

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

Fitness Center
Great Basin College
1500 College Parkway, Elko

Thursday, September 5, 2013, 8:30 a.m.**

Friday, September 6, 2013, 8:00 a.m.**

Video Conference Connection from the Meeting Site to:

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

and

System Administration, Reno
2601 Enterprise Road, Conference Room

Members Present:

Mr. Kevin J. Page, Chairman
Mr. Rick Trachok, Vice Chairman
Dr. Andrea Anderson
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
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
Dr. 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. 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. Stephanie Prevost, SGA President, TMCC; and Ms. Alejandra Leon, ASWN President, WNC.

Chairman Page called the meeting to order on Thursday, September 5, 2013, at 8:30 a.m. with all members present except for Regent Schofield.

Regent Knecht led the Pledge of Allegiance.

Regent Schofield entered the meeting.

1. Information Only - Introductions and Campus Updates (Agenda Item #1) – Meeting attendees made introductions and each institution's 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) – GBC President Mark A. Curtis introduced Ms. Yezenia Poulsen, mother, veteran, and SGA Senator. Ms. Poulsen shared her experiences as a Great Basin College student in Winnemucca, Nevada, as well as her plans for the future.

President Curtis then introduced Education Professor Thomas Reagan. Mr. Reagan also currently serves as GBC's Faculty Senate Chair. Professor Reagan discussed the education programs at GBC, the quality of the programs and graduates, the concept of "growing our own" teachers in rural Nevada and where many are now serving.

The meeting recessed at 9:00 a.m. for committee meetings and reconvened at 10:50 a.m. on Thursday, September 5, 2013, with all members present.

3. Information Only – Regents' Welcome and Introductions – (Agenda Item #3) - Members of the Board were provided an opportunity to make introductions, welcome guests and to offer acknowledgements.

4. Information Only – Board Chairman’s Report (Agenda Item #4) - Chairman Kevin J. Page discussed current NSHE events and his current activities as Board Chairman. He said the next Audit Committee has been scheduled for December 2, 2013. Special meetings have been scheduled for September 23 and October 18, 2013.

Chairman Page referred to an August 2013 open letter he and Vice Chairman Trachok sent to the System. He said open letters to the System will be distributed in conjunction with Board meetings in the future.

5. Information Only – Public Comment (Agenda Item #5) – Mr. Brian McAnallen, Vice President Government Affairs, Las Vegas Metro Chamber of Commerce, thanked the Board of Regents and staff for their efforts on the funding formula. He felt the new funding formula was a critical step forward for southern Nevada. While he understood the importance of mitigation he said it was important for a clear understanding of the source of last minute funding resources.
6. Information Only – Chair of the Nevada Student Alliance Report (Agenda Item #6) – Mr. Alex Porter, GBC SGA President and Chair of the Nevada Student Alliance, reported to the Board concerning NSHE related issues and events of importance to the Student Body Presidents, including completion of goals from the previous year, creation of goals for the upcoming year and discussion of the NSA’s logo and tag lines. Mr. Porter reported Vice Chancellor for Legal Affairs Brooke Nielsen met with the NSA and provided information on Nevada’s Open Meeting Law. Mr. Porter said the NSA was looking forward to accomplishing much over the 2013 academic year.
7. Information Only - Chair of the Faculty Senate Chairs Report (Agenda Item #7) – Dr. Darin Dockstader, CSN Faculty Senate Chair and Chair of the Faculty Senate Chairs, reported concerning NSHE related issues and events of importance to the Faculty Senate, including thanking the Board for enhancing student engagement and success. Dr. Dockstader said a number of very positive initiatives were being developed including “15 to Finish” (*Agenda Item #10 to be heard later in the meeting*) and new E-Learning. Dr. Dockstader said the faculty senate chairs are supportive of changes to Public Employees Benefit Program which will help to enhance recruitment and retention efforts. Disappointment remained over discontinuation of the Wellness Program. The faculty senate chairs hope the Wellness Program will be reinstated and the NSHE would be solicited for input on future changes.
8. Information Only – Chancellor’s Report (Agenda Item #8) - Chancellor Daniel J. Klaich reported concerning ongoing planning activities and major projects within the NSHE, including meeting with each institution regarding funding adequacy, upcoming E-Learning Committee meetings, status and role of the iNtegrate 2 Project in business processes, participation in the Senate Bill 391 (Chapter 494, *Statutes of Nevada 2013*) interim study concerning the governance structure of and funding methods for community colleges in this state, and launch of the new ad hoc Marketing, Publicity and Public Safety Committee.

9. Approved - Consent Items (Agenda Item #9) - The Board of Regents approved the following Consent Items in their entirety except for Consent Items #9e (*Technology Fee and iNtegrate Fee Report*), #9h (*Building Naming Request, William N. Pennington Student Achievement Center, UNR*) and #9i (*Nell J. Redfield Foundation Quasi-Endowment for a Health Science Building, TMCC*) which were considered separately.

- 9a. Approved – Minutes (Consent Item #9a) - The Board of Regents approved the following meeting minutes:

- April 29, 2013, UNLV Periodic Presidential Evaluation Committee (*Ref. BOR-9a(1) on file in the Board Office*).
- May 2, 2013, UNLV Periodic Presidential Evaluation Committee (*Ref. BOR-9a(2) on file in the Board Office*).
- June 6-7, 2013, Board of Regents' meeting (*Ref. BOR-9a(3) on file in the Board Office*).
- July 19, 2013, Board of Regents' Special meeting (*Ref. BOR-9a(4) on file in the Board Office*).

Regent Knecht asked if a Regent could vote to approve a set of minutes for which they had not attended. Chief of Staff and Special Counsel to the Board Scott Wasserman replied the Board's vote was an assertion the minutes presented were an accurate reflection of what had occurred. The Board members recorded as being in attendance could confirm if the minutes as presented were an accurate reflection of what had occurred.

Regent Knecht asked if it was appropriate for Regents to vote to accept a particular set of minutes if they had not been in attendance at the meeting. Mr. Wasserman said that was correct.

Regent Knecht asked when previously requested New Business items would be brought to the Board. Chairman Page replied the request to address institutional service areas will be discussed at the October 18, 2013, special meeting. All requested agenda items have been recorded and are being tracked as part of a longer list.

- 9b. Approved - Procedures and Guidelines Manual Revision, Special Building Fee, NSC (Consent Item #9b) – The Board of Regents approved an amendment to the *Procedures and Guidelines Manual*, Chapter 7, Section 8E, to reflect deferral of the special building fee at Nevada State College (*Ref. BOR-9b on file in the Board Office*).
- 9c. Approved - DRI Campus Master Plan Deadline Extension (Consent Item #9c) – The Board of Regents approved a delay in the submission of DRI's updated Campus Master Plan due Fiscal Year 2014 to Fiscal Year 2016 (*Ref. BOR-9c on file in the Board Office*).

9. Approved - Consent Items (Agenda Item #9) - (Cont'd.)

9d. Approved - Appointment to WestEd Board of Directors (Consent Item #9d) – The Board of Regents approved the following appointments to the WestEd Board of Directors:

- Dr. Kenneth Coll, Dean, College of Education, UNR (*appointment to expire May 31, 2015*) (*Ref. BOR-9d(1) on file in the Board Office*).
- Thomas Reagan, Education Department Professor, GBC (*appointment to expire May 31, 2014*) (*Ref. BOR-9d(2) on file in the Board Office*).

9f. Approved - Handbook Revision, Tuition and Fees Committee (Consent Item #9f) – The Board of Regents approved a revision to the policy to provide the System Committee appointed by the Chancellor to make recommendations to the Board regarding tuition and fees convenes in every odd-numbered year, instead of every even-numbered year (*Title 4, Chapter 17, Section 1*) (*Ref. BOR-9f on file in the Board Office*).

9g. Approved - Handbook Revision, Change in Nomenclature for Athletic Reports (Consent Item #9g) – The Board of Regents approved revisions to the policy governing reports required to be presented to the Board under existing annual athletic reporting requirements to reflect changes in nomenclature of NCAA violations (*Title 4, Chapter 24, Section 1(9)(e)*) (*Ref. BOR-9g on file in the Board Office*).

9j. Approved - Annual Reports of Tenure Granted to Academic Faculty Upon Hire (Consent Item #9j) – The Board of Regents approved acceptance of the annual reports to the Board of Regents from the presidents of each institution naming any individual to whom tenure upon hire was granted pursuant to the provisions of Title 2, Chapter 3, Section 3.3.1 (b2) (*Ref. BOR-9j on file in the Board Office*).

Regent Stephens moved approval of the Consent Items in their entirety except for Consent Items #9e (*Technology Fee and iNtegrate Fee Report*), #9h (*Building Naming Request, William N. Pennington Student Achievement Center, UNR*) and #9i (*Nell J. Redfield Foundation Quasi-Endowment for a Health Science Building, TMCC*) which were considered separately. Regent Geddes seconded. Motion carried.

The Following Consent Items Were Considered Separately:

9. Approved - Consent Items (Agenda Item #9) - (Cont'd.)

9e. Approved - Technology Fee and iNtegrate Fee Report (Consent Item #9e) – The Board of Regents approved acceptance of the annual accounting report of the regular and the iNtegrate per credit hour technology fees collected, use of the funds collected and any unspent balances remaining at NSHE institutions (*Ref. BOR-9e on file in the Board Office*).

Chancellor Klaich said unspent balances have been reported because the institutions spend from those balances for the year ahead. The Board is being asked to extend the fee through the second phase of the iNtegrate Project.

9. Approved - Consent Items (Agenda Item #9) - (Cont'd.)

9e. Approved - Technology Fee and iNtegrate Fee Report (Consent Item #9e) – (Cont'd.)

Regent Wixom asked if each institution's plan for utilization of the fees was reviewed and approved by the Chancellor or if each institution implements its own plan. Chancellor Klaich responded each institution reports to the System but the System is not actively engaged in the institution's planning process.

Chairman Page said the campuses need to retain maximum flexibility given the original purpose of the fee. Chancellor Klaich said the Board had previously approved the fees in order to provide the campuses with resources for project implementation and maintenance.

Regent Wixom said he understood the Technology Fee and iNtegrate Fee had been approved by the Board solely for use on the iNtegrate Project and would not be used for any other purpose.

Regent Wixom moved acceptance of the annual accounting report of the regular and the iNtegrate per credit hour technology fees collected, use of the funds collected and any unspent balances remaining at NSHE institutions.

Regent Stephens asked for explanation of the disparity in the Total Funds reported by UNR and UNLV. Chancellor Klaich replied the disparity was a reflection of the differences in the size of courses and number of student credit hours between the two institutions.

Regent Stephens asked if "graduate salaries" referred to graduate assistant salaries. President Johnson replied that was correct.

Regent Stephens noted UNR was the only institution having reported graduate assistant salaries. She encouraged all institutions to utilize graduate assistants as both a cost-efficiency measure and to enable students to achieve quality professional experience.

Regent Stephens asked why a sharp decrease in professional salaries had occurred at NSC. President Patterson attributed the decrease to shifting of resources between the preliminary and implementation phases of the iNtegrate Project.

Regent Stephens said NSC's dashboard-style summary report was particularly helpful.

Regent Geddes seconded. Motion carried.

9. Approved - Consent Items (Agenda Item #9) - (Cont'd.)

9h. Approved - Building Naming Request, William N. Pennington Student Achievement Center, UNR (Consent Item #9h) – The Board of Regents approved naming of the William N. Pennington Student Achievement Center on the University of Nevada, Reno campus in recognition of the \$6 million gift from the William N. Pennington Foundation (*Ref. BOR-9h on file in the Board Office*).

Chairman Page thanked the William N. Pennington Foundation for its long-term support of UNR and the System.

President Johnson thanked the William N. Pennington Foundation for its gift to the entire UNR community.

Regent Knecht moved to approve the naming of the William N. Pennington Student Achievement Center on the University of Nevada, Reno campus in recognition of the \$6 million gift from the William N. Pennington Foundation. Regent Geddes seconded. Motion carried.

