

SPECIAL MEETING
BOARD OF REGENTS
NEVADA SYSTEM OF HIGHER EDUCATION

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

Friday, October 18, 2013

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

Members Present: Mr. Kevin J. Page, Chairman
Mr. Rick Trachok, Vice Chairman
Dr. Andrea Anderson
Mr. Robert Blakely
Mr. Cedric Crear
Dr. Mark W. Doubrava
Dr. Jason Geddes (*Reno*)
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
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
Dr. Constance Brooks, Assistant Vice Chancellor, Government & Community Affairs
Mr. Nicholas Vaskov, System Counsel
Mr. Scott Wasserman, Chief of Staff and Special Counsel to the Board
Dr. Michael D. Richards, President, CSN
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 Johnson, President, UNR
Mr. Chet Burton, Officer in Charge, WNC
Dr. Ellie Oppenheim, Senior VP for Finance & Administration DRI

Also present were faculty senate chairs Dr. Darin Dockstader, CSN; Ms. Dani Chandler, NSHE; Dr. Paul Werth, UNLV; Dr. Swatee Naik, UNR; and Ms. Holly O'Toole, WNC. Student government leaders present included Mr. Alex Porter, SGA President, GBC; Mr. Mark Ciavola, CSUN President, UNLV; Mr. Michael Gordon, GPSA President, UNLV, Mr. Ziad Rashdan, ASUN President, UNR; Ms. RJ Boyajian, GSA President, UNR and Ms. Alejandra Leon, ASWN President, WNC. Dr. Shannon Sumpter filled in for Dr. Paul Werth during the morning session.

For others present please see the attendance roster on file in the Board Office.

Chairman Page called the meeting to order at 9:03 a.m. with all members present except Regents Blakely, Crear, Schofield, and Stephens.

1. Information Only – Public Comment (Agenda Item #1) – None.
2. Approved – Minutes (Agenda Item #2) – The Board of Regents approved the July 26, 2013, Special Board of Regents' meeting minutes (*Ref. BOR-2 on file in the Board Office*).

Regent Knecht moved approval of the July 26, 2013, Special Board of Regents' meeting minutes. Regent Melcher seconded. Motion carried. Regents Blakely, Crear, Schofield, and Stephens were absent.

3. Approved - Student Fitness Center Building Project Request, UNR (Agenda Item #3) – The Board of Regents approved UNR President Marc A. Johnson's request to proceed with pre-development of a proposed new student Fitness Center on the main campus of the University of Nevada, Reno (*Ref. BOR-3 on file in the Board Office*).

President Johnson reported UNR is growing in enrollment and anticipates 21,000 students by 2021. The students have identified the Student Achievement Center and the renovation/expansion of Lombardi Recreation facility as a priority.

Regent Crear entered the meeting.

President Johnson reviewed the size, location, estimated cost, financing plan, scope and current status of the proposed Fitness Center, all of which are summarized in *Ref. BOR-3*.

Regent Geddes moved approval for UNR to proceed with the development at this point of a proposed new student Fitness Center on the main campus of the University of Nevada, Reno. Regent Trachok seconded.

Regent Stephens entered the meeting.

Regent Knecht stated registration figures on page two of the reference were noted as 18,000 to 22,000 students. The System Office provided him with the average full-time equivalent (FTE) enrollment as 13,721 students for UNR, which has grown by

3. Approved - Student Fitness Center Building Project Request, UNR (Agenda Item #3) – (Continued)

approximately 14 percent over the last eight years. If that number is grown by another 14 percent the number increases to 15,677 students. He asked how UNR got their projected numbers. President Johnson reported the difference in figures reflects the difference between student FTE versus headcounts. When the figure was set from 18,000 to 22,000, UNR projected a growth of two percent per year and will reach 22,000 within 10 years.

Regent Blakely entered the meeting.

President Johnson pointed out when talking about building capacity they have to focus on headcount, because it does not matter how many credits a student is taking since all students will be served by the facility.

Regent Knecht asked if FTE was increasing faster than headcount. President Johnson stated UNR saw FTE increase faster than headcount in the most recent period. Regent Knecht was concerned with the projected economic impact of \$145 million annually. President Johnson stated the number provided was relevant because there are several reasons a student picks a school and the availability of a good fitness facility is an attractant. The facility will contribute getting to the 22,000 students but it will not cause the entire economic impact. Regent Knecht asked if the additional \$31 million noted for construction jobs, visitor spending, etc. was a result of this project. President Johnson reported that the \$145 million and the \$31 million figures are tied to the increase in students.

Regent Knecht stated it was mentioned the ASUN was supportive of this measure. He felt they were essentially levying a tax on the entire student body, whether the facility is used or not, as opposed to the alternative of a member or user fee. Regent Knecht asked if a student body vote has occurred and if so what the results were. President Johnson reported the students have been discussing this for some time and there will be a student referendum next week on this topic. The results of the referendum will be given to the Board of Regents. Regent Knecht was encouraged to hear that, but felt this would be a more attractive proposal if it was a member-based fee.

President Johnson stated they are asking the Board to approve moving forward with pre-development of this project so they can continue seeking philanthropic contributions, with more specific financial information presented at a later date.

Regent Knecht stated he would vote for this item on a provisional basis, based on the offered naming gift and the fact there will be a student referendum.

Regent Wixom was concerned regarding what the Board was approving. There is not a financing plan, no proposal for student fees, and no proposal for a bonding mechanism. Regent Wixom was fine with approving the concept of the fitness center but wanted the record to reflect the Board was not approving a financing plan at this time.

