BOARD OF REGENTS
NEVADA SYSTEM OF HIGHER EDUCATION

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

Thursday, December 5, 2013, 8:00 a.m.
Friday, December 6, 2013, 8:00 a.m.

Video Conference Connection from the Meeting Site 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
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
Mr. Chester O. Burton, 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. Umram I. Osambela, ASCSN President, CSN; Mr. Noah Fraser; GRAD President, DRI; Mr. Alex Porter, SGA President, GBC; Mr. Deuvall Dorsey, NSSA President, NSC; Mr. Mark Ciavola, CSUN President, UNLV; Mr. Michael Gordon, GPSA President, UNLV, Mr. Ziad Rashdan, ASUN President, UNR; Ms. R.J. Boyajian, GSA President, UNR; Ms. Stephanie Prevost, SGA President, TMCC; and Ms. Alejandra Leon, ASWN President, WNC.

Chairman Page called the meeting to order on Thursday, December 5, 2013, at 8:00 a.m. with all members present except for Regents Anderson, Crear and Schofield.

Regent Leavitt led the Pledge of Allegiance.

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 Students' Presentations *(Agenda Item #2)* – UNLV President Neal J. Smatresk introduced UNLV students Mr. Eric Weber and Ms. Alexia Chen to provide a presentation on their participation on Team Las Vegas, UNLV's entry in the Solar Decathlon 2013. President Smatresk also introduced Mr. Dominic Rodrigues, CFA, P. English and Mr. Jeffrey Zemp, an investment associate at Merrill Lynch & Co., to present current activities of the Lee Business School at UNLV.

The meeting recessed at 8:44 a.m. for committee meetings and reconvened at 10:36 a.m. on Thursday, December 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 offer acknowledgements.

4. Information Only – Public Comment *(Agenda Item #4)* – Mr. Jonathan Senda, BBS Counseling; Ms. Raquel Landeros, CSN Student; Mr. Daniel Tafoya, UNLV Student; and Mr. Daniel Tafoya, Sr., Latin Chamber of Commerce, expressed support for and concerns related to activities involving the University of Nevada School of Medicine's activities in Las Vegas.

4. Information Only – Public Comment *(Agenda Item #4)* – *(Cont'd.)*

   Ms. Karel Rice, Resident, Washoe County, shared concerns related to UNR's proposed student fee increase for the Wiegand Fitness Center.

5. Information Only – Chair of the Nevada Student Alliance Report *(Agenda Item #5)* – Mr. Alex Porter, GBC SGA President and Chair of the Nevada Student Alliance (NSA), reported concerning NSHE related issues and events of importance to the Student Body Presidents, including staying up-to-date on the E-Learning initiative and the Tuition and Fees Committee. Mr. Porter said Vice Chancellor for Legal Affairs Brooke Nielsen provided a presentation to the NSA on the Nevada Open Meeting Law. A logo for the NSA has recently been approved to help promote awareness. Future discussions will include legislative efforts and future planning on funding of NSA activities.

6. Information Only - Chair of the Faculty Senate Chairs Report *(Agenda Item #6)* – 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 expressing appreciation to the Public Employees Benefit Plan (PEBP) Board for using its cash reserves for initiatives such as foregoing a decision to consider private corporate exchange and reconstituting the wellness program. The faculty senate chairs were grateful for restoration of the merit pool and the institutions are working hard to re-establish or create merit policies. All institutions are committed to a rigorous merit process to improve performance and instruction. The faculty of UNLV and WNC wished to thank the Chancellor and Board for attending to the pending vacancies in institutional leadership. The faculty senate chairs urge continued emphasis on academic integrity for any recommendations resulting from the Senate Bill 391 (Chapter 494, *Statutes of Nevada 2013*) interim study, institutional service areas and the E-Learning initiatives.

7. Information Only – Chancellor's Report *(Agenda Item #7)* - Chancellor Daniel J. Klaich reported concerning ongoing planning activities and major projects within the NSHE, including the interim study concerning the governance structure of and funding methods for community colleges in this State (SB 391), the 15 to Finish Campaign, E-Learning initiatives, and the Tuition and Fee Committee. Chancellor Klaich said visitation to each campus would soon commence in order to begin working on the next biennial budget request scheduled to be heard by the Board of Regents at its March and June 2014 meetings.

8. Information Only – Board Chairman's Report *(Agenda Item #8)* - Chairman Kevin J. Page thanked Board staff for their efforts throughout the year and SCS staff for their assistance with iPad implementation and training for Board members.

   Chairman Page noted President Smatresk will be leaving and thanked him for his service to UNLV and NSHE. He and the Board Officers will meet with UNLV constituents as soon as possible to begin the replacement process.