9i. Approved - Nell J. Redfield Foundation Quasi-Endowment for a Health Science Building, TMCC (Consent Item #9i) – The Board of Regents approved the creation of a quasi-endowment for a \$2 million pledge donation from the Nell J. Redfield Foundation to be paid over four years to support the construction of a new health science center at the Redfield Campus. The \$2 million donation will be placed into a quasi-endowment fund while the remaining public and private funds are raised by TMCC and the TMCC Foundation (*Ref. BOR-9i on file in the Board Office*).

Regent Wixom asked for the definition of a quasi-endowment and how it will be managed. President Sheehan replied the term quasi-endowment is used by TMCC's finance department to describe a gift to be received upon completion of a solo-event, or upon completion of construction.

Regent Wixom asked if it could be termed a limited-purpose or a designated endowment. President Sheehan replied yes.

Chancellor Klaich said completion of the gift was conditioned upon TMCC's ability to raise the remaining project funds.

Regent Wixom thanked the Nell J. Redfield Foundation for its gift.

Regent Wixom moved approval of the creation of a quasi-endowment for a \$2 million pledge donation from the Nell J. Redfield Foundation to be paid over four years to support the construction of a new health science center at the Redfield Campus. Regent Blakely seconded. Motion carried.

The meeting recessed at 11:50 a.m. on Thursday, September 5, 2013, and reconvened at 12:19 p.m. with all members present.

10. Approved - "15 to Finish" Student Achievement Campaign (Agenda Item #10) – The Board of Regents approved an enrollment intensity and student achievement campaign, "15 to Finish," including \$50,000 in funding. The intention of the 15 to Finish campaign is to encourage students to complete 30 credits each year to ensure on-time graduation. In addition, John Kuhlman, NSHE Manager of Public Information provided information on the 15 to Finish marketing plan (*Ref. BOR-10a and Ref. BOR-10b on file in the Board Office*).

Vice Chancellor of Academic and Student Affairs Crystal Abba and Mr. Kuhlman provided a Power Point presentation. The presentation included information on how a culture of completion could be created through the 15 to Finish campaign, the data behind implementation of the proposed campaign, deliverables, timeline and outreach efforts.

Regent Stephens asked if data was available to substantiate the program. Vice Chancellor Abba said data from the pilot program at the University of Hawaii supports the conclusion full-time students are more likely to graduate. National data also supported the conclusion students taking 15 or more credits are more likely to graduate.

Regent Stephens said a strong case for correlation had been made that students who enroll in 15 credits or more on their own and who possess a high grade point average (GPA) would be intrinsically motivated verses students who are not motivated or lack the capacity to complete 15 credits. She asked Vice Chancellor Abba to address correlation verses causation and how the program will move forward without data demonstrating this type of program leads to improved graduation rates. Vice Chancellor Abba responded students taking 15 credits or more are more likely to avail themselves of additional services. Data was not available from the University of Hawaii on what impact the campaign had on graduation rates.

Regent Knecht asked if there was a budget available for the campaign. Vice Chancellor Abba replied the Chancellor has committed \$50,000 to start the statewide effort and to support existing institutional efforts.

Regent Knecht asked how the campaign's effectiveness will be determined after its implementation. Vice Chancellor Abba responded the campaign will support initiatives already occurring at the campus level. NSHE knows full-time students are more likely to succeed. However, the students have not heard the message. The campaign is an endorsement by the Board to embrace the message and to make sure the message reaches the students. Success rates will be watched over a period of four years and the measurable outcomes will be reported back to the Board in greater detail.

Regent Trachok asked President Smatresk if the campaign would benefit UNLV and fit into the institution's current activities. President Smatresk responded there was a strong emphasis occurring nationally on the success rates of full-time students. He recommended transfer students also be included in the discussion. UNLV has taken several steps over the last year to encourage its students to take 15 credits and to maintain

10. Approved - “15 to Finish” Student Achievement Campaign (Agenda Item #10) – (Cont’d.)

the proper balance of general education and core requirements needed to succeed. President Smatresk supported the 15 to Finish campaign and confirmed the campaign resonated with UNLV’s current activities.

Regent Trachok asked President Curtis if the campaign would benefit GBC and fit into the institution’s current activities. Dr. Curtis replied data clearly support students taking 15 or more credits in a block schedule are more likely to succeed. Students who self-advise or obtain advisement from sources other than the institution’s advisement counselors often complicate their situation.

Regent Crear asked if the campuses were operationally prepared to handle more students and to offer more course sections once the campaign is promoted. Vice Chancellor Abba said Regent Crear’s question pointed to a critical issue. The data was in the process of being collected but the various institutions are in different stages of preparedness.

Regent Crear said he would not want to promote the campaign but then not have enough sections available to satisfy the increased demand. President Johnson said UNR had not placed caps on student enrollment, was actively recruiting and could absorb the increased need.

President Sheehan said the campaign also depended on student preparation levels. TMCC had the capacity but found special services needed to be available for cohort groups. Additional services cost approximately \$500,000 per year to support a cohort of 220.

President Richards said CSN was folding its “Achieving the Dream” activities into the 15 to Finish Campaign. The institution’s focus is on completion and persistence in targeting minority students in need of support services. He was enthusiastic about where the campaign was headed.

President Smatresk said UNLV was incredibly successful in creating space at the freshman level but repetition in subsequent years will require funding. The institutions will be hampered in their efforts if funding does not grow. The institutions were incredibly efficient but additional faculty would be needed.

Regent Blakely suggested the \$50,000 budget be used to focus on the three 4-year institutions (*NSC, UNLV and UNR*) as a test group.

Regent Melcher said the 15 to Finish campaign could easily be improved upon to focus on more specific projects in support of College America goals. The beginning of the campaign could be used as a kick-start and an awareness support project.

Regent Melcher moved approval of the Board’s support of the 15 to Finish campaign as presented including \$50,000 in funding. Regent Wixom seconded. Motion carried.

11. Approved - Formula Budget Implementation Reports (Agenda Item #11) – The Board of Regents approved the 2013-15 formula implementation plans and 2013-14 State Supported Operating Budgets for the formula-funded instruction budgets with the exception of the WNC State Supported Operating Budget which was approved but the institution was directed to return to the Board of Regents' October 18, 2013, special meeting with a revised formula budget implementation plan for 2013-15 (*Ref. BOR-11 and Ref. BF-4b on file in the Board Office*).

Mr. Wasserman advised the Board to consider this agenda item in conjunction with the Business and Finance Committee's recommendation for approval of the 2013-14 NSHE State Supported Operating Budgets (*Ref. BF-4b on file in the Board Office*).

Chancellor Klaich said the seven teaching institutions have provided a summary of their formula budget implementation reports, including an explanation of any necessary changes or expenses removed from the State Supported Operating Budgets as a result of the implications of the funding formula changes.

President Richards presented CSN's formula budget implementation plan (*Ref. BOR-11 and Ref. BF-4b on file in the Board Office*).

Regent Wixom asked why CSN began its implementation planning process 18 to 24 months ago. President Richards responded, in anticipation of the new funding formula, CSN began a transformational process to reorient itself from an institution driven by enrollments to one driven by student success.

Regent Geddes moved to approve the CSN formula budget implementation plan for the 2013-15 biennium. Regent Blakely seconded.

Regent Knecht asked what CSN's change in funding was for total revenue from last fiscal year compared to the current fiscal year. President Richards requested time to consolidate such information.

Regent Knecht asked if CSN's report to the Business and Finance Committee accurately reflected an increase in State Supported Operating Budget from \$125 million to \$130.6 million for a total increase of 4.5 percent. President Richards replied those numbers were roughly correct. Ms. Patty Charlton, Senior Vice President of Finance and Administration, CSN, said CSN's General Fund allocation was approximately \$8.1 million including salary restoration. CSN ended 2012-13 with an approximate \$4.5 revenue shortfall due to declining enrollment. The 2013-14 budget plan reflected an additional \$3 million revenue shortfall in anticipation of further enrollment decline.

Regent Knecht asked if a further reduction was anticipated when considering budgeted versus actual figures. Ms. Charlton responded that was correct. In 2012-13 the anticipated revenue was estimated to be \$125 million while actual revenue had been just over \$120 million.

11. Approved - Formula Budget Implementation Reports (Agenda Item #11) – (Cont'd.)

Regent Wixom offered a friendly amendment to include approval of the CSN formula budget implementation plan for the 2013-15 biennium and the 2013-14 State Supported Operating Budget.

Regents Geddes and Blakely accepted the friendly amendment.

Motion carried.

President Curtis presented GBC's formula budget implementation plan (*Ref. BOR-11 and Ref. BF-4b on file in the Board Office*).

Regent Knecht referred to page 17 of Ref. BOR-11 and calculated the overall net reduction to GBC was 3.8 percent from the last fiscal year to the current fiscal year. He asked President Curtis if his previous statement was an accurate and fair characterization of the overall outcome for GBC under the proposed budget. President Curtis replied it was.

Regent Wixom asked President Curtis to elaborate on the task force formed to begin GBC's formula implementation process. President Curtis said in September 2012, a 22-member task force including the President's Council and representatives from the classified staff and faculty were brought together to plan implementation of the funding formula.

Regent Wixom asked if plans were being made for Fiscal Year 2015. President Curtis said GBC has identified approximately \$300,000 in reductions for Fiscal Year 2015 with approximately \$1 million more yet to be identified. The budget task force will reconvene in the fall of 2013. He added it was not sound strategic practice to simply leave vacant positions unfilled. There existed the real possibility cuts will be made in other areas.

Regent Geddes moved to approve the GBC formula budget implementation plan for the 2013-15 biennium and the 2013-14 State Supported Operating Budget. Regent Wixom seconded. Motion carried.

President Patterson presented NSC's formula budget implementation plan (*Ref. BOR-11 and Ref. BF-4b on file in the Board Office*).

Regent Knecht referred to page 271 of Ref. BOR-11 and calculated NSC's State Operating Budget increased 35.31 percent and its total revenue increased 24.4 percent from last fiscal year to the current fiscal year. He asked if those numbers represented an accurate and fair characterization of the overall outcome for NSC under the proposed budget. President Patterson replied that was correct, adding a significant portion of NSC's State Supported Budget had to be shifted to non-state support.

11. Approved - Formula Budget Implementation Reports (Agenda Item #11) – (Cont'd.)

Regent Wixom moved to approve the NSC formula budget implementation plan for the 2013-15 biennium and the 2013-14 State Supported Operating Budget. Regent Anderson seconded. Motion carried.

President Sheehan presented TMCC's formula budget implementation plan (*Ref. BOR-11 and Ref. BF-4b on file in the Board Office*).

Regent Knecht referred to page 21 of Ref. BOR-11 and calculated its State Supported Operating Budget decreased by 3.68 percent with the anticipated additional enrollment decrease further lowering the Operating Budget for a total decrease of 4.94 percent. He asked President Sheehan if his calculations were an accurate and fair characterization of the overall outcome for TMCC under the proposed budget. President Sheehan responded that was correct.

Regent Wixom asked what process TMCC followed with respect to strategic decisions. President Sheehan responded TMCC's Faculty Senate Chair and Chair of the Nevada Faculty Association were kept informed over the summer months. The administrative reductions were made without faculty consultation. However, an inclusive discussion would occur regarding program reductions which had yet to be made.

Regent Wixom asked when TMCC began its strategic planning process. President Sheehan responded the planning process began in April or May 2013.

Regent Stephens noted TMCC had opted to take administrative cuts in lieu of academic program cuts. She asked if the shared services concept would be beneficial to TMCC in planning for 2015. President Sheehan said although it was hoped shared services would allow for more efficiencies it was unknown what level of savings could be generated.

Regent Geddes moved to approve the TMCC formula budget implementation plan for the 2013-15 biennium and the 2013-14 State Supported Operating Budget. Regent Blakely seconded. Motion carried.

President Smatresk presented UNLV's formula budget implementation plan (*Ref. BOR-11 and Ref. BF-4b on file in the Board Office*).

Regent Knecht referred to Page 123 of Ref. BF-4b and noted UNLV's total state appropriation increased 3.78 percent between FY 2012 and FY 2013. There was a total net change of 0.07 percent when considering Other Revenue sources.