3. Approved - Student Fitness Center Building Project Request, UNR (Agenda Item #3) – (Continued)

President Johnson stated this request was a recognition that the Board understands UNR is proceeding forward with the development of this project. A financing plan will not be ready until March 2014. UNR will bring forward a list of projects at the December meeting it is looking at for the next five to seven years to be included in its comprehensive campaign. Regent Wixom believed that would be very helpful, but he wanted it to be clear the Board is approving this project conceptually only, not the financing of the project or a student fee.

Mr. Ziad Rashdan, ASUN President, UNR, reported they have been working heavily with graduate and undergraduate students. They will review the process in detail at the December meeting. Regent Knecht appreciated the excellent leadership forum. Regent Knecht reiterated he felt a user fee was better than a broad tax and hoped they would raise the issue with the students as an option.

Regent Stephens felt a simple amendment to change “development” to “pre-development” would resolve some of the issues being brought forward today. Friendly amendment was accepted by Regent Geddes and Vice Chairman Trachok.

Ms. RJ Boyajian, GSA President, UNR, pointed out thus far the students are requesting a universal user fee. She also noted they represent the entire student body and try to be forward thinking.

President Smatresk stated that, immediately upon completion of the Recreation Center at UNLV, it became one of the most popular buildings on campus. Peak time use is between 10-11 p.m. This facility has become a part of the “sticky” campus. Students using the facility appear to be more engaged and graduate at higher levels. Such facilities are strongly supportive of student life and wellness and lead to a variety of good academic results.

Chief of Staff Wasserman repeated the motion as amended with the friendly amendment.

Regent Geddes moved to approve President Marc Johnson’s request to proceed with the pre-development of a proposed new student Fitness Center on the main campus of the University of Nevada, Reno. Regent Trachok seconded. Motion carried. Regent Schofield was absent.

4. Approved - Building Naming Request, E.L. Wiegand Fitness Center, UNR (Agenda Item #4) – The Board of Regents approved UNR President Marc A. Johnson’s request to name the new student Fitness Center the “E.L. Wiegand Fitness Center” in recognition of an \$8 million lead donor gift from the E.L. Wiegand Foundation (Ref. BOR-4 on file in the Board Office).

President Johnson reported this was the largest gift in the history of the Wiegand Foundation. The gift shows its confidence in the University. UNR made sure the gift agreement clearly stated this was subject to Board approval.

4. Approved - Building Naming Request, E.L. Wiegand Fitness Center, UNR (Agenda Item #4) – (Continued)

Regent Trachok moved approval to name the new student Fitness Center the “E.L. Wiegand Fitness Center” in recognition of an \$8 million lead donor gift from the E.L. Wiegand Foundation. Regent Knecht seconded.

Regent Trachok congratulated President Johnson and UNR on this gift.

Regent Crear asked if the naming rights were in perpetuity or for a certain amount of time. President Johnson clarified there was no time limit on this naming.

Regent Crear asked for the naming policy to be reviewed and discussed at a later date.

Regent Knecht expressed his personal thanks to the Wiegand Foundation.

Motion carried. Regent Schofield was absent.

5. Approved - Graduate and Family Student Housing Lease Amendments, UNR (Agenda Item #5) – The Board of Regents approved an Amended and Restated Ground and Improvements Lease between the Board of Regents of the Nevada System of Higher Education on behalf of the University of Nevada, Reno, and Balfour Beatty Campus Solutions Reno, LLC regarding UNR’s new Graduate and Family Housing Project (Refs. BOR-5a; BOR-5b; and BOR-5c and Corrected BOR-5c on file in the Board Office).

President Johnson noted the Board of Regents approved a ground lease on a piece of property at UNR and they closed on that property August 2, 2013, with the prediction they would have some adjustments in the ground lease. Changes were reported at the September Board meeting in Elko. They are requesting amendments to the ground lease, so it can be finalized. President Johnson stated all the old units have been demolished and construction is ready to begin on the new units.

Ms. Brooke Nielsen, Vice Chancellor for Legal Affairs, stated the new document is named the Amended and Restated Ground and Improvements Lease. There are two versions of exhibits. Exhibit one is the final version that does not show any of the changes and exhibit two is a red line version of the changes made to the lease. Ms. Nielsen reviewed the primary changes to the lease.

Regent Crear left the meeting.

Ms. Nielsen pointed out a cross reference error on page 28 of the lease in Section 16.04 (a). The cross reference should be 16.05. She asked for the motion to include the subsequent change.

Regent Crear entered the meeting.

5. Approved - Graduate and Family Student Housing Lease Amendments, UNR (Agenda Item #5) – (Continued)

Regent Stephens referred to Article 9, Section 9.01 (d). Regent Stephens was curious as to where the threshold came from. Ms. Nielsen stated the threshold was in the original lease but could not say whether that was an industry standard. With a project of this size there is a certain level when the tenant should be able to go in immediately and make the repairs or alterations. Anything more significant would require UNR approval. Ms. Nielsen stated these are non-structural, routine, and customary issues.

Mr. Tom Judy, Associate Vice President, Business & Finance, UNR, said the rationale for the figure is related to how they bid contracts for construction and renovations. UNR felt this was a reasonable level to apply to this process.

