterson's ability to compress the pricing downward. He is now very much in favor of the project.

5. Approved - Appointment of Members to the University of Nevada, Las Vegas Campus Improvement Authority Board (Agenda Item #5) - Pursuant to legislation contained in Assembly Bill 335 (Chapter 507, *Statutes of Nevada 2013*), the Board of Regents appointed Regents Cedric Crear, James Dean Leavitt and Michael B. Wixom and Mr. Donald D. Snyder, Executive Dean for Strategic Development, UNLV, to the Board of Directors of the University of Nevada, Las Vegas Campus Improvement Authority Board (*the "Authority"*). The nominees are appointed to terms to commence on October 1, 2013, and expire on September 30, 2015 (*Ref. BOR-5 on file in the Board Office*).

Regent Geddes moved approval to appoint Regents Cedric Crear, James Dean Leavitt and Michael B. Wixom and Mr. Donald D. Snyder to the Board of Directors of the University of Nevada, Las Vegas Campus Authority Board (*pursuant to AB 335*). Regent Blakely seconded.

Regent Leavitt asked if the Authority will be subject to the Nevada Open Meeting Law and who will be responsible for staffing the Authority. Dean Snyder said the partnership between UNLV and the Las Vegas Convention and Visitor's Authority (LVCVA) will help to minimize costs to the Authority. The LVCVA will also use its administrative services to ensure compliance with Nevada's Open Meeting Law.

Chancellor Klaich said the legislation creating the Authority (AB 335) was revised to include a provision to allow UNLV to utilize up to two percent of the proceeds from the slot tax refund to fund the operation of the Authority.

Regent Knecht said he continues to wholeheartedly support the project idea. He felt Dean Snyder was a great asset to the Authority Board. However, for other reasons he would abstain from the vote.

Motion carried. Regent Knecht abstained. Regents Anderson and Wixom were absent.

6. Information Only – New Business (Agenda Item #6) – Chairman Page said the Board of Regents has scheduled a special meeting to be held on Friday, July 26, 2013, to consider the student housing project at UNLV.

Regent Stephens asked to have a representative from the Attorney General's Office discuss and provide guidance on Nevada's Open Meeting Law and to allow the Regents to ask questions.

Regent Blakely said he was concerned about the drop in projected enrollments for Spring 2014 at the community colleges. He asked for a future agenda item to address the drop in enrollment and to discuss options to encourage the community colleges to move toward offering baccalaureate degrees.

Regent Knecht joined Regents Stephens and Blakely in their requests.

7. Information Only – Public Comment (Agenda Item #7) – Mr. Alex Porter, SGA President, GBC and Chair of the Nevada Student Alliance said he looked forward to seeing the Regents and System staff on the GBC campus for September’s Board meeting.

President Patterson thanked the Nevada State Student Association led by President Deuvall Dorsey for their support and hard work throughout the legislative session.

The meeting adjourned at 9:38 a.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.