11. Approved - Formula Budget Implementation Reports (Agenda Item #11) – (Cont'd.)

Regent Knecht asked if UNLV had available a summary document including all changes to state appropriations and total revenue from last fiscal year to current. President Smatresk responded the information would be compiled and reported to the Board.

Regent Knecht asked if UNLV experienced an overall net increase or net decrease between FY 2012 and FY 2013 when considering all sources. President Smatresk responded when considering tuition revenues plus all general fund revenues across all state supported budget categories he would estimate appropriations to be flat to marginally up, if any.

Regent Knecht asked if the 0.07 percent change in net revenue in the general UNLV budget between the last and current fiscal years was a fair characterization. President Smatresk responded that would be correct with enrollment growth in the current year being the wildcard.

Regent Stephens moved to approve the UNLV formula budget implementation plan for the 2013-15 biennium and the 2013-14 State Supported Operating Budget. Regent Anderson seconded. Motion carried.

President Johnson presented UNR's formula budget implementation plan (*Ref. BOR-11 and Ref. BF-4b on file in the Board Office*).

Regent Knecht referred to page 51 of Ref. BF-4b noting UNR's total state appropriations decreased by 6.17 percent from Fiscal Year 2012-13 to Fiscal Year 2013-14 and its total revenues increased by 0.74 percent for its main budget. All other revenue increased and the Medical School's allocation increased 5.28 percent. He asked if it was fair to say UNR's total budget and total revenues, state supported and state other revenue sources increased by a couple percent more or less. President Johnson said he would need to ask UNR's budget officer to dissect those numbers.

Regent Knecht asked President Johnson if he had any reason to dispute or qualify the numbers stated in the reference material. President Johnson responded he would not dispute the numbers.

Regent Geddes moved to approve the UNR formula budget implementation plan for the 2013-15 biennium and the 2013-14 State Supported Operating Budget. Regent Blakely seconded.

Regent Crear asked if the duties of UNR's part-time external affairs representative had increased to include government affairs functions. President Johnson responded yes.

11. Approved - Formula Budget Implementation Reports (Agenda Item #11) – (Cont'd.)

Regent Crear said the Board was told governmental affairs duties would not be performed by the current external affairs representative at the time she was hired. President Johnson responded the original position was designed to perform only external affairs duties. The person in the external affairs position has done an outstanding job in state economic development activities and in bringing businesses to the UNR campus. In August of 2013, the director of governmental affairs decided to return to the faculty. Rather than replacing the governmental affairs position it was decided to combine the two positions.

Regent Crear asked if the external affairs position was a part-time or full-time position. President Johnson replied the position was created at and remains a 90 percent appointment. Multiple duties have been assigned as with most other positions on campus.

Vice Chancellor Nielsen cautioned the line of questioning needed to remain on budget implementation plans.

Regent Crear requested the record reflect the Board was told one thing and now something else has occurred. He asked how one person could be asked to perform two jobs but remain at less than full-time. Vice Chancellor Nielsen said perhaps another agenda item could be prepared for a future meeting regarding Regent Crear's specific concerns. Chairman Page said such an agenda item would be taken into consideration.

Regent Melcher asked to what level UNR will fund deferred maintenance. President Johnson responded UNR had intended to designate \$1 million of deferred insurance reserve funds for deferred maintenance. However, 50 percent of UNR's deferred insurance reserve was used to mitigate the \$500,000 impact of restoring the 2.5 salary reduction called for in the Executive Budget.

Regent Stephens reiterated her concern expressed at a previous meeting regarding the interpretation of the Nevada Open Meeting Law by System staff and felt further clarification was necessary.

Chairman Page said Vice Chancellor Nielsen possessed expertise in the area of the Nevada Open Meeting Law. He asked Vice Chancellor Nielsen to elaborate on her advice regarding the discussion pertaining to UNR's external affairs and government relations positions in relation to UNR's budget implementation plan. Vice Chancellor Nielsen responded when discussing a specific person, Nevada's Open Meeting Law requires notice be provided to the individual being discussed. However, it would be appropriate to discuss the funding of the position as it relates to UNR's budget implementation plan.

Motion carried.

President Lucey presented WNC's formula budget implementation plan (*Ref. BOR-11 and Ref. BF-4b on file in the Board Office*).

11. Approved - Formula Budget Implementation Reports (Agenda Item #11) – (Cont'd.)

Regent Knecht referred to page 243 of Ref. BF-4b noting WNC's state appropriation decreased from \$15.03 million in Fiscal Year 2012-13 to \$13.48 million in Fiscal Year 2013-14. WNC's total revenue decreased from \$20.81 million to \$19.11 million for a total decrease of 8.16 percent. He asked if the numbers reported were a fair and accurate representation of WNC's overall budget situation from last fiscal year to current fiscal year. President Lucey replied the state appropriation reflected historical data and could therefore be confirmed. However, revenue will depend upon enrollment levels. WNC's revenue is essentially flat but funds have been set aside for a shortfall beyond expectations. She said more will be known after one more round of reductions to occur next week.

Regent Knecht asked for the change in total revenue for the Fallon campus between last fiscal year and the current fiscal year. President Lucey responded it would be difficult to tell at this point in time. She had been heartened by a five percent increase in enrollment at the Fallon campus after requiring the faculty to teach at least half their load on campus.

In summary, Regent Knecht said when comparing last fiscal year with the current fiscal year, institution total revenue increased various degrees except for the three smaller community colleges which have all experienced a decrease between 3.8 percent and 8.2 percent. He said those results were neither fair nor healthy.

Regent Wixom asked Chancellor Klaich to share with the Board the directive given to the presidents in anticipation of the strategic presentations. Chancellor Klaich said in summary the directive was to look at the formula implementation, any impacts of the implementation and to demonstrate to the Board the strategic implications and what is being done at the institutions to plan for the impacts both short-term and long-term.

Regent Wixom understood the point Regent Knecht was trying to make with his line of questioning but pointed out this was only the implementation stage. He understood from previous discussions GBC and WNC had to implement a five percent reduction for each year of the biennium. Chancellor Klaich clarified after the Board's action to designate \$2.5 million in remediation the final reduction will be by five percent in the first year of the biennium with an additional five percent reduction to occur in the second year of the biennium.

Regent Wixom quoted from WNC's report "Accordingly, WNC planned a flat budget for the current biennium as compared to the fiscal year 2013 budget." The report then states "Accordingly, there was no systemic strategic planning for institution-wide budget cuts..." Finally he quoted "Due to the piecemeal method the final state General Fund amounts for WNC were approved in the legislative session, coupled with the last minute mitigation funding provided by NSHE, this resulted in a great deal of uncertainty of the final approved funding amounts right up to the legislature adjournment. Therefore, there was no way to strategically or systematically make plans for the ultimate budget reductions. Thus, a variety of stopgap cuts or budget transfers will be necessary..."

11. Approved - Formula Budget Implementation Reports (Agenda Item #11) – (Cont'd.)

Regent Wixom asked President Lucey how her budget implementation plan responded to the Chancellor's directive to provide information on strategic cuts. President Lucey responded perhaps the problem was what is meant by strategic. She felt WNC could not maintain its mission integrity to offer services in support of student completion goals and extended rural mission without a flat budget. She said although it was no secret she does not care for the new funding formula she had not shared the information with anyone during the legislative session. She had discussed with the Chancellor what would be her response to her need to support her institution.

Regent Wixom said the Legislature has met and a budget has been established. The System is faced with severe budgetary restrictions. The other institutions began planning 12 to 24 months in advance of the anticipated issues. He struggled with the flat budget for Fiscal Year 2013-14 as proposed by WNC which meant the institution would have to absorb ten percent in Fiscal Year 2014-15. President Lucey felt WNC had covered the necessary reduction.

Regent Wixom asked how WNC has covered the reduction. President Lucey responded WNC will take some of the necessary action in the second year of the biennium. She said the current biennium will not be a struggle. However, the 2016 biennium will be a struggle.

Regent Wixom asked when WNC will stop relying upon stop-gap funding and will begin to make strategic plans. President Lucey responded it was not possible for an institution to strategically plan to provide student success and protect its rural mission with the level of cut WNC has experienced. The new funding formula has taken the institution beyond its ability to plan. She said part of her strategic plan was to say to the counties if they want a campus in Fallon or in Douglas County then the institution needs the help of the counties.

Regent Wixom asked President Lucey if she expected the counties to come up with tax revenue in the next 18 months. President Lucey responded she did not know.

Mr. Chester O. Burton, Vice President of Finance and Administration, WNC, felt the institution had a strategic short-term and long-term plan. WNC did make short-term strategic plans similar to the other institutions in response to the five percent decrease in 2013-14 such as leaving vacant positions unfilled and to transfer positions formerly funded by state funds to non-state funds. He realized those were not long-term strategic plans and referred the Board to the final page of WNC's implementation plan. He said WNC was putting together a committee to consider the total implementation of the funding formula between the current and next biennium.

Regent Wixom asked Mr. Burton to elaborate on the committee WNC is planning to implement. Mr. Burton responded the nucleus of the new committee will be WNC's current budget committee with additional representation from the academic and administrative staff. He felt strategically WNC could fulfill the mission of the college while implementing the cuts. He said the draconian cuts made during 2011 caused the

11. Approved - Formula Budget Implementation Reports (Agenda Item #11) – (Cont'd.)

loss of approximately five good employees due to the identification of positions or functions to be eliminated. Employee turnover is a significant cost for a small institution.

Regent Wixom said he had served on the Interim Committee to Study the Funding of Higher Education and the changes in the funding formula had not been a surprise. He felt there had been a refusal by WNC to respond to the Chancellor's request. The possibility of obtaining money from the counties would not occur for a long-time into the future, if ever. The Chancellor's request was for the presidents to engage in strategic planning for 2014. The Board was now faced with a situation where no strategic planning had occurred for 2014 and was not being made for 2015.

President Lucey said strategic planning has to be based on WNC's mission. If the current mission is no longer appropriate for the institution then she needed the Board to tell her. The options left were for WNC to stop serving significant parts of its service area and to abandon much of its strategy which had resulted in successful student outcomes in recent years. She said she was not trying to avoid the Chancellor's directive to present the Board with a strategic situation. However, she felt it was an impossible request. In order to comply with the request she was faced with either the need to change the situation or make decisions the Board would not like.

Regent Wixom said he could not support WNC's budget as presented because it was unresponsive to the Governor's and Legislature's direction or the Chancellor's request. He suggested the Board direct WNC to return with an implementation plan responsive to the Chancellor's request. He felt to do otherwise would be an abdication by the Board of its responsibilities.

Regent Blakely noted GBC was in the same position as WNC yet President Curtis had complied with the Chancellor's directives. President Lucey said the solution she provided would work for two years. She felt two years would provide the counties time to determine if they will help the community colleges.

Regent Blakely said WNC's solution was not compliant with the direction of the Chancellor, the Board, the Legislature and the Governor.

Regent Stephens asked to hear the Chancellor's perspective of the situation. Chancellor Klaich said he had the opportunity to receive all institution budget plans in advance. He believed, without exception, he responded to each president and expressed his comments. Specifically, he had indicated to President Lucey he did not feel her plan would be well received by the Board.

Regent Stephens asked President Lucey if she presented her plan to the Board knowing the Board's likely response. President Lucey responded she had not expected a balanced two-year plan to provide the college and its community's time to respond to an obvious serious financial issue would be ill received.

11. Approved - Formula Budget Implementation Reports (Agenda Item #11) – (Cont'd.)

Regent Stephens asked if it was fair to say President Lucey was trying to hold the budget steady in anticipation of a new president. President Lucey responded yes.

Regent Stephens said she would have felt better if President Lucey had just said WNC's mission would have to change in order to implement a budget plan responsive to the funding formula. However, she could accept such rationale for the presentation.

Regent Trachok said the Board needed to have a strategic plan that was reviewable in the future. He felt to saddle the Board with a plan held together with bailing wire and duct tape was not right. He understood the funding inequity but the only way to attack the problem was to sit down and think strategically. The only way to move forward was to direct WNC to return to the Board with a strategic plan implementing the direction of the Governor, the Legislature and the Board.