Regent Knecht asked for clarification on the differential. He asked if that meant they could not go below 7.5 percent with Ms. Nielsen responding yes. Regent Knecht asked if it was fair to say the briefing paper adequately summarizes and reflects the changes in *Ref. BOR-5b* and *Ref. BOR-5c*. Ms. Nielsen stated the briefing paper summarizes the substantive changes and she was very comfortable with the document. Ms. Nielsen noted at the end of the negotiations they ended up with a clearer, better contract for both UNR and for the tenant/developer.

Regent Crear asked whether, when this was bid out and the award was given, it was done under a certain premise. Now they have come back to make changes. They are now saying they will share in 6 percent of the gross revenues to go towards the capital reserves, which was not a part of the original agreement. Ms. Nielsen responded it was not a part of the original agreement as written. However, that applies to a lender protective provision, which the original agreement did anticipate. Regent Crear asked why they don't take it out of their own money. He felt the System was giving in to these demands and losing money. It was her understanding that it was not unusual for a lender to be able to access funds that are available from a revenue stream set aside for a project. Regent Crear stated they chose to be a part of the bidding process and they won. He did not understand why they were able to make these choices when UNR should be in control of the project. Ms. Nielsen believed President Johnson stated at the last meeting that there were lessons to be learned from this particular process. The System negotiated very hard on this agreement. Things were requested that the System did not agree to. It is part of the give and take of the final process. Regent Crear did not agree. He did not think UNR should give in to the demands.

Regent Trachok shared Regent Crear's sentiments and concerns. Regent Trachok also asked for clarification regarding the change in language related to Article 15 and Article 17. He asked if it was a situation with the lender. Ms. Nielsen stated Article 15 was between the landlord and the tenant and how they would distribute any insurance proceeds in the instance that a decision was made to not rebuild after damage to the facility. Regent Trachok asked what would happen if the tenant was in default and the lender came in and took over the project. Ms. Nielsen stated that is what the capital reserve account is for. Ms. Nielsen noted the language says the lender would be able to use the capital reserve account for obligations.

5. Approved - Graduate and Family Student Housing Lease Amendments, UNR (Agenda Item #5) – (Continued)

Regent Geddes moved approval of the Amended and Restated Ground and Improvements Lease between the Board of Regents of the Nevada System of Higher Education on behalf of the University of Nevada, Reno, and Balfour Beatty Campus Solutions Reno, LLC regarding UNR's new Graduate and Family Housing Project. Regent Trachok seconded. Motion carried. Regent Crear voted no. Regents Page and Wixom abstained. Regent Schofield was absent.

The meeting recessed at 10:15 a.m. and reconvened at 10:24 a.m. with all members present.

Regent Schofield led the pledge of allegiance.

6. Approved - Employment Contract, Interim Athletic Director, UNLV (Agenda Item #10) –
The Board of Regents approved an extension and salary increase of \$10,000 for the Interim Director of Athletics, Christina (Tina) Kunzer-Murphy. Ms. Kunzer-Murphy would serve in the interim position until December 31, 2014, unless a permanent director of athletics is appointed prior to that date (*Ref. BOR-10 on file in the Board Office*).

President Smatresk noted in a few short months Ms. Kunzer-Murphy has done a remarkable job and managed the program well. She has accomplished some difficult reorganizational tasks and normalized relationships with Thomas & Mack. She has worked diligently with fiscal officers to develop a solid plan to move athletics into a more prosperous future.

Regent Trachok moved approval of a contract extension and salary increase for the Interim Director of Athletics, Christina (Tina) Kunzer-Murphy. Ms. Kunzer-Murphy will to serve in the interim position until December 31, 2014, unless a permanent director of athletics is appointed prior to that date. Regent Crear seconded.

Regent Geddes asked President Smatresk to explain the search process they went through, the diverse pool and why the search was stopped. Regent Geddes added he heard nothing but positive things about the Interim Athletic Director, so why not make her permanent.

President Smatresk noted the search never entered the public phase. The screening committee went through a list of over 60 applicants, and created a shorter list of 20 people who appeared to have very good qualifications. The screening committee forwarded two names and there was an option for him to add other names, for the purpose of diversity and to see others that he felt were qualified could be interviewed. Along with the provost they interviewed people confidentially in several locations across

6. Approved - Employment Contract, Interim Athletic Director, UNLV (Agenda Item #10) – (Continued)

campus. Each applicant laid out their thoughts and plans and due diligence was done, but by the end they came to the strong opinion that none of the applicants had any further demonstrated achievement than the current interim athletic director.

President Smatresk previously stated that the interim athletic director would not apply for the permanent position. He felt it was important to close the search. In due course they could review the bylaws and guidelines. President Smatresk has three options at this point to proceed. If they determine they are content with Ms. Kunzer-Murphy's job performance UNLV can run an internal search, ask for search waiver, or restart a national search. He would like to see the dust settle and bring back in a reasonable amount of time a recommendation on a permanent athletic director.

1. Information Only – Public Comment (Agenda Item #1) – (Continued)

Chairman Page noted he had received an email from Mr. Kevin Cory, UNLV Women's Tennis Coach, supporting Ms. Kunzer-Murphy as the new athletic director.

Mr. Jim Reitz, UNLV Mens/Women's Swim and Dive Coach, stated he was in his 34th season and has had 12 athletic directors. He reported Ms. Kunzer-Murphy ranks right at the top and all the coaches are in favor of her appointment.

Mr. Dave Rice, UNLV Men's Basketball Coach, said Ms. Kunzer Murphy has done a fantastic job and she has passion for the community and the state of Nevada. She knows the proper balance between academics and athletics for these student athletes.