9. Action Taken - Consent Items *(Agenda Item #9)* - The Board approved the following Consent Items in their entirety except for Consent Items #9a *(Minutes)* and #9f *(Naming of UNR Graduate and Family Student Housing, UNR)* and Items #9i *(Reassignment of Lease Agreement to Chesapeak Media I, GBC)* which were considered separately.

   Chairman Page read a statement regarding the timing and release of agendas and reference materials and the limitation of debate at Board meetings in order to provide adequate time for due consideration of all agenda items.

   In order to be fair to all members on all items, Chairman Page entertained a motion to limit debate to a maximum period of five minutes per member on each agenda item. If such a motion is approved, each member may speak for up to five minutes on each item; each member may also be allowed to speak a second time, again for up to an additional five minutes, but only after all other members who wish to speak on an item have had the opportunity to speak. If there is an item of particular complexity members believe requires more extend discussion, either the unanimous consent of the members to extend debate will be sought or a motion to extend debate for an additional specified period of time may be made.

   Regent Geddes motioned approval to limit debate to a maximum period of five minutes per member on each agenda item. Vice Chairman Trachok seconded.

   Regent Knecht asked if the motion could be made if and when the issue arises. Chairman Page responded it would be more efficient to take a motion at the beginning of the meeting instead of having to stop discussion later.

   Motion carried. Regents Knecht and Stephens voted no.

9b. Approved - Expenditure of Estate Tax Balance, NSC *(Agenda Item #9b)* – The Board approved a request to expend legislatively approved $1,262,000 for the design and construction of buildings on the principal campus of Nevada State College as specified in Assembly Bill 502 (Chapter 444, *Statutes of Nevada* 2013). This expenditure is consistent with the previously Board approved financing plan for the design and construction of these buildings *(Ref. BOR-9b on file in the Board Office).*

9c. Approved - *Handbook* Revision, Excess Credit Fee *(Agenda Item #9c)* – The Board approved revisions to Board policy to clarify the application of the Excess Credit Fee, effective in Fall 2014 *(Title 4, Chapter 17, Section 4)*. The revisions are consistent with the intent of the policy as approved by the Board in November 2012 *(Ref. BOR-9c on file in the Board Office).*

9. Action Taken - Consent Items *(Agenda Item #9) – (Cont'd.)*

9d. Approved - Herb and Maxine Jacobs Quasi Endowment for a Health Sciences Center, TMCC *(Agenda Item #9d)* – The Board approved the creation of an NSHE endowment account from the Herb and Maxine Jacobs Foundation and acceptance of a $333,334 installment of a $1 million pledge to be paid over three years. The $1 million donation will remain in the endowment account until the remaining funds are raised to support the construction of a $10 million Health Science Center at the Redfield Campus *(Ref. BOR-9d on file in the Board Office).*

9e. Approved - Joseph P. Ayarbe Scholarship Endowment, TMCC *(Agenda Item #9e)* – The Board approved acceptance of a $5,000 donation from various donors to establish a new Joseph P. Ayarbe Scholarship Endowment. The new endowment will benefit students at Truckee Meadows Community College through scholarships. The donors have expressly requested this endowment account be invested in, and managed by, the NSHE Endowment pool *(Ref. BOR-9e on file in the Board Office).*

9g. Approved - Appointments, Nevada's K-12 Regional Training Program Boards *(Agenda Item #9g)* – The Board approved the following two-year appointments to the three governing bodies of Nevada's K-12 Regional Training Program, pursuant to *Nevada Revised Statutes* 391.524.

- Dr. Kenneth Coll, Northwestern Nevada Regional Training Program Board *(Ref. BOR -9g(1) on file in the Board Office).*
- Dr. Kim Metcalf, Southern Nevada Regional Training Program Board *(Ref. BOR-9g(2) on file in the Board Office).*
- Thomas Reagan, Northeastern Nevada Regional Training Program Board *(Ref. BOR-9g(3) on file in the Board Office).*

Regent Geddes moved approval of the Consent Items in their entirely except for #9a *(Minutes),* #9f *(Naming of UNR Graduate and Family Student Housing, UNR)* and #9i *(Reassignment of Lease Agreement to Chesapeak Media I, GBC)* which were considered separately. Regent Blakely seconded. Motion carried.

The Following Consent Items Were Considered Separately:

9. Action Taken - Consent Items *(Agenda Item #9)* - *(Cont'd.)*

9a. Action Taken - Minutes *(Agenda Item #9a)* – The Board approved the minutes from the September 5-6, 2013, Board meeting with a requested amendment from Regent Stephens on page 8, fourth paragraph, to include her specific comments regarding correlation verses causation *(Ref. BOR-9a on file in the Board Office).*

Regent Stephens moved approval of the September 5-6, 2013, minutes with amendment. Regent Knecht seconded. Motion carried.