Regent Geddes said he could not support WNC's plan as submitted.

Regent Anderson said it was not realistic to expect the counties to determine their level of financial commitment to the community colleges in two years. Accepting WNC's plan as presented would leave the institution's next president with an impossible task before them. There needed to be a plan even if it was painful. She felt WNC's plan was more of a protest instead of a workable plan.

Regent Leavitt said the Board should be communicating directly with each county's commissioners in terms of their commitment to higher education in Nevada. He said the taxpayers benefit from the institutions. He encouraged the System to include the counties as possible funding sources in upcoming legislative efforts.

Regent Knecht said it was difficult to plan strategically when faced with the uncertainty of yet one more round of cuts. WNC has gone through cuts resulting in a decrease in funding from \$20 million in 2009, to \$15 million in 2012-13, to \$13.3 million for the current biennium. WNC and GBC will face another round of reductions in the coming cycle which added to the already difficult situation.

Regent Knecht amended his previous total budget calculations for UNR and UNLV to reflect a 0.6 percent increase for UNLV and a 3.7 percent increase for UNR. WNC is still the outlier with an 8.0 percent reduction.

Regent Crear felt WNC's approach and lack of long-term strategy was not sustainable. The counties do not have available funds. He said relying upon county funding would be a significant paradigm shift he did not see happening anytime soon. He did not feel it would happen with how the System is structured in general. Presenting anything less than the direction of the Board was a waste of time.

11. Approved - Formula Budget Implementation Reports (Agenda Item #11) – (Cont'd.)

Regent Wixom moved to approve the WNC 2013-14 State Supported Operating Budget and direct the institution to return to the Board at the October 18, 2013, special meeting with a revised formula budget implementation plan for the 2013-15 biennium. Regent Knecht seconded. Motion carried.

The meeting recessed at 3:12 p.m. for committee meetings on Thursday, September 5, 2013, and reconvened at 9:55 a.m. on Friday, September 6, 2013, with all members present.

12. Information Only – Public Comment (Agenda Item #15) – Mr. Porter presented each Regent with a gift on behalf of the GBC Student Government Association.

Assemblyman John Carpenter expressed his appreciation to the Board of Regents for meeting at GBC in Elko. He urged the Board to support the expansion of GBC's services in order to support the residence of northeastern Nevada.

13. Information Only – Mission Statement, DRI (Agenda Item #14) - DRI President Stephen G. Wells reviewed DRI's mission statement and provided a Power Point presentation and update to the Board of Regents on how the institution intends to accomplish the goals listed in its mission statement, discussed how the Board can help the institution achieve these goals, and identified any potential impediments to achieving the stated goals, with particular focus on any Board or institutional policies which may impede the institution's ability to achieve the goals outlined in its mission statement (Ref. BOR-14a and Ref. BOR-14b on file in the Board Office).

Regent Trachok asked if existing Board policies inhibit DRI's response to the needs and requirements of Nevada's private sector businesses. President Wells responded DRI will need to conduct an internal review of policies before changes could be recommended.

Regent Stephens asked if the Technology Transfer Office was located at UNR. President Johnson responded the Technology Transfer Office is a shared resource between DRI and UNR. President Wells said DRI would like to take a serious look at how the Technology Transfer Office serves DRI.

Regent Geddes asked why a Memo of Understanding (MOU) was necessary between institutions in the same System. President Wells replied DRI has put MOU's in place to ensure a clear understanding of responsibilities and for continuity.

Regent Trachok asked if there were opportunities for two or three institutions to work together to focus on private-sector grant potential. President Wells responded the

13. Information Only – Mission Statement, DRI (Agenda Item #14) – (Cont'd.)

Knowledge Fund recently requested a joint effort between UNR, UNLV and DRI on the Advanced Innovation Center. Such an endeavor would help in the development of one unified capability statement for future business or financial opportunities.

President Johnson said the majority of collaboration occurs directly among the scientists and instructors. However, some formalized relationships exist such as joint degree programs which require institutional and Board approval. At one point there had been an attempt to work collaboratively on a statewide water initiative. It was important to recognize expertise lies with the faculty and many collaborative efforts begin at the grass roots level.

Chairman Page asked President Johnson why a joint effort on a statewide water initiative had not been pursued. President Johnson responded UNR's scientists had not been available to devote time to the project when it had been proposed three years ago. However, the project's potential could be revisited.

President Smatresk said research investigators are continually working on existing grant proposals or teaching activities. He felt the institutions have worked well together in every case where there has been a well-defined opportunity to do so.

President Wells felt the System could be more competitive if more collaboration occurred from within. He believed there were opportunities for the institutions to retain their individual identities while working together to gain national and international attention.

Regent Stephens asked for the discussion to include opportunities for undergraduates from NSC and the other colleges. It was important to share opportunities among the sister institutions. President Wells said there is a joint faculty member between DRI and NSC.

President Wells asked for the Board's potential future consideration of a policy to award DRI faculty performance bonuses for outstanding work above and beyond their duties since they are not eligible for tenure. Chairman Page said a future discussion regarding faculty bonuses would be considered.

Chairman Page would like the institutions to revisit potential collaboration on the statewide water initiative.

14. Approved - Handbook Revision, Electronic Payment of Employee Payroll (Agenda Item #18) –
The Board of Regents approved a *Handbook* amendment allowing mandatory electronic payment of employee payroll for most payroll transactions (*Title 4, Chapter 10, new Section 31*) (*Ref. BOR-18 on file in the Board Office*).

Vice Chancellor of Finance Vic Redding said the proposed policy revision will allow savings of approximately \$150,000 per year in hard costs and an additional savings of \$150,000 per year in soft costs such as personnel. The proposed revision included two

14. Approved - Handbook Revision, Electronic Payment of Employee Payroll (Agenda Item #18) – (Cont'd.)

important exceptions including hardship to the employee resulting in issuance of a debit card or exemption. The policy will become effective January 1, 2014, to allow Human Resources time to process necessary information for existing employees.

Regent Wixom moved to approve a *Handbook* amendment allowing mandatory electronic payment of employee payroll for most payroll transactions (*Title 4, Chapter 10, new Section 31*) effective January 1, 2014. Regent Geddes seconded. Motion carried.

15. Information Only – Mission Statement, GBC (Agenda Item #16) - GBC President Mark A. Curtis reviewed GBC's mission statement and provided a PowerPoint presentation and update to the Board of Regents on how the college intends to accomplish the goals listed in its mission statement, discussed how the Board can help the college achieve those goals, and identified potential impediments to achieving the stated goals, with particular focus on any Board or institutional policies which may impede the college's ability to achieve the goals outlined in its mission statement (Ref. BOR-16a and Ref. BOR-16b on file in the Board Office).

Regent Wixom asked how many GBC students were lost due to out-of-state transfer. President Curtis responded for the last two years GBC has lost approximately 90 students per year to other states.

Regent Wixom asked if it was known what schools or programs the students were transferring to. President Curtis replied the data could be captured and researched but he believed the majority of transfers occurred within a few specific programs. The students would have more incentive to remain in Nevada if there were more baccalaureate-level opportunities available at GBC.

Regent Stephens asked the Board to consider expansion of GBC's service area and the potential for increased baccalaureate offerings.

Regent Melcher looked forward to the Board's discussion of service areas scheduled to occur at its October 18, 2013, special meeting and requested the discussion include services offered in Lyon County and consideration of potential distance education models.

Chairman Page thanked President Curtis and the GBC staff for hosting the meeting.

The meeting recessed at 11:47 a.m. on Friday, September 6, 2013, and reconvened at 12:12 p.m. with all members present.

16. Information Only - Deferred Maintenance Discussion (Agenda Item #17) - Vice Chancellor of Finance and Administration Vic Redding presented an informational summary of the current backlog of capital projects related to deferred maintenance, capital renewal and plant adaptation among NSHE institutions. (*Ref. BOR-17 on file in the Board Office*).

Regent Wixom asked if he was correct in observing funding could only come from four possible sources: 1) legislative; 2) System; 3) institutional; or 4) students. Vice Chancellor Redding responded those appeared to be the only practical alternatives available. Regent Wixom said philanthropy could be an additional possible source. However, donors are not typically interested in filing an operating deficit or repairing a building.

Regent Wixom asked if the Board should direct staff to present information for possible consideration of a special student fee. Chancellor Klaich said it is difficult to consider funding through student fees because the per-credit fee adds up quickly but does not result in a significant pool of funds.

Regent Wixom asked what level of funding was needed to tread water. Vice Chancellor Redding responded, per the Board's existing policy, the System should spend approximately two percent of its approximate \$60 million insured replacement value annually. The System currently receives \$7.5 million per year from the state (*\$15 million biennially*) to which the institutions add as much as they can.

Regent Wixom noted even if the institutions were able to match the Legislature's \$7.5 million there was still a spending deficit of \$43 million per year just to tread water. To make any real progress the System would need to spend more than \$60 million per year.

Regent Crear said the System must develop a strategic plan for dealing with deferred maintenance to prevent the current situation from occurring. He suggested requiring a portion of each institution's percentage distribution be used for deferred maintenance. Vice Chancellor Redding responded the Board has an existing policy (*Handbook Title 4, Chapter 10, Section 25.6*) which requires two percent of the NSHE's total building value be requested in the form of deferred maintenance funding from the Legislature. Funding had been requested in the 2011 and 2013 legislative sessions but had not been received in either biennium. Although the Legislature has made it a priority to fund deferred maintenance projects for the state, only two small capital improvement projects were funded for the NSHE in the 2013 Session.

Regent Stephens suggested development of a comprehensive plan or proposal inclusive of all possible options. Vice Chancellor Redding agreed, adding the situation will not be fixed overnight.

Regent Trachok asked if it would make sense for the Investment and Facilities Committee to consider and recommend a proposal including potential use of operating pool funds and/or an increase in student fees.

As Chair of the Investment and Facilities Committee, Regent Melcher felt the discussion was on the right track. However, much work would need to be done before the

16. Information Only - Deferred Maintenance Discussion (Agenda Item #17) – (Cont'd.)

Investment and Facilities Committee could make any recommendations. He suggested creating a sub-committee to explore the situation further and to take advantage of institutional participation to come up with creative ideas.

Regent Knecht requested to see data from various sources to determine what level of funding deferred maintenance should receive. He asked for any forthcoming report to include opportunity costs for every dollar being spent. He felt it important to consider the principle of balance in the situation.

President Johnson said of the slot tax funds proposed for UNR, \$3 million was allocated for replacement of the electrical system in its southern campus loop to prevent serious brown outs which affect the integrity of research equipment. UNR has also identified \$10 million in slot tax revenue for renovation of the oldest facilities including the College of Engineering.

President Smatresk said every institution has a list of estimated deferred maintenance costs. UNLV designates approximately \$4 million per year which was \$2 million more than it receives in Higher Education Capital Construction (*HECC*) and Special Higher Education Capital Construction (*SHECC*) funding to maintain operations and has as aggressive a maintenance plan as possible within the confines of available funding. He said UNLV's portion of its slot tax revenue allocation will be used entirely to preserve the economic viability of the Thomas and Mack Center which generates a much larger portion of revenue for the City of Las Vegas than it does for the campus.

President Richards said maintenance is a real problem for all the colleges. He noted the colleges do not receive additional slot tax revenue and was bewildered by the System's inability to have worked together to develop a solution benefitting all its institutions. All NSHE buildings are state assets. He agreed with Regent Melcher's suggestion to create a subcommittee to work out a solution.

Chancellor Klaich indicated at some point the Board will have to address the policy it already has in place with respect to deferred maintenance and capital improvement project requests, what the project priorities will be and if it wants to take a stand in communicating to the Legislature it wants to focus on maintenance of existing buildings and not construction of new buildings.

Regent Geddes said it would be helpful to prioritize projects by institution and to create a list of priorities by subset, such as safety issues. He asked if there was a systematic way to rate life safety issues in order to create some scale for funding. Chancellor Klaich said the institutions were asked to prioritize their projects for the 2011 legislative session. However, after the list was established it became clear life safety issues became the superseding priority which meant all projects became life safety issues.