Ms. Kathy Olivier, UNLV Women's Basketball Coach stated Ms. Kunzer-Murphy is very passionate for the university and state of Nevada. She has a great amount of enthusiasm and a great work ethic. All of the coaches are unanimous that Ms. Kunzer-Murphy will provide UNLV with great opportunities.

Ms. Amy Bush, Women's Golf Coach, reported that Ms. Kunzer-Murphy actually attended one of their practices. She knows what the athletes need and actually knows their names. She has brought a new energy to the department and the student athletes feel it.

6. Approved - Employment Contract, Interim Athletic Director, UNLV (Agenda Item #10) – (Continued)

Regent Stephens stated she has heard nothing but positive things about Ms. Kunzer-Murphy; unfortunately when the first vote was taken, it was with the understanding she would not be a candidate for the permanent position and Regent Stephens felt now they were skirting around that issue. Regent Stephens noted her support for UNLV and UNLV Athletics, but she would not be in favor of this item.

Regent Geddes voiced his support for the motion and asked that UNLV bring back a salary in December that is more in line with a permanent athletic director

6. Approved - Employment Contract, Interim Athletic Director, UNLV (Agenda Item #10) – (Continued)

Regent Blakely requested the motion be changed from interim athletic director to acting athletic director. Chair of Staff Wasserman did not feel this was an appropriate change at this time, because the agenda item was very specific that the contract was brought forward to continue Mr. Kunzer-Murphy as the interim athletic director. President Smatresk could consider this when he is reviewing his options. Regent Blakely is in support of the motion and he believed this was a positive move.

Regent Crear was in support of the motion. She has done a great job and has engaged the community. It is refreshing to see her back at the university. This is a milestone at UNLV to have a female as the athletic director. He applauds the institution, because it is a male dominated environment. Regent Crear congratulated her and the institution for setting a strong precedent.

Regent Leavitt echoed what the other Regents have said. She is incredibly enthusiastic and filled with optimism. She responds to email and text messages. She was chosen because she was the best candidate and he agreed with Regent Geddes that UNLV should move this item forward.

Motion carried. Regent Stephens voted no.

Ms. Kunzer-Murphy thanked the Board and President Smatresk for this wonderful gift. She also thanked the coaches for taking time away from their student athletes and busy schedules to be at the meeting that day.

7. No Action Taken - Institutional Service Areas (Agenda Item #7) - The Board of Regents discussed its current policy that designates the geographic regions of the state each institution may serve (*Title 4, Chapter 14, Section 13(7)*). The discussion included whether service areas should be realigned, the quality of service, the equity of service, and related issues. The Board discussed the application of shared services to address institutional service areas, and/or the revision of related NSHE policies that would be consistent with or make possible any potential realignment of service areas. (*Ref. BOR-7 and Handout on file in the Board Office*).

Regent Melcher thanked Chairman Page and Vice-Chairman Trachok for the opportunity to discuss and possibly act on items related to NSHE service areas so the NSHE institutions can better serve the people of Nevada.

Regent Melcher offered the following ideas and thoughts as a beginning to help the Board move its discussions toward important decisions and an effective process that will assist the Board in making expedient and quality decisions.

Regent Melcher felt the discussion should focus on the best possible quality and quantity of higher education programs to all Nevadans. The discussions should address greater collaboration and increased shared services between all the institutions, providing a better “pipeline” between certificate programs, two-year programs, four-year programs and

7. No Action Taken - Institutional Service Areas (Agenda Item #7) – (Continued)

research activities, providing greater institutional and program sustainability at our community colleges, and support existing shared services and academic and research collaborations between NSHE institutions.

People have asked why Great Basin College (*GBC*) does not serve all of rural Nevada and whether it should possibly be a state college based on the fact that it offers a number of four-year degrees on top of a strong community college mission and utilizes a high degree of quality distance learning. *GBC* is already a true “comprehensive college.” *GBC* currently serves an area of 63,524 square miles with a population of just over 127,000 residents as of the 2010 census. The area borders Utah, Idaho, Oregon and California and includes the counties of Elko, Eureka, Humboldt, Lander, Nye and White Pine. The current service area reaches over 600 miles at its furthest borders. Under an agreement with Western Nevada College, *GBC* also delivers programing in Pershing County.

In order to put Nevada’s vast rural area in perspective, adding the additional five (rural) counties of Churchill, Esmeralda, Lincoln, Mineral and Pershing to *GBC*’s current area would add 42,718 residents to the service area and would increase the service area in square miles by 28,919 square miles.

This area would be the same as the 11 county Regent District 8 that was in place prior to January of this year. This service area would be approximately 92,443 square miles (*larger than all but 11 U.S. states*) and would have a population of just over 169,802 residents. In 2011, our current Regent districts were re-drawn to contain as close to 207,735 residents as possible. To put this into perspective, less than 170,000 residents live in an area that is 83.6 percent of the state of Nevada. This increased 11 county service area would be less than 7 percent of the state’s total population.

Clark County institutions of higher education need to be assessed as well. Questions and items that need to be discussed in the future include:

- What are our plans for the future growth in Clark County?
- How will our institutions manage increased student numbers?
- Is CSN too large already?
- Should we expect them to handle future growth of Clark County?

The Board must plan for the future and the process must begin with rural Nevada and western Nevada service areas. There needs to be discussion and a resolution of the service areas outside of Clark County and then the service areas within Clark County.