9. Action Taken - Consent Items *(Agenda Item #9)* - *(Cont'd.)*

9f. Action Taken - Naming of UNR Graduate and Family Student Housing, UNR *(Agenda Item #9f)* – The Board rejected a request to name the new Graduate and Family Student Housing project "Aspire at the University of Nevada, Reno." *(Ref. BOR-9f on file in the Board Office).*

The Board discussed the process by which the proposed name was recommended by the UNR Graduate Student Association (GSA). The Board rejected the proposal and requested the UNR GSA to reconsider names more in keeping with UNR's traditional style of naming its buildings to reflect the flora and fauna of Nevada.

Regent Knecht moved to not accept the proposed name and to return the proposal to the UNR Graduate Student Association for reconsideration. Regent Leavitt seconded. Motion carried. Regent Stephens voted no.

9i. Approved - Reassignment of Lease Agreement to Chesapeak Media I, GBC *(Agenda Item #9i)* – The Board approved the assignment of the current lease of land on the GBC Elko campus between the Board, Sunbelt Broadcasting and Ruby Mountain Broadcasting to Chesapeak Media I and the delegation of authority to the Chancellor to finalize wording of the assignment *(Ref. BOR-9i on file in the Board Office).*

Regent Knecht asked if any conflicts of interest had been raised or if there needs to be disclosure. Vice Chancellor for Legal Affairs Brooke Nielsen responded System Counsel Nicholas Vaskov had worked with the legal representatives from both parties and there were no conflicts or disclosures to be made. She also noted there were no changes to the substantive terms of the lease.

Regent Knecht moved approval of the assignment of the current lease of land on the GBC Elko campus between the Board of Regents and Sunbelt Broadcasting and Ruby Mountain Broadcasting to Chesapeak Media I and to delegate authority to the Chancellor to finalize wording of the assignment. Regent Blakely seconded. Motion carried.

10. Information Only - Transition in K-12 to Nevada Academic Content Standards *(Agenda Item #10)* – The Board heard a report from Mr. Dale Erquiaga, Nevada Superintendent of Public Education on the current status of the transition to the Nevada Academic Content Standards (NV ACS) for English Language Arts (ELA) and Mathematics, which are based on the Common Core State Standards (CCSS) adopted by the State Board of Education in 2010.

10. Information Only - Transition in K-12 to Nevada Academic Content Standards *(Agenda Item #10)* – *(Cont'd.)*

    Regent Geddes said CCSS will help Nevada students to better prepare for higher education and to enter into Nevada's higher education institutions. He said veteran organizations are in support of CCSS because of the challenges the children of military personnel have in moving from state to state.

    Regent Knecht asked if CCSS also apply to private schools. Mr. Erquiaga responded private schools may choose to apply CCSS but are not required to do so.

    Regent Knecht hoped critical thinking skills were incorporated into CCSS and not just politically correct indoctrination. He asked Mr. Erquiaga if there was a plan to report what tangible or measurable gains had been achieved by the adoption of CCSS in the next five to ten years. Mr. Erquiaga responded the standards are a list of things children should understand and know how to do. Curriculum and textbook selection has been left to the local school district, and from the state's perspective, critical thinking skills are important. Mr. Erquiaga said the new 11th grade assessment testing will provide a better picture of whether the CCSS is working and any resulting gaps. Nevada needs to do a better job of comparing its remediation data from various education levels. He agreed it was incumbent upon the Department of Education to work with the university system to continue working on the Complete College America goals and benchmarks.

11. Information Only - Quality and Transition in Teacher Preparation Programs *(Agenda Item #11)* – The Board heard a report from Dr. Kim K. Metcalf, Dean of the College of Education, UNLV; Dr. Ken Coll, Dean of the College of Education, UNR; Dr. James Garofalo, Interim Dean of Education, NSC; and Thomas Reagan, Chair of the Department of Education, GBC on how their respective colleges and departments are ensuring program quality and preparing teachers to teach under the revised Nevada Academic Content Standards (NV ACS) *(Ref. BOR-11a and Ref. BOR-11b on file in the Board Office).*

    The Board discussed ways the institutions are keeping student teachers engaged through mentoring and monitoring programs, interaction between the campuses and Nevada's K-12 school districts, the dispositional ability of teachers to be able to work with families of social and economically diverse backgrounds, changes in curriculum in light of CCSS, evaluation points for pre-teachers before they begin working with students and content knowledge and making sure students are essentially double majors in receiving an education and a subject-emphasis degree.

The meeting recessed at 12:16 p.m. and reconvened at 12:30 p.m. on Thursday, December 5, 2103, with all members present except for Regent Schofield.