Chairman Page asked Chancellor Klaich to implement an institutional staff subcommittee to continue the discussion at the Investment and Facilities Committee in December.

16. Information Only - Deferred Maintenance Discussion (Agenda Item #17) – (Cont'd.)

Regent Leavitt asked the subcommittee also consider a potential combination of an increase in student fees with perhaps a match from the legislature.

17. Action Taken - Resolution, Lease Purchase Arrangement for Campus Facilities, NSC

(Agenda Item #29) – The Board of Regents adopted a resolution related to the lease purchase arrangement for facilities on the Nevada State College campus including: (1) Ground Lease; (2) Lease Purchasing Agreement; (3) Revised Interlocal Agreement; (4) Construction Contract; and (5) Indenture of Trust; and a (6) delegation of authority to the Chancellor or Investment and Facilities Committee to finalize documents and approve any necessary modifications due to required review and approval by State of Nevada officials.

- A. Briefing Paper and Resolution granting delegation of authority to the Chancellor or Investment and Facilities Committee to finalize documents and approve any necessary modifications due to required review and approval by State of Nevada officials *(Ref. BOR-29a on file in the Board Office)*.
- B. Ground Lease *(Ref. BOR-29b on file in the Board Office)*.
- C. Lease Purchase Agreement *(Ref. BOR-29c on file in the Board Office)*.
- D. Revised Interlocal Agreement *(Revised Ref. BOR-29d on file in the Board Office)*.
- E. Construction Contract *(Ref. BOR-29e on file in the Board Office)*.
- F. Indenture of Trust *(Ref. BOR-29f on file in the Board Office)*.
- G. Financing Packet with Reserves *(Ref. BOR-29g on file in the Board Office)*.
- H. Financing Packet without Reserves *(Ref. BOR-29h on file in the Board Office)*.

Regent Wixom disclosed he has provided, and will continue to provide, legal counsel to The Bank of New York Mellon with regard to Lease Revenue Refunding Certificates of Participation (COP) on the Capital Complex Building 1 Project. The Certificates of Participation will be issued by the State of Nevada at the same chronological time as the Lease Revenue Refunding Certificates of Participation for the Casa Grande Project and the Lease Revenue Certificates of Participation for the Nevada State College Project. Though being issued chronologically at the same time by the State of Nevada, the terms of those Certificates of Participation and the issuance of those Certificates of Participation will be independent of each other. He has been advised by Board Counsel Scott Wasserman given the independence of these Certificates of Participation, there is, therefore, no conflict of interest, nor any other impediment to his participation in and action on the NSC Certificates of Participation.

Mr. Glenn Christensen, NSC Foundation Past Director and Member at Large, addressed the Board to express his and the NSC Foundation Board of Trustees' commitment to Nevada State College, its students and the Nevada System of Higher Education. He said NSC was in the initial stages of a \$2.5 million to \$5 million capital campaign to help further support the proposed campus project. More importantly, the campaign will expand NSC's visibility within the community. Mr. Christensen announced NSC has received a \$500,000 gift from NV Energy as its first major gift of the campaign. As a significant corporate leader in the community, he was pleased with NV Energy's recognition of the importance of NSC to the community.

17. Action Taken - Resolution, Lease Purchase Arrangement for Campus Facilities, NSC
(Agenda Item #29) – (Cont'd.)

Regent Wixom expressed his appreciation to Mr. Christensen and the NSC Foundation Board members for their untiring efforts and commitment to Nevada State College.

On behalf of the Board of Regents, Chairman Page asked Mr. Christensen to thank NV Energy for the significant contribution to Nevada State College.

President Patterson said project planning had begun over one year ago with discussions involving the State Treasurer's Office, the State Attorney General's Office, bond counsel Sherman & Howard LLC, outside financial advisors and System staff. Pending the Board's approval, NSC anticipates moving forward in the first week of October to seek project approval from the State Board of Finance followed by the State Board of Examiners. Introduction of the Certificates of Participation to the market is expected to occur in November. Construction is anticipated to begin the first part of January 2014 with move-in to occur in July of 2015.

President Patterson said the original project estimate of \$61 million was reduced to \$55 million through various factors including elimination of the need for a project developer, utilization of UNLV's project management services and identification of value engineering in design and construction materials. NSC will also contribute \$3 million to the project upfront. The final cost will depend on finance rates and final construction costs. A revised Interlocal Agreement (*on file in the Board Office*) has been distributed to the Board reflecting replacement of a reserve fund with a stabilization fund. However, if for whatever reason, the finance market requires a reserve fund then the proposed plan for a stabilization fund will retain the project's viability. The annual payment is projected to be approximately \$3.6 million instead of the initial estimate of \$4.1 million.

Regent Wixom asked if the Business and Finance Committee had been involved in the development of the Ground Lease, Lease Purchasing Agreement, Interlocal Agreement, Construction Contract and the Indenture of Trust and if bond counsel was comfortable with the documents as presented. Ms. Kendra Follette, Sherman & Howard LLC, responded yes, adding she had worked with Vice Chancellor for Legal Affairs Brooke Nielsen and Mr. Dennis Belcourt with the Attorney General's Office in development of the project documents.

Regent Wixom felt the Board could then be comfortable with the documents having been thoroughly reviewed. He asked Ms. Follette if he was correct in understanding the anticipated changes would be minimal in order to facilitate the financing structure. Ms. Follette said one potential change could be the elimination of the reserve fund which would result in more favorable financing terms.

17. Action Taken - Resolution, Lease Purchase Arrangement for Campus Facilities, NSC
(*Agenda Item #29*) – (*Cont'd.*)

Regent Wixom moved approval to adopt a resolution related to the lease purchase arrangement for facilities on the Nevada State College campus including: (1) Ground Lease; (2) Lease Purchasing Agreement; (3) Revised Interlocal Agreement; (4) Construction Contract; and (5) Indenture of Trust; and a (6) delegation of authority to the Chancellor or Investment and Facilities Committee to finalize documents and approve any necessary modifications due to required review and approval by State of Nevada officials. Regent Knecht seconded.

Regent Crear asked how the Board could be involved in reviewing additional project expenditures when it grants authority to the Chancellor to make modifications. President Patterson responded the project has changed to a construction manager-at-risk project which meant maximum project costs will be determined upfront with liability for overages resting on the selected construction company. Performance bonds will be required. UNLV will also be watching on NSC's behalf. NSC will provide regular updates to the Board as the project moves forward.

Regent Wixom said everyone needed to understand the seriousness of hidden or unknown costs. He asked if, in this specific situation, the anticipated changes over the next few months would result in more favorable circumstances to the System and NSC. President Patterson responded that was true, specifically in regard to determining whether a reserve or stabilization fund will be required.

Regent Wixom asked if the Board would then rely upon the Chair of the Investment and Facilities Committee and Chancellor Klaich to inform the Board of any changes made. Regent Melcher, as Chair of the Investment and Facilities Committee, confirmed the full Board would be notified when those types of decisions were made.

Regent Trachok asked what amount was being held in reserve for maintenance. President Patterson responded NSC would need to consider its budget for deferred maintenance in the future but had not yet reserved funds over or beyond the funding it receives from the state.

Regent Knecht asked why a funding proposal with reserve funds and without reserve funds had been provided. Mr. Buster Neel, Vice President of Finance, NSC, replied there had been some concern if a reserve or stabilization fund would or would not be required. In the most recent discussion with the State Treasurer's Office it was indicated a reserve fund would likely not be necessary.

Regent Knecht said it appeared the project will not have a cash flow problem even if a reserve fund becomes required. Mr. Neel agreed the reduction in estimated project costs provided a higher comfort level the project would be fully covered.

17. Action Taken - Resolution, Lease Purchase Arrangement for Campus Facilities, NSC
(*Agenda Item #29*) – (*Cont'd.*)

Chancellor Klaich said it was important to remember funding for operations and maintenance had been rolled into the new funding formula. NSHE institutions would not receive funding for operations and maintenance outside of the formula funding per weighted student credit hour.

Regent Geddes suggested a portion of the project's cost savings could also be dedicated to deferred maintenance.

Motion carried.

18. Approved – Audit Committee (*Agenda Item #21*) – Committee Vice Chair Allison Stephens reported the Audit Committee met on August 30, 2013, and heard the following:

- The Committee requested a report on the CSN financial aid review, as requested by the U.S. Department of Education, for the December 2013 meeting.
- The Committee discussed the revised Engagement Letter with Grant Thornton for the University of Nevada School of Medicine Practice Plans for the year ended June 30, 2013.
- The Committee discussed the Request for Proposals (RFP) performed to determine whether the cost of external audits for the various foundations could be reduced.
- The Committee reviewed the institution host forms. No action was taken.

Action items

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

- The Committee recommended approval of the minutes from the June 6, 2013, meeting (*Ref. A-2a on file in the Board Office*).
- The Committee recommended acceptance of the following internal audit follow-up reports:
 - ✓ University Studies Abroad Consortium, UNR (*Ref. A-2b on file in the Board Office*).
 - ✓ Graduate School Human Resources, UNR (*Ref. A-2c on file in the Board Office*).
 - ✓ First Year Housing Exceptions, UNLV (*Ref. A-2d on file in the Board Office*).
 - ✓ Consolidated Students of the University of Nevada, Las Vegas (*Ref. A-2e on file in the Board Office*).
 - ✓ Food Services Management, UNLV (*Ref. A-2f on file in the Board Office*).
 - ✓ Western Interstate Commission for Higher Education, NSHE (*Ref. A-2g on file in the Board Office*).
 - ✓ Differential Program and Special Course Fees, NSC (*Ref. A-2h on file in the Board Office*).
 - ✓ Bookstore Operations, NSC (*Ref. A-2i on file in the Board Office*).
 - ✓ Controller's Office, TMCC (*Ref. A-2j on file in the Board Office*).
 - ✓ Facilities Management, CSN (*Ref. A-2k on file in the Board Office*).

18. Approved – Audit Committee (Agenda Item #21) – (Cont'd.)

- The Committee recommended approval of the following internal audit reports:
 - ✓ School of Dental Medicine Student Government Association, UNLV (*Ref. A-3 on file in the Board Office*).
 - ✓ Parking and Transportation Services, UNLV (*Ref. A-4 on file in the Board Office*).
 - ✓ PeopleSoft Student Accounts, NSC (*Ref. A-5 on file in the Board Office*).
 - ✓ PeopleSoft Security, NSC (*Ref. A-6 on file in the Board Office*).
 - ✓ Associated Students of the College of Southern Nevada (*Ref. A-7 on file in the Board Office*).
 - ✓ Special Course Fees, CSN (*Ref. A-8 on file in the Board Office*).
- The Committee provided further direction and deferred further action on the GBC Special Course Fee Report to the next meeting of the Committee with direction to the Chancellor to have the institution supply a supplemental report guided by the Committee's discussion on the report (*Ref. A-9 on file in the Board Office*).
- The Committee recommended approval of the Audit Exception Report (*a compilation and status of the audit findings of the Audit Committee for the six month period*) for the period ended June 30, 2013 (*Ref. A-10 on file in the Board Office*).
- The Committee recommended approval of the NSHE Internal Audit Department Work Plan for the year ending June 30, 2014 (*Ref. A-11 on file in the Board Office*).

Committee Chair Knecht moved acceptance of the report and approval of the committee recommendations. Regent Wixom seconded.

Regent Knecht said arrangements have been made for an outside auditor to provide a presentation regarding the Governmental Accounting Standards Board (*GASB*) requirements to the Audit Committee at its December 2013 meeting. He said any resulting issues would be brought to the full Board.

Motion carried.

19. Approved – Business and Finance Committee (Agenda Item #22) – Committee Vice Chair Kevin C. Melcher reported the Business and Finance Committee met on September 5, 2013, and heard the following:

- Self-Supporting Budget revenue and expenditure revisions of the NSHE for Fiscal Year 2012-2013.
- Transfers of State Supported Operating Budget funds between functions for the fourth quarter of Fiscal Year 2012-2013.
- Transfers of expenses from non-state budgets to state funds after May 1, 2013, for Fiscal Year 2012-2013.
- Fiscal Year 2012-2013 Accountability Report reconciling the NSHE legislatively approved operating budget to the Board of Regents' approved operating budget.
- Fiscal Exceptions on NSHE self-supporting budgets experiencing negative cash balances for the fourth quarter of Fiscal Year 2012-13.
- NSHE police reports on crime classification procedures.