Regent Melcher asked to hear from the community college presidents as to what they think is worth looking into and what they see for the future.

7. No Action Taken - Institutional Service Areas (Agenda Item #7) – (Continued)

Regent Melcher offered the following decision points:

1. The System has two quality Universities - University of Nevada, Las Vegas and University of Nevada, Reno. He suspected they could quickly decide that two universities are good for Nevada and no decision is needed.
2. The System has one State College - do we need to be looking at developing more state colleges or is Nevada State College serving our current needs?
3. Is the current number of community colleges a correct number to effectively serve Nevada - Rural Nevada.
4. How does the Board best use the timing of current situations to move this very important project forward?

Regent Melcher suggested they delay the hiring of the WNC president until they know exactly what they will be hiring for.

Regent Knecht made a point of order and felt the notice for agenda item seven did not say anything about delaying the hiring of a president at WNC. He felt the handouts and discussion are suggesting a different agenda item than what was noticed.

Chief of Staff Wasserman noted for the record that if Regent Melcher was proposing specific action at this time that would not be an appropriate motion but the item as described on the agenda includes any related policies that may relate to institutional service areas and specifically indicates the Board may discuss the application of shared services to address institutional services. He added the discussion of hiring a president may be germane to the context of shared services and institutional services areas, but action would be premature at this time. Regent Knecht hoped in the future the agenda items would be less artfully drawn in that regard and be more plain and straight forward. Chief of Staff Wasserman added he specifically recommended the inclusion of the statement for the very purpose that the present discussion may happen.

Regent Knecht appreciated Mr. Wasserman's explanation. His problem remained he has never heard that shared services have anything to do with delaying the hiring of a president.

Regent Melcher was glad they were finally having this discussion because he has thought about it for many years. The Board needs to talk about everything that may relate to the item. Regent Melcher added his comment about the administration at WNC was made because positions are open and he would hate to hire people and then tell them they were hired for a different situation. No one knows what is going to come out of this discussion. Regent Melcher then mentioned two additional areas for discussion:

5. The Board may consider hiring or enlisting outside sources to assist in pulling together ideas and plans for the future.
6. Timeline of this process?

7. No Action Taken - Institutional Service Areas (Agenda Item #7) – (Continued)

Regent Melcher noted other items of interest were the February 2006 “Cooperative Agreement and Collaborative Partnership between The Community College of Southern Nevada and Great Basin College” and the February 2006 “Cooperative Agreement and Collaborative Partnership between The Community College of Southern Nevada and Great Basin College.” Both are valuable documents and should be reviewed, updated and utilized during the process.

Regent Knecht pointed out he is happy to have any discussions others may want and he does not object to discussing anything Regent Melcher has brought forward. He asked for an honest agenda item, something that complies with the spirit of the Open Meeting Law (*OML*) that informs people, by just be reading it, what the item is about and gives them reasonable notice as to the discussion.

Chief of Staff Wasserman reiterated he knew it was possible shared services could come up in the discussion. This item does not allow for the delay of the president search. There can be discussion of the policies and if the Board wanted to give direction to the Chancellor or his staff to look at those policies to determine whether it would be useful to address this issue, the Board could do that.

8. Information Only – New Business (Agenda Item #12) – Chief of Staff Wasserman provided the following:

Pursuant to the Board's policy, upon the creation of the vacancy by Dr. Lucey's retirement, the institution's officer in charge exercises the powers of the president until an acting or interim president is appointed by the Board. An institution's officer in charge is the person who has been designated by the president of each institution to be the officer in charge in the temporary absence or vacancy in the office of president. At WNC, Dr. Lucy had designated Vice President Chester ("Chet") Burton to be the officer in charge under these circumstances.

The Chancellor, in consultation with the Chair of the Board, is now charged with recommending to the Board the appointment of an acting president. Prior to making the recommendation of an acting president, the Chancellor and Chair of the Board first meet with major constituencies of WNC to receive their suggestions and input for the appointment of an acting president. Meetings with students, faculty, administrators, classified employees, Foundation Board members and community leaders and an open forum are being scheduled for October 31.

The Chancellor's recommendation for an acting president will be included on the agenda for the December board meeting. At the December Board meeting, the Board will determine whether to appoint an acting president and to launch a national search, or with an affirmative vote of nine members of the board, to appoint an interim president for a period of one to three years, or, again, with an affirmative vote of nine members of the board, to authorize deviations from the processes defined in the Board policy.

The meeting recessed at 11:16 a.m. and reconvened at 11:28 a.m. with all members present.

7. No Action Taken - Institutional Service Areas (Agenda Item #7) – (Continued)

Regent Geddes reported he was intrigued as they go through the E-Learning Task Force, how delivering online education will work in the areas being discussed and whether they needed to look at mission differentiation and the institutions that have strong programs taking the lead in teaching that content. Regent Geddes believed it would be good for the Board to review the agreements in place to see how they are working.

Regent Anderson felt that when they look at changing service areas, the needs of the smaller counties may be overlooked more easily.

Regent Knecht referred to the provided map of seventeen counties. He pointed out they tend to talk about geography in terms of counties instead of population centers. The city of Fallon is the overwhelming population of Churchill County. The vast outback of Churchill County might be reasonably associated or served with a different county.

Regent Wixom agreed this was a very important discussion but asked whether the discussion may be broken into three areas.

1. Extraordinary job GBC has done in distance learning.
2. How do we develop collaborative relationships?
3. Expansion of 4-year degrees at GBC.