19. Approved – Business and Finance Committee (Agenda Item #22) – (Cont'd.)

Action Items:

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

- The Committee recommended approval of the minutes from the June 6, 2013, meeting (*Ref. BF-2a on file in the Board Office*)
- The Committee recommended approval of the Fiscal Year 2013-2014 NSHE Self-Supporting Budget (*Ref. BF-2b(1) and Ref. BF-2b(2) on file in the Board Office*).
- The Committee recommended approval to report agenda item #5, the Fiscal Year 2013-2014 NSHE State Supported Operating Budget to the full Board for consideration in conjunction with Board agenda item #11 (*Formula Budget Implementation Reports*) (*Ref. BF-4a and Ref. BF-4b on file in the Board Office*).
- The Committee recommended approval to amend Title 4, Chapter 9, Section C.2. of the *Handbook* concerning the Self-Supporting Budget Review to exclude fund transfers in determining whether a self-supporting budget meets the \$25,000 threshold for inclusion in the annual budget process (*Ref. BF-6 on file in the Board Office*).
- The Committee recommended approval of a resolution to permit reimbursement from the proceeds of tax-exempt obligations in connection with certain up-front design and construction expenses associated with: the UNLV Thomas and Mack Project; for carrying out the purposes of the University of Nevada, Las Vegas, Campus Improvement Authority; and the planning, construction, improvement, refurbishing and renovation of buildings and capital improvements for the University of Nevada, Reno, including the UNSOM Las Vegas building planning, UNR electrical system replacement, the UNR Student Fitness/Wellness Center and the UNR Engineering & Science Building planning and renovation (*Ref. BF-7 on file in the Board Office*).

Committee Chair Wixom moved acceptance of the report and approval of the committee recommendations. Regent Stephens seconded. Motion carried.

20. Approved - Ad hoc Marketing, Publicity and Public Safety Committee (Agenda Item #23) –
Committee Vice Chair Robert Blakely reported the ad hoc Marketing, Publicity and Public Safety Committee met on September 5, 2013, and heard the following:

- Committee Chair Cedric Crear stated his intention the new committee is to examine the current marketing, publicity and public safety efforts of the System and each of the eight institutions in order to establish benchmarks and to move forward in a more cohesive and effective manner.
- The Committee members, Chancellor Klaich, and Presidents Smatresk, Patterson, Richards and Wells discussed the need for improving the marketing and communications efforts within the Nevada System of Higher Education and ensuring there is consistent messaging and System-wide branding while still maintaining the unique identities of each institution.

20. Approved - Ad hoc Marketing, Publicity and Public Safety (Agenda Item #23) – (Cont'd.)

- The Committee discussed the importance of keeping the Board of Regents informed of each institution's public safety plans and initiatives to make certain the campuses remain safe and welcoming environments for students, faculty and visitors.
- The Committee requested the following presentations be made at the December 2013 meeting:
 - ✓ Presentation from each institution on its current marketing and public relations plans, including athletics. The report should include data on the marketing budget and what percentage the marketing budget is in relation to the institution's overall budget.
 - ✓ Presentation from each institution's police chief on current public safety plans, including cyber security as it relates to student, faculty and financial transactions. The presentations should also include information about shared services between campus security and local police and fire agencies.
 - ✓ Presentation on U.S. News & World Report annual college rankings and what criteria will be used in deciding those rankings.
 - ✓ Presentation on the NSHE Bubble Map web project.
 - ✓ Presentation on communications and marketing best practices by other higher education systems.
 - ✓ Presentation of an update of the Report of the Special Investigative Counsel regarding Pennsylvania State University by Vice Chancellor for Legal Affairs Brooke Nielsen.

Committee Chair Crear moved acceptance of the report and approval of the committee recommendations. Regent Doubrava seconded. Motion carried.

21. Approved - Academic and Student Affairs Committee (Agenda Item #24) – Committee Vice Chair Jack Lund Schofield reported the Academic and Student Affairs Committee met on September 5, 2013, and heard the following:

Ms. Allison Combs, Assistant Vice Chancellor for Academic Affairs and Director of Public Policy, presented an update on actions relating to the Nevada High School Proficiency Examination (HSPE) and the impact on NSHE policies concerning eligibility for the Millennium Scholarship. Currently, NSHE policies concerning eligibility for the Millennium Scholarship require passage of all areas of the HSPE. Assembly Bill 288 from the 2013 Legislative Session eliminates the HSPE and requires the State Board of Education to revise criteria for a standard diploma to require passage of at least four end-of-course exams. The legislation also authorizes the State Board of Education to continue the HSPE during the transition years. The State Board of Education has voted to continue the HSPE for the classes of 2014, 2015, 2016 and 2017, but has not yet taken action with regard to the end-of-course requirements. Within the next year, NSHE staff will draft revisions for the Board's consideration to NSHE policy governing eligibility criteria for

21. Approved - Academic and Student Affairs Committee (Agenda Item #24) – (Cont'd.)

the Millennium Scholarship to reflect both the actions of the 2013 Legislature and the past and future actions of State Board of Education to ensure the criteria will be appropriate and consistent with the requirements for a high school diploma.

Action Items:

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

- The Committee recommended approval of the minutes of the June 6, 2013, meeting (*Ref. ASA-2a on file in the Board Office*).
- The Committee recommended deactivation of the Master of Arts in Teaching Mathematics at UNR to redesign the curriculum and mode of delivery. There are no students in the program as of Spring 2013 (*Ref. ASA-2b on file in the Board Office*).
- The Committee recommended elimination of the Master of Arts in Special Education at UNR due to low enrollment. Under the proposal, the Master of Arts will be eliminated while maintaining the Master of Education in Special Education (*Ref. ASA-2c on file in the Board Office*).
- The Committee recommended approval of a new Bachelor of Arts in Criminal Justice at NSC to meet the growing demand in the field (*Ref. ASA-3 on file in the Board Office*).
- The Committee recommended approval of an organizational unit change at DRI to transition its Center for Advance Visualization, Computation and Modeling to the Applied Innovation Center for Advanced Analytics (*Ref. ASA-4 on file in the Board Office*).
- The Committee recommended a revision to Board policy concerning the residency determinations for tuition purposes and the provisions governing residency reclassifications to streamline and clarify the residency and residency reclassification process for students and institutional staff (*Title 4, Chapter 15, Sections 3, 4, 8 and 9*) (*Ref. ASA-5 on file in the Board Office*).
- The Committee recommended a revision to Board policy concerning the reporting of certificates approved by the Academic Affairs Council (AAC) to require AAC to report annually to the Academic and Student Affairs Committee on certificates of at least 30 credits and certain certificates of less than 30 credits established in the year prior to reporting (*Title 4, Chapter 14, Section 5*) (*Ref. ASA-6 on file in the Board Office*).

Committee Chair Geddes moved acceptance of the report and approval of the committee recommendations. Regent Crear seconded. Motion carried.

Regent Knecht asked what the difference was between program elimination and program deactivation. Vice Chancellor Abba replied the Procedures and Guidelines Manual reflects a distinction between elimination as being a permanent elimination of the program whereas deactivation means deactivation of a program for a period of five years at which time it will be considered eliminated unless the institution notifies the Board it would like to reactive the program.

22. Approved - Workforce, Research and Economic Development Committee (Agenda Item #25) – Committee Vice Chair Jack Lund Schofield reported the Workforce, Research and Economic Development Committee met on September 5, 2013, and heard the following:

Dr. Thomas Piechota, Vice President for Research, UNLV, reported on economic development efforts relating to applied research centers and the work to establish the Institute for Clinical Trials Design and Health Analysis at UNLV. Goals for the Institute include supporting clinical trial efforts in the community through establishment of workforce development programs and development of “big data” capabilities.

Representatives from each institution presented information on strategies the institutions are pursuing to increase grants and contracts, as requested by the Committee at its June 2013 meeting. Strategies include pursuing additional funding opportunities; establishing clear goals and metrics for research funding; streamlining procedures; enhancing grants management and staffing resources; and working to focus limited resources on opportunities consistent with an institution’s mission, particularly at community colleges with regard to student success and enhancing diversity.

Vice Chancellor Crystal Abba provided an update on the report presented to the Committee in September 2012 which mapped the sponsored projects of the universities and DRI to the eight targeted industry sectors identified in the state’s economic development plan, *Moving Nevada Forward: A Plan for Excellence in Economic Development 2012-2014*. The updated report includes information on the current sponsored projects at the universities and DRI, including the funding agency, principal investigator, supporting funds, and project start and end dates.

Action Item:

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

- The Committee recommended approval of the minutes from the June 6, 2013, meeting (*Ref. WRED-2 on file in the Board Office*).

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

23. Approved - Investment and Facilities Committee (Agenda Item #26) – Committee Vice Chair Michael B. Wixom reported the Investment and Facilities Committee met on September 5, 2013, and heard the following:

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 \$29.2M as of end of business on Wednesday, September 4, 2013.

23. Approved - Investment and Facilities Committee (Agenda Item #26) – (Cont'd.)

UNR provided an update of the graduate and family student housing project. No action was taken on this item. It will be brought back at a future meeting.

The Committee discussed Title 1, Article VI, Section 2 of the *Handbook* regarding recommendation to the full Board for appointment of an advisory, non-voting public member to the Committee. No action was taken.

Action Items:

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

- The minutes from the June 6, 2013, Investment and Facilities Committee meeting (*Ref. IF-2 on file in the Board Office*).
- David Breiner and Wendy Walker from Cambridge Associates (CA) reported on asset allocation and investment returns for the pooled Endowment and pooled Operating funds for the quarter ending June 30, 2013 (*September 5, 2013, NSHE Discussion Materials prepared by Cambridge Associates LLC on file in the Board Office*).
 1. Rebalancing recommendations were approved to reflect the following:
 - a. Endowment:
 - i. A \$0.5 million redemption from the pool to bring the cash account to a level that will allow for the regular quarterly distribution to campuses for the quarter ending September 30, 2013;
 - ii. A \$1.1 million addition to the Real Assets allocation;
 - iii. Cash for the above sourced from the following U.S. equity:
 1. \$0.6 million partial redemption from Vanguard Institutional Index;
 2. \$1.0 million partial redemption from Vanguard Mid-Cap Index.
 - b. Operating Fund: Lowered the current overweight to U.S. equity, which they currently view as overvalued, with a \$15 million partial redemption from Vanguard Institutional Index, with the proceeds to be reinvested in PIMCO Low Duration (\$7.5 million) and Short Term Bonds and Cash (\$7.5 million).
 2. Reposition the Endowment's Real Assets allocation:
 - a. Terminate the Wellington Diversified Inflation Hedges investment and liquidate the portfolio in response to a poor return outlook for commodities and TIPS, which constitute 50 percent of the manager's strategic targets.
 - b. Incept a new \$11.0 million (~5 percent) allocation including hiring RS Global Natural Resources Strategy.
 - c. Broaden the mandate for the current \$4.1 million (~2 percent) allocation to EII Realty from a US strategy to a global strategy.
 3. Approved updates to the Real Assets component of the Endowment's Policy Index and Long-Term Policy Index.

23. Approved - Investment and Facilities Committee (Agenda Item #26) – (Cont'd.)

- Acquisition of Real Property Located at 182 E. 9th Street - UNR. UNR received approval for the acquisition of real property in the amount of \$450,000. The property is a residential apartment complex located at the south end of campus (*Ref. IF-5 on file in the Board Office*).
- Easement at East University Avenue and South Maryland Parkway - UNLV. UNLV received approval to correct a previous easement deficiency and requested a permanent easement at the intersection of East University Avenue and South Maryland Parkway with Clark County for access, maintenance, and repair of a crosswalk, traffic signal loop detectors, curb ramps, and pedestrian poles for the UNLV Transit Center (*Ref. IF-7 on file in the Board Office*).

New Business Item:

Cambridge Associates will present a discussion at the December meeting regarding strategies for daily liquidity mutual fund vehicles.

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

24. Approved - Cultural Diversity Committee (Agenda Item #27) – Committee Vice Chair Cedric Crear reported the Cultural Diversity Committee met on September 6, 2013, and heard the following:

Dr. Mark A. Curtis, President, GBC, and Ms. Angie de Braga, Director of Continuing Education, GBC, presented information on diversity initiatives at GBC including the establishment of the Great Basin Indian Archives; events organized by GBC's Arts and Cultural Enrichment Committee; and activities led by Latinos Unidos, a student organization. The report highlighted initiatives discussed at the Fall 2012 Diversity Summit put into action within the past year, along with eight "College Knowledge" columns written by President Curtis and published in the Elko Daily Free Press highlighting information about college particularly important to first generation college students and their parents. These columns have been translated into Spanish and used as recruitment/informational brochures at GBC. Minority enrollments have increased in the past decade, attributable in large part to more targeted recruitment and retention efforts. Through the Gear-Up Program, GBC is targeting rural, low-income, first generation college-bound students and training teachers to create a "college-going" culture. The report also highlighted GBC's Adult Basic Education/English as a Second Language (ABE/ESL) program offered at five different sites within the service area.

Dr. Maria C. Sheehan, President, TMCC, and Dr. Barbara Wright Sanders, Dean of Equity and Inclusion, TMCC, reported on the work of the Equity, Diversity and Inclusion Council relating recruitment efforts to diversify the academic workforce. Highlights of

24. Approved - Cultural Diversity Committee (Agenda Item #27) – (Cont'd.)

the report included directed efforts by the Recruitment and Retention Consortium to share information within the academic community concerning information from professional conferences and employment opportunities, as well as the planned implementation of a shared application database in 2015. In addition, the report highlighted a pilot project is underway between CSN and TMCC to evaluate announcements for open positions and share information and opportunities for applicants.

Dr. Sheehan also reported on the recent work of the Council and initiatives the group is pursuing, including the intensive preparation for the upcoming northern and southern Diversity Summits, continuing efforts by an identified working group to attract diverse faculty, and planning for a presentation regarding NSHE diversity efforts at a national conference in Indianapolis in 2015.

Action Item:

Board action was requested to approve the following recommendation for approval of the Cultural Diversity Committee:

- The Committee recommended approval of the minutes from the June 7, 2013, meeting (*Ref. CD-2 on file in the Board Office*).

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

25. Approved - Health Sciences System Committee (Agenda Item #28) – Committee Vice Chair

Mark W. Doubrava reported the Health Sciences System Committee met on September 6, 2013, and heard the following:

- Committee Chairman Leavitt provided remarks and presented a history of Regents' involvement in NSHE Health Sciences System (HSS) and health sciences planning and development efforts. He commented on the importance and significance of statewide coordination and collaboration among NSHE university presidents.
- Vice Chancellor Turner's update on HSS activities and initiatives has been deferred until the next HSS committee meeting.
- Dean of UNSOM/Vice President of the Division of Health Sciences, Dr. Thomas L. Schwenk, presented a status report on the strategic planning and operations initiatives UNSOM is engaged in throughout Nevada and highlighted several initiatives including activities underway in partnership with the University Medical Center of Southern Nevada (UMC). He highlighted the next step in planning for facilities in Las Vegas and the identification of funds for the needed design and engineering studies. Dean Schwenk also elaborated on the UMC governance issue as well as the changes in the hospitals in Reno which are opening up major partnership opportunities with UNSOM. Progress is being made on the development of a Physician Assistant Program.

25. Approved - Health Sciences System Committee (Agenda Item #28) – (Cont'd.)

- Dean Schwenk presented UNSOM's vision for public medical education in Nevada. This included the current mission of UNSOM and stated goals. Several possible organizational UNSOM structures were presented including maintaining its current structure, developing two separately accredited NSHE medical schools or creating a free-standing, independently accredited school. Dr. Schwenk elaborated on UNSOM's ideal organizational structure to address public medical education in Nevada which is to maintain a single statewide medical school with campuses located in Reno and Las Vegas. Both campuses would consist of full four-year campuses with teaching and clinical affiliations located throughout the state. Dr. Schwenk referred to other sources which have interviewed medical schools around the country and in Canada reflecting a regional campus model, investigated accreditation processes, and so forth, to gather detailed expertise to guide the process and discussion. Chairman Leavitt read the caveat in the vision statement and stressed the importance of a unified commitment. Dean Schwenk stated it is critical to plan the expansion correctly. Chairman Leavitt directed staff to work together to develop and present a statement plan at the December meeting and a vision plan at the March 2014 meeting. Chancellor Klaich stated having appropriate expertise on UNLV staff as discussions continue is important. President Smatresk fully endorses the vision of a UNLV medical school, and stressed the importance of a true partnership. The steps outlined by Dean Schwenk were important and should be considered part of the broader conversation.
- Chairman Leavitt led a discussion regarding the potential need for expanding public medical education in Nevada and related operational and policy considerations. He outlined the scope of the economic impact study being conducted by the Lincy Institute on having a Las Vegas-based medical school at UNLV. Another 12-month study will be launched in November which will explore similar medical enhancement issues in Las Vegas. Dean Schwenk discussed funding needed to support medical schools, but General Medical Education enhancement is another important separate conversation which needs to also happen. Regent Melcher stressed the importance of collaboration and unification in moving forward in these discussions and planning. He also requested those present help accurately convey the nature of the discussion and the direction the Committee has endorsed to others not able to be present to ensure a consistent message and understanding of the next steps.

New Business Item:

- Chairman Leavitt provided direction to the leadership of UNR/UNSOM and UNLV to work on developing the plans discussed during the meeting and be prepared to provide the Regents with updates at the upcoming December and March meetings.

Action Item:

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

- The Committee recommended approval of the minutes from the June 7, 2013, meeting (*Ref. HSS-2 on file in the Board Office*).

25. Approved - Health Sciences System Committee (Agenda Item #28) – (Cont'd.)

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

The meeting recessed at 1:40 p.m. and reconvened at 1:49 p.m. on Friday, September 6, 2013, with all members present.

26. Approved - Handbook Revision, Use of the Capital Improvement Fee (Agenda Item #13) –

The Board of Regents approved a revision to *Handbook* Title 4, Chapter 10, Section 12: Capital Improvement Fees (CIP), allowing institutions to use Capital Improvement Fees for salary and benefit expenses related to capital improvement fee projects, to the extent those expenses are part of a Board-approved operating budget. This amendment will be effective until June 30, 2015 (*Ref. BOR-13 on file in the Board Office*).

Vice Chancellor Redding reported the initial recommendation anticipated GBC and WNC would need to use CIP fees for salary and benefit expenses related to capital improvement fee projects as part of their 2014-15 fiscal budget plans. However, GBC did not request the use of capital improvement fees for its final budget plan.

Regent Trachok asked what types of personnel salaries would qualify for this purpose. Vice Chancellor Redding responded the use of capital improvement fees would apply to project management personnel involved in preparing construction documents or labor personnel.

Regent Trachok asked if the proposed policy revision would allow WNC to pay an on-staff project manager with CIP funds, commensurate with the amount of time spent on the project. Vice Chancellor Redding responded that was correct. However, use of CIP funds for the purposes outlined would have to be part of a Board-approved budget such as the institutional self-supporting budget.

Regent Geddes said he could not support the request because he firmly believed CIP fees should be used on bricks and mortar and not salaries.

Regent Melcher moved approval of a revision to *Handbook* Title 4, Chapter 10, Section 12: Capital Improvement Fees (CIP), allowing institutions to use Capital Improvement Fees for salary and benefit expenses related to capital improvement fee projects, to the extent those expenses are part of a Board-approved operating budget, effective until June 30, 2015. Regent Stephens seconded. Motion carried. Regent Geddes voted no.

27. Action Taken - Operating Pool Reserve Account Distribution (Agenda Item #12) – The Board of Regents approved a one-time distribution of \$15 million from the NSHE Operating Pool Reserve Account to the institutions and System Administration based upon the percentages identified in Ref. BOR-12 to address formula implementation and budgetary items otherwise foregone or delayed without this funding (*Ref. BOR-12 on file in the Board Office*).

Chancellor Klaich recommended a distribution of no more than \$15 million of current investment gains in the Operating Pool Reserve Account to the institutions and System Administration in the percentages presented in the reference material. The balance of the account is approximately \$26 million over and beyond the minimum needed to honor the Board's allocation of \$20 million for the second phase of the iNtegrate project and \$50 million reserved for the market fluctuation account. He felt it was an appropriate time for the Board to consider a distribution in light of the budget plans heard the previous day.

Regent Wixom moved approval to distribute \$15 million from the NSHE Operating Pool Reserve Account to the institutions and System Administration based upon the percentages identified in Ref. BOR-12. Regent Geddes seconded.

Regent Crear asked if the recommended distribution percentages were based on historical practice. Chancellor Klaich responded the recommended percentages reflect each campus's ownership percentage of the investment pool. For example, if an institution contributed 10 percent of the pool then the institution should receive 10 percent of the distribution.

Regent Crear asked if the distributions would be unencumbered. Chancellor Klaich responded that was correct.

Regent Crear said some direction should be provided given the level of need at the campuses including deferred maintenance. He asked to see the spending plan for each institution. Secondly, he asked if there was a minimum account balance requirement. Vice Chancellor Redding responded the recommended distribution would not jeopardize the account's minimum balance threshold or impact the liquidity of the minimum necessary balance for operating purposes.

Mr. Porter said the NSA supported the division of System Administration's six percent distribution among GBC, WNC and NSC to assist with mitigation as a result of the new funding formula.

Regent Blakely asked how the System's six percent distribution (*approximately \$750,000*) would be spent. Chancellor Klaich responded the System would also present its spending plan to the Board for approval. He anticipated a significant amount of the System's distribution would be spent on the new System Administration building in Las Vegas and on staffing of major initiatives including the iNtegrate Project, e-Learning initiatives, the

27. Action Taken - Operating Pool Reserve Account Distribution (Agenda Item #12) – (Cont'd.)

SB 391 interim study concerning the governance structure of and funding methods for community colleges in this state, the Tuition and Fees Committee, implementation of the budget and the Common Core State Standards Steering Committee. He said System Administration was recently able to renegotiate its contracted services with UNR and used the realized cost savings to contribute to the Operating Pool Reserve Account.

Regent Blakely asked CSN what would be done with its distribution of approximately \$1.5 million. President Richards responded two-thirds would be allocated to CSN's deferred maintenance needs and one-third would be used to address a recommendation from Western Interstate Commission on Higher Education (WICHE) to provide more advising and financial aid counseling.

Regent Geddes supported the motion and agreed with the six percent distribution for System Administration. However, he asked to see the individual campus spending plans. He felt the distributed funds could further assist with mitigation of the new funding formula, establishment of the performance pool and to launch initiatives for student success.

Regent Leavitt said it was inappropriate to canvas the presidents for their spending plans. He felt it was more appropriate for the presidents to provide the Board with a report in three to six months. He had every confidence in the presidents to manage their institutions.

Regent Blakely agreed and clarified his line of questioning was to establish there were needs each president could easily fulfill.

Regent Stephens suggested reducing System Administration's percentage distribution from six percent to three percent and to divide the remaining three percent among GBC, WNC and NSC to mitigate the effects of the new funding formula.

Regent Knecht moved approval of an amendment to the original motion to distribute \$15 million from the NSHE Operating Pool Reserve Account to the institutions based upon the percentages identified in Ref. BOR-12 with the exception of reducing System Administration's proposed percentage distribution from six percent to three percent and to divide the remaining three percent equally among NSC, GBC and WNC to increase each institution's allocation by one percent respectively (*NSC to increase from 1.5 percent to 2.5 percent; GBC to increase from 1.1 percent to 2.1 percent, and WNC to increase from 1.2 percent to 2.2 percent*).