Ms. Holly O'Toole, WNC Faculty Senate, thanked the Board members for their efforts to address the toxicity and lack of shared governance at WNC. The situation at WNC has not been tolerable or healthy. The current administrative infrastructure is a legacy of Dr. Lucey. Faculty moral at WNC is non-existent. With that said, the entire voice of NSHE is to serve all of Nevada. She firmly believed there are service areas in Nevada that are being poorly served and agreed with a new vision. WNC is in a difficult transition. WNC needs to define itself. A discussion of how to serve the state to fully reach all the population is always applicable. The voice needed is the voice of the communities and how to better serve them. Her entire adult life has been serving students and her allegiance is to educate all of Nevada. Please allow WNC the time needed to assist GBC is serving rural Nevada.

Chancellor Klaich stated when he thinks about the service area concept, he tries to think how they will serve students with limited and difficult resources. He doesn't exactly know what shared services means, but hopes they do come to a determination during this discussion. This will require a significant amount of collaboration. He did believe the concept of service areas in policies is an impairment.

Regent Leavitt believed this will be a great discussion. He was curious what would be the next steps. A question to the presidents for future discussion would be what are the current challenges and the unmet needs.

Chancellor Klaich believed budget was a current challenge. The challenge for GBC, TMCC and WNC is continuing a high level of service with the reduced funding that has happened with the implementation of the new formula.

7. No Action Taken - Institutional Service Areas (Agenda Item #7) – (Continued)

Regent Knecht requested an agenda item for a future meeting regarding the definition of what shared services encompasses so the Board will be working from a common understanding.

Regent Knecht asked Regent Melcher to clarify his comment that GBC is a “comprehensive college.” Regent Melcher stated over the years he has heard about changing GBC to a state college. When GBC established its four year degree program, there was an organization at the time called the Community College Baccalaureate Association; it has since changed its name to Comprehensive College Baccalaureate Association, because it was felt to be a better fit given the nature of the organization. Some community college institutions were maintaining their community college name while offering select baccalaureate degrees. Regent Melcher stated that is why he uses the term “comprehensive.”

Regent Stephens wanted to make sure they were going to have an open and comprehensive discussion about shared services. She hoped when they develop a definition that it will include all the different aspects.

Regent Trachok believed they needed a committee to study institutional services areas and shared services. Regent Trachok asked every president to weigh in on the issue of service areas.

President Curtis, GBC, believed GBC could do a better job in serving rural Nevada if they adjusted the service areas. There are three counties in Nevada that have no service to speak of, other than online courses. Those students still deserve to be served. Rural superintendents are in favor of GBC reaching out to those counties. GBC wants to do more. GBC is currently developing a vision statement.

President Smatresk, UNLV, listens to the conversation and asks himself if the concept of service areas is obsolete. UNLV does not believe there is a service area. UNLV serves the world. It serves where there is a reasonable prospect of recruiting students and serves when there is a reasonable population. President Smatresk asked for more data; who is not being served, what the demand is, what the concentration of individuals who require service is in a given area, and then determine if there is a practical way to deal with it. President Smatresk stated all the factors need to be ground out, put together, and then a practical solution developed based on who can offer the most effective means of service and what kind of expense ratios would be adopted to service those groups.

Provost Kevin Carmen, UNR, thanked Regent Melcher for raising the topic. There are service areas and it is important to discuss them and see how to best work together to serve those areas. UNR has statewide programs and articulation agreements can be expanded upon. The dialogue in regards to e-learning is going to be a very important topic as to how to best provide service to the students and citizens. UNR is eager to work with the sister institutions in any way that will be enhance the ability to deliver education to the citizens of the state.

7. No Action Taken - Institutional Service Areas (Agenda Item #7) – (Continued)

Mr. Chet Burton, WNC, reported WNC has a mid-sized service area that does not fit the definition. Education has a lot of transition. WNC needs to do a better job of tailoring programs. TMCC and WNC have some natural synergies. If the task does not directly touch the student then it should be streamlined or consolidated.

Regent Trachok asked if there are communities that WNC is currently serving that GBC would be in a better position to serve. Mr. Burton stated if you look at the model being followed, GBC has a stronger model in distance education. If you clearly look at the rural counties the only economic way to serve the entire student base is through distance education.

President Richards felt it would make sense to publically review the policy on service and service areas every five years. Most states are finding that because of technology and because of policies in neighboring states service areas are largely moot. CSN's experience, in regard to demand, is there are a lot of stories but very little data. Experience has shown when a community says they have the demand, they cannot deliver because the demand evaporates. This is a complex topic and short on data. This is a topic where you quickly find out that the shortage is the budget. The adequacy of funding in the state is the greatest challenge and limitation.

President Sheehan loved the discussion about data and noted they needed to frame the questions so we can gather the data and then move forward. She hoped they did not get ahead of the E-Learning Task Force that will have some far reaching recommendations. TMCC has had a 31 percent reduction in allocation. The challenge is how to provide more, while doing an extensive review of services provided.

President Patterson reported the purpose of the state college model is to expand out, at some point, throughout the state. It is the middle tier and more expensive to educate than at the two year colleges. NSC has a statewide mission, and that mission outside Clark County is to partner with the two year colleges on degrees where they feel they have enough student population for a four year degree. He cautioned that launching into programs without sufficient demand is not good.

Regent Wixom stated there are two components to collaboration; the first is input and the second is output. We can talk about collaboration in terms of serving students, but the other part is input and that is where you talk about shared services. Regent Wixom requested a Chronicle of Higher Education article related to disruptive technologies and the failure of higher education to adapt and the consequences of that failure.