Vice Chancellor Nielsen said if the amendment was not accepted as a friendly amendment then a motion to amend the original motion required a second and a majority vote.

Regent Stephens seconded.

27. Action Taken - Operating Pool Reserve Account Distribution (Agenda Item #12) – (Cont'd.)

Regent Knecht said WNC had been hit the hardest over the last five years including the current budget cycle. GBC and WNC were the only two institutions to face a further hit in the next biennium under the new funding formula.

Regent Leavitt said it was important to understand the Board may not be able to authorize the expenditure of funds in any percentage other than how the funds have been contributed.

Regent Geddes asked Regent Knecht to explain his rationale for increasing NSC's percentage. Regent Knecht said it was difficult to assign metrics to NSC since it has been and remains the fastest growing institution over the last ten or eleven years.

Regent Crear said he would not support the amendment. He asked why System Administration should be responsible for absorbing the losses of the smaller institutions. He suggested it may be more reasonable to redistribute a half percentage from the larger institutions. He understood GBC and WNC had been disproportionately affected by the funding formula. However, he agreed with the rationale the institutions should benefit by the amount contributed. He said System Administration was involved in a tremendous number of projects and needed those dollars just as much as the institutions.

Regent Anderson understood the pain GBC and WNC were experiencing but felt the amendment would only provide short-term relief. She said the funds distributed to System Administration would benefit every institution. She would not support the amendment.

Regent Wixom said the Board has philosophically taken the position ownership equaled distribution. Adjusting the distribution would set a precedent and placed the Board in a position to recreate its distribution rationale upon every request, which was not fair to the institutions.

Regent Stephens did not want to see a flat tax statement created since the smaller institutions would always have a smaller distribution. She asked if it was possible to consider Regent Crear's suggestion to redistribute some percentage allocation from the larger institutions.

Regent Knecht said a few Regents and others have said the figures reflect a sacrosanct ownership. However, he asked where the ownership of the funds came from. He said the reason UNLV received a much larger percentage of the Operating Pool Reserve Account than it does of the General Fund is because it has more money to generate income. He felt it was an indication of how unsound the ownership-share rationale was. He suggested moving to a percentage reflective of each institution's General Fund allocation.

Regent Melcher said the amendment on the table would set a terrible precedent for future distribution of funds. He defended UNLV's ownership-share as an investment. The original motion to distribute the funds according to each institutions contribution was an equitable plan.

27. Action Taken - Operating Pool Reserve Account Distribution (Agenda Item #12) – (Cont'd.)

Regent Knecht said he did not mean UNLV's funds were not being put to good use. Rather, he was questioning how one institution has accumulated more than it receives in state funds. He said the original motion did not represent an equitable division of funds.

Regent Trachok called for the question. Regent Geddes seconded. Upon a roll call vote, motion carried. Regents Stephens, Trachok, Wixom, Anderson, Blakely, Crear, Doubrava, Geddes, Knecht, Leavitt, Melcher, Page and Schofield voted yes.

Mr. Wasserman stated the motion on the floor was to amend the original motion. A favorable vote on the amendment would result in the adoption of the proposed \$15 million distribution with the exception of changing System Administration's allocation from six percent to three percent in order to increase NSC, GBC and WNC by one percent each.

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

Mr. Wasserman stated the motion now on the floor was the original motion. The original motion was to distribute \$15 million from the NSHE Operating Pool Reserve Account to the institutions and System Administration based upon the percentages indicated in Ref. BOR-12.

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

Regent Crear asked if the motion included a requirement for the institutions to provide a spending report. Mr. Wasserman replied a reporting requirement was not part of the motion.

Chancellor Klaich said Regent Crear's request was reasonable and each president would be asked to report their use of the distributed funds.

28. Information Only - System Administration Office Building, Las Vegas (Agenda Item #30) –

The Board of Regents heard a report from Chancellor Daniel J. Klaich regarding the status of the building project and potential additional expenses associated with the new System Administration Office Building in Las Vegas including relocation costs, technology expenses and FFE (*Furniture, Fixtures and Equipment*) and related consulting services (*Ref. BOR-30 on file in the Board Office*).

28. Information Only - System Administration Office Building, Las Vegas (Agenda Item #30) – (Cont'd.)

Regent Crear suggested replacing the existing “For Sale or Rent” sign with a sign stating “Future Home of the Nevada System of Higher Education.” Chancellor Klaich agreed that was an excellent suggestion.

Regent Schofield asked what the approximate date of occupancy would be. Mr. David Frommer, Executive Director of Planning and Construction, UNLV, anticipated project completion would occur near the end of December 2013 or early January 2014. Occupancy was anticipated to occur near the end of February 2014. He said Vice Chancellor Yackira had negotiated with System Administration’s current landlord to ensure no overlap or double payment of the lease occurred.

Chancellor Klaich said one reason for not requesting action on this agenda item was because the amounts indicated in the reference material were still estimates and not exact calculations.

Regent Knecht asked if Chancellor Klaich estimated approximately 50 percent or more of the System’s total share of the Operating Pool Reserve Account distribution would be expended on the building project. Chancellor Klaich responded that was correct.

29. Information Only – New Business (Agenda Item #31) – Regent Knecht asked for the Chancellor’s Office to provide institution-by-institution, graduate and undergraduate, basic in-state and out-of-state tuition and fees by year for the last twenty years to assist with future consideration of potential tuition and fee increases.

30. Approved - Procedures and Guidelines Manual Revision, Performance Criteria for Periodic Evaluation of NSHE Presidents (Agenda Item #20) - The Board of Regents approved revisions to the *Procedures and Guidelines Manual* Performance Criteria for Periodic Evaluation of NSHE Presidents, Chapter 2, Section 2(2) and (3), to add provisions regarding presidential athletic oversight (*Ref. BOR-20 on file in the Board Office*).

Regent Geddes moved to approve revisions to the *Procedures and Guidelines Manual* Performance Criteria for Periodic Evaluation of NSHE Presidents, Chapter 2, Section 2(2) and (3), to add provisions regarding presidential athletic oversight. Regent Anderson seconded. Motion carried.

31. Approved - Code Revision, Athletic Director and Coach Contract Procedures (Agenda Item #19) - The Board of Regents approved a revision to Board policy on athletic coaching contracts to only require contracts exceeding three years in length and \$1.2 million in total potential compensation, including incentives and fringe benefits but excluding standard perquisites, be approved by the Board. The salary threshold will apply to head football and men's and women's head basketball coaches, whose contracts currently require Board approval. The limits would not apply to athletic director contracts, which will continue to require Board approval. The revision defines institutional counsel's role in athletic contract negotiations and requires the Vice Chancellor for Legal Affairs to approve contract form prior to contracts becoming effective. The revision also specifies the scope of Board contract review and instructs institutions not to relocate candidates or hold candidate media events prior to Board contract approval. The initial proposed revision was presented to the Board at its June 6-7, 2013, meeting; final action was requested at this meeting. *Handbook Title 2, Chapter 5, Section 5.4.2 (Ref. BOR-19 on file in the Board Office).*

Mr. R. Scott Young, Deputy Chief of Staff to the Board of Regents presented four decision units for the Board's consideration.

The first decision unit addressed increasing the contract threshold to \$1.2 million, clarifying the definitions of "total compensation" and "perquisites," providing the Chancellor with authority to approve certain extended coaching contracts and providing continued Board approval of certain extended head coaching contracts, all contracts above the \$1.2 million threshold and all athletic director contracts.

Regent Geddes moved approval of the first decision unit revising Title 2, Chapter 5, Section 5.4.2(d) and (e). Regent Trachok seconded. Motion carried.

The second decision unit addressed the role of institutional legal counsel in the athletic personnel contract negotiation process.

Regent Geddes moved approval of option #f-3 for the second decision unit (*Title 2, Chapter 5, Section 5.4.2, new subsection (f)*) to state: "*The president shall negotiate all athletic department personnel contracts involving directors of athletics or coaches with the assistance of institutional counsel. Such appointments shall not take effect, and no employment contracts for such positions shall be issued or binding, until approved by the president and by the Vice Chancellor for Legal Affairs, including as to consistency of form.*" Regent Melcher seconded. Motion carried.

31. Approved - Code Revision, Athletic Director and Coach Contract Procedures (Agenda Item #19) – (Cont'd.)

The third decision unit addressed whether or not a candidate must appear before the Board during contract considerations and whether or not the discussion should focus on the terms of the contract as opposed to general athletic policy considerations not pertinent to the specific contract before the Board.

Regent Wixom asked if options #g-1 and #g-2 were mutually exclusive. Mr. Young responded that was correct.

Regent Knecht moved approval of option #g-1 of the third decision unit (*Title 2, Chapter 5, Section 5.4.2, new subsection (g)*).to state: “A candidate for appointment shall appear before the Board at the time the candidate’s contract is under consideration. During the time devoted to the candidate’s appearance, the Board’s focus should be on the appropriateness of the contract terms and whether the president complied with Board due diligence policy in making the offer. The Board should refrain from discussing general athletic policy considerations except as those policies pertain to the particular contract under consideration.” Regent Geddes seconded.

Regent Wixom asked if regardless of whether the candidate appeared before the Board the Board’s discussion would be limited to the terms of the specific contract as opposed to general issues. Mr. Young responded that was correct.

Mr. Wasserman said there currently was not a provision. A third alternative could be to take no action at all.

Regent Leavitt said the Board could take no action and leave discretion to the presidents.

Regent Stephens said she was uncomfortable with limiting Board discussion. She questioned how the Board could evaluate its policies if it could not discuss the policies in open meetings.

Mr. Wasserman said the third sentence of either option stating “*The Board should refrain from discussing general athletic policy considerations except as those policies pertain to the particular contract under consideration*” reflected the Board’s concern regarding the appropriateness of policy discussions when considering candidate appointment. However any discussion outside the scope of the agenda item would be limited regardless due to Nevada’s Open Meeting Law.

31. Approved - Code Revision, Athletic Director and Coach Contract Procedures (Agenda Item #19) – (Cont'd.)

Regent Crear said if the Board's discussion falls outside the scope of the agenda item then discussion is limited making the proposed policy revision redundant and unnecessary. Mr. Wasserman said the third sentence of either option could be stricken since the provision it embodied in it was clearly covered under the Nevada Open Meeting Law.

President Johnson asked the Board not to support option #g-1 so every coach would not be required to appear before the Board.

Regent Anderson said she did feel coaches should be required to appear before the Board and could not support the motion.

Regent Crear offered a friendly amendment to strike the third sentence in option #g-1. Regents Knecht and Geddes accepted the friendly amendment.

President Smatresk also was against having to require any candidate to be present before the Board. He said if the Regents have a substantial number of questions remaining by the time a candidate's contract was presented for consideration then the Regents could respectfully decline to approve the contract and set further conditions. He said the presidents should be held accountable to conduct due diligence before bringing an item to the Board.

Mr. Wasserman said the motion on the table was to approve the first two sentences of option #g-1 as "*A candidate for appointment shall appear before the Board at the time the candidate's contract is under consideration. During the time devoted to the candidate's appearance, the Board's focus should be on the appropriateness of the contract terms and whether the president complied with Board due diligence policy in making the offer.*"

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

The fourth decision unit prohibits institutions from relocating or introducing a candidate as a new coach or athletic director until after the Board has approved the candidate's contract.

Regent Stephens moved approval of the fourth decision unit revising Title 2, Chapter 5, Section 5.4.2, new section (h). Regent Crear seconded.

31. Approved - Code Revision, Athletic Director and Coach Contract Procedures (Agenda Item #19) – (Cont'd.)

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

32. Information Only – Public Comment (Agenda Item #32) – Mr. Porter expressed concern regarding the 15 to Finish Campaign as it will relate to new students and the limited number of remedial class sections available. He requested students have input in future discussions regarding the campaign.

The meeting adjourned at 3:12 p.m.

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

Submitted by: Scott G. Wasserman
Chief of Staff and Special Counsel to the Board of Regents
and
R. Scott Young
Deputy Chief of Staff to the Board of Regents

Approved by the Board of Regents at its December 5-6, 2013, meeting.