Regent Blakely appreciated the presentation by Regent Melcher. Regent Blakely additionally wanted to see GBC explore the concept of additional baccalaureate degrees and becoming a state college at a future date. Regent Blakely was sympathetic to Regent Knecht's viewpoint.

7. No Action Taken - Institutional Service Areas (Agenda Item #7) – (Continued)

Mr. Alex Porter, GBC SGA President, stated this is a discussion of great importance and deserves in-depth conversations. The programs NSHE institutions offer are unique and are set to serve all of Nevada. There are many more discussions and decisions to be made, so moving forward he asked for efforts to be made to include potential students, along with current students being served by the existing institutions.

Regent Knecht believed all ideas mentioned are worth considering and discussing. When someone says the Board should consider making GBC a state college, this raises the obvious question whether WNC is to be excluded from that discussion. Regent Melcher reiterated he had heard this comment from people across the state. He is not opposed to the idea of making GBC a state college, but if they were to look at the idea there would have to be a study. Regent Melcher added he did not know if it was the best model. Regent Melcher noted that several times today, Regent Knecht has implied he does not support WNC. Regent Melcher stated he tries his hardest to be neutral in his comments and do what is right for the people of Nevada. Regent Melcher clarified that he thought the state college model needed to be reviewed, but he did not know if it was the right idea. Regent Knecht stated there was no intent to suggest Regent Melcher did not support WNC.

Regent Knecht requested the audio recording of the discussion of this item.

Regent Knecht stated another misunderstanding today arose regarding the proposals to delay the WNC president search. The chairman apparently took that as referencing something he had said or done. However, the comments were made by Regent Melcher. Regent Knecht was not suggesting in any way the chairman had done anything inappropriate.

Next, there was a comment made by the chairman, that Regent Knecht had told someone in the Governor's Office that he was representing the Board, as chairman of the search committee. Regent Knecht categorically rejected and denied that he did any such thing. The source of this notion was a discussion he had, as a courtesy, with a member of the Governor's staff, some months ago when Dr. Lucey made her resignation announcement. At the time he specifically said there would be a search committee in the normal course of business, but there was not one yet. He expected to, but did not know whether he would serve on the committee. He did not say anything about chairing the committee, because he knew it was the chairman's authority to appoint a chairman of a search committee. The comment was untimely and unfortunate and he did not appreciate hearing it.

The meeting recessed at 12:32 p.m. and reconvened at 12:47 p.m. with all members present except Regent Stephens.

9. Approved - Distinguished Nevadan Award (Agenda Item #6) - The Board of Regents approved Mr. Gregory Wright Ferraro as a 2013 recipient of the Distinguished Nevadan award (*Handbook, Title 4, Chapter 1, Section 14 and Procedures and Guidelines Manual Chapter 8, Section 1*) (Refs. BOR-6a and BOR-6b on file in the Board Office).

Regent Trachok moved approval of Mr. Gregory Wright Ferraro as a 2013 recipient of the Board of Regents' 2013 Distinguished Nevadan award. Regent Wixom seconded. Motion carried. Regent Stephens was absent.

10. Approved - Formula Budget Implementation Report, WNC (Agenda Item #8) – The Board of Regents approved Western Nevada College's formula implementation plans for the formula-funded instruction budget for the 2013-15 biennium. (Ref. BOR-8 on file in the Board Office).

Mr. Burton, WNC, as directed by the Board of Regents at the Elko Board of Regents' meeting in September, has revised their Formula Budget Implementation Report. Mr. Burton noted all details are presented in the provided plan, but detailed the following specific actions to be taken to balance the budget:

- Elimination of several vacant positions that do not directly impact student learning or the academic faculty.
- Move positions from state to non-state funding.
- Operations, utility and equipment savings.

Mr. Burton highlighted preliminary actions being implemented for the additional fiscal year 2015 budget reductions:

- A hiring freeze for non-academic positions.
- Executed additional efficiency actions, including installing an additional solar array on the Bristlecone Building.
- Using facility funding to replace inefficient equipment.
- Completing a full facility energy audit.
- Consider moving two state funded positions to non-state funded.

Regent Stephens entered the meeting.

Mr. Burton reported the revised funding formula provides an opening for WNC to evaluate all programs and operations and develop a plan to operate more efficiently in order to deliver the programs and services that are most important to the students and communities.

Mr. Burton noted the Carson City School District was recently awarded a Race to the Top federal grant in excess of \$10 million. A component of the grant includes career tracks for high school students that desire a vocational career track versus a traditional four-year track. The district has come to WNC for help with the career tracks.

10. Approved - Formula Budget Implementation Report, WNC (Agenda Item #8) – (Continued)

WNC is also actively working with the manufacturing sector in Carson, Lyon and Douglas counties. There is a strong desire to partner with companies to develop custom training programs for their employees, as well as degree and certification programs to develop skills required to grow their companies.

Regent Anderson complimented WNC on its plan and on its national award for Career Pathways. Regent Anderson asked Mr. Burton to explain what they meant by moving site positions to General Improvement Fund (GIP) funding. Mr. Burton explained there are funding pools at the college funded through student fees and the GIP is non-state funds. There are several positions they use to support the satellite facilities and those positions will transition to non-state funding.

Regent Knecht stated this was a good response to the requests of the Board from the last meeting. Regent Knecht referred to the non-resident tuition on page two of six of the reference material and asked for comment on how they came to those numbers and the likelihood of meeting them. Mr. Burton reported that, as the budget is built, there is a template for all the components, including non-state. In the case of non-state tuition, the template showed high numbers based on the history used.

Regent Knecht requested a specific detailed account of savings from solar arrays and the costs at WNC.

Regent Trachok congratulated WNC on its plan and asked if WNC was reaching out to TMCC and UNR. Mr. Burton reported they are in discussions about support services to realize some savings. Regent Trachok asked how many full time students were at the different campuses. Mr. Burton answered the full time equivalent is right at 2300; Carson City 1900-2000, Fallon 300, and Douglas 100.

Regent Melcher asked if they had a plan to bring the library back up. Mr. Burton stated they have had extensive discussions with Carson City and Fallon, and this is the plan they came up with, with the hope to restore funding when available.

Regent Trachok moved approval of the WNC formula budget implementation plan. Regent Knecht seconded. Motion carried.

11. Approved - President Emeritus, Dr. Carol A. Lucey, WNC (Agenda Item #9) – The Board of Regents approved the request of Chancellor Daniel J. Klaich that former president of Western Nevada College, Dr. Carol A. Lucey, be granted President Emeritus status. Pursuant to Board Policy (Title 4, Chapter 3, Section 32), presidents who choose to retire after at least five years of service are eligible for emeritus status. (Ref. BOR-9 on file in the Board Office).

Regent Crear moved approval to grant Dr. Carol A. Lucey with President Emeritus status. Regent Blakely seconded.

11. Approved - President Emeritus, Dr. Carol A. Lucey, WNC (Agenda Item #9) –

Chancellor Klaich stated President Lucey has served the college in excess of 14 years and during that time the college has expanded. President Lucey was a student-centered president and spent the last five years dealing with budget cuts. She should be remembered for her exemplary service to WNC and the state.

Motion carried.

12. Approved - System Administration Office Building, Las Vegas (Agenda Item #11) – The Board of Regents approved granting expenditure authority to Chancellor Daniel J. Klaich for additional expenses associated with the new System Administration Office Building in Las Vegas including relocation costs, networking expenses and FF&E (*Furniture, Fixtures and Equipment*) and related consulting services (*Ref. BOR-11 on file in the Board Office*).

Chancellor Klaich thanked all his partners at UNLV for their invaluable help. The remainder of the changes presented fall into the following categories for a total of \$388,000:

- Network/telecommunications equipment, connectivity and IT infrastructure.
- Construction change orders beyond the scope of the Purchase and Sale Agreements.
- Supplemental office furniture and equipment.
- Moving services.
- Exterior lighting and security.

Scope and costs associated with the Board room furniture and A/V are still being identified and will be presented for approval at the December Board of Regents meeting.

Regent Wixom moved approval of granting expenditure authority to Chancellor Daniel J. Klaich for additional expenses associated with the new System Administration Office Building in Las Vegas including relocation costs, networking expenses and FF&E. Regent Leavitt seconded.

Regent Knecht asked Chancellor Klaich to summarize how they ended up 11 percent over and why it was not covered in the original allocation of \$3.5 million. Chancellor Klaich reported the original agreement for the purchase of the building was an unfurnished building, ready for occupancy, and furnishings simply were not a part of the seller's obligations in remodeling and turning the building over to the System. While there are some items that don't fall into that category, the bulk do relate to internal requirements and to furniture. Regent Knecht asked if there was any reference in the original action that there would be additional costs. Chancellor Klaich stated they certainly indicated there would be additional costs, but at least one of the items is higher than expected at the time, and largely is due to the fiber extension from UNLV.

12. Approved - System Administration Office Building, Las Vegas (Agenda Item #11) – (Continued)

Regent Schofield remembered when he joined the Board it was shocking to him that the Board did not have its own building. He is excited to see this happening.

Regent Wixom noted that in his work experience he has seen a larger contingency worked into the loans than was with this loan. He did think the requests were well within standard industry range for contingency.

Regent Stephens believed the request seemed reasonable. It is important the Board has a building of its own to have meetings and adequate workspace. Regent Stephens congratulated the leadership on a project that has been well managed.

Chancellor Klaich thanked Chief of Staff Wasserman and the Board officers. They are working hard to structure a functional room the Board will be proud of. Chairman Page thanked Vice Chancellor Yackira and Mr. Saltman for their help.

Motion carried.

8. Information Only – New Business (Agenda Item #12) – (Continued)

Regent Geddes noted that as they move out of the CIP process he would like to evaluate the processes for what and when things come to the Board. He also asked that naming rights and length of time of the naming rights come before the Board. He also wanted to include what happens to the naming rights when a building is torn down or moved.

Regent Anderson recently attended, on behalf of the Board, the Association of Community College Trustees meeting in Seattle, Washington. It was a very good conference and she came away from it feeling the System is doing all the right things. She congratulated the Board.

Regent Stephens asked to make sure there are comprehensive policies in place about “green” buildings, solar panels, etc, related to meeting current standards while building or retrofitting buildings to make them as efficient as possible.

Regent Page thanked UNLV and staff for their support in the setup and support of the meeting.

13. Information Only – Public Comment (Agenda Item #13) – None.

The meeting adjourned at 1:30 p.m.

Prepared by:

Angela R. Palmer
Special Assistant and Coordinator
to the Board of Regents

Submitted for approval by:

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

and

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

Approved by the Board of Regents at the January 24, 2014, meeting.