12. Action Taken - Appointment, Acting or Interim President, WNC *(Agenda Item #14)* – The Board approved the recommendation of Chancellor Klaich to appoint Mr. Chester "Chet" O. Burton as Acting President for Western Nevada College for the contract period of December 1, 2013, through November 30, 2014, or until a permanent president is confirmed by the Board; to defer appointment of a search committee until a later date when the matter would be reconsidered in light of the reports on the campus formula implementation and Regent ad hoc Institutional Service Areas committee; and the suspension of the current provision excluding an acting president from consideration for the permanent position. The terms and conditions of the appointment were considered. *(Handbook, Title 2, Chapter 1, Section 1.5.4 and Procedures and Guidelines Manual Chapter 2, Section 1) (Ref. BOR-14, the Chancellor's recommendation memo, the contract and summary of terms are on file in the Board Office).*

    Regent Knecht asked if it was possible a search would not be conducted. Chancellor Klaich said he could not envision a situation in which a search did not occur but he also felt an immediate search would not be successful due to the current uncertainties.

    Regent Knecht asked if Chairman Page concurred with the Chancellor's recommendation. Chairman Page concurred.

    Regent Knecht moved approval of the recommendation of Chancellor Klaich to appoint Mr. Chester "Chet" O. Burton as Acting President for Western Nevada College for the contract period of December 1, 2013, through November 30, 2014, or until a permanent president is confirmed by the Board; to defer appointment of a search committee until a later date when the matter would be reconsidered in light of the reports of the campus formula implementation and Regent ad hoc Institutional Service Areas committee; and the suspension of the current provision that an acting president may not be considered for the permanent position. Regent Geddes seconded.

    Regent Crear asked if a current staff person appointed as acting president is later removed from the position with cause will that person be automatically reassigned back to their previous position. Vice Chancellor Nielsen responded the exact terms proposed in the contract has been offered to other vice presidents appointed to the position of acting or interim president. If a person other than the acting president is appointed to the permanent position then the acting president is simply reassigned to his or her former position. However, reassignment is at the discretion of the Board at any time for any reason.

    Regent Crear asked if the Board had the ability to terminate any employee. Vice Chancellor Nielsen responded that was correct.

12. Action Taken - Appointment, Acting or Interim President, WNC *(Agenda Item #14)* – *(Cont'd.)*

Chancellor Klaich said during this transition process it has become apparent contracts for the position of president need to be reviewed with some potential language changes to be brought to the Board at a later time.

Regent Geddes thanked former Board Chair James Dean Leavitt for developing a tool by which the Board could include the campuses in the acting or interim president appointment process.

Regent Knecht asked Chancellor Klaich to monitor the situation to determine if it would be appropriate to present a recommendation for the search process at the January 24, 2014, special meeting. Chancellor Klaich and Chairman Page agreed.

Motion carried. Regent Schofield was absent.

4. Information Only - Public Comment *(Agenda Item #4)* – *(Cont'd.)*

Michael Gordon, GPSA Student Body President, UNLV; Dr. Mary Riddel, Professor at UNLV; Mr. Tom Skancke, Las Vegas Global Economic Alliance; Mr. Glenn Christensen, Chairman, Las Vegas Global Economic Alliance; Mr. Paul Werth, UNLV Faculty Senate Chair *(Resolution from UNLV Faculty Senate on file in the Board Office)*; Dr. Keith Brill; Clark County Medical Society; Mr. Brendan Bussmann, Vice President, Sunrise Hospital; Mr. Douglas Geinzer, Las Vegas Heals; Mr. Brian McAnallen, Leas Vegas Metro Chamber; Mr. Steve Sisolak, Chair, Board of Clark County Commissioners; and Ms. Chris Giunchigliani, Board of Clark County Commissioners addressed the Board to express support for the University of Nevada School of Medicine activities in Las Vegas and regarding the issues needing consideration as planning moves forward.

13. Action Taken - Discussion of Public Medical Education in Nevada *(Agenda Item #12)* –

A. Information Only - Expansion of Public Medical Education in Nevada *(Agenda Item #12a)* – Health Sciences System Committee Chairman James Dean Leavitt lead a discussion regarding the potential need for the expansion of public medical education in northern, southern and rural Nevada, and related operational and policy considerations.

Committee Chairman Leavitt thanked Clark County Commissioners Sisolak and Giunchigliani for their support.

He asked Commissioners Sisolak and Giunchigliani to address the MOU between the UNSOM and Clark County in which county land may potentially be available to the school. Commissioner Sisolak responded Clark County is committed to helping in any way possible as soon as possible. However, the relationship had to be a two-way street. Clark County wanted assurance brick and mortar buildings will be available to deliver medical services to the citizens of Clark County.

13. Action Taken - Discussion of Public Medical Education in Nevada *(Agenda Item #12)* –

A. Information Only - Expansion of Public Medical Education in Nevada *(Agenda Item #12a)* – *(Cont'd.)*

Commissioner Giunchigliani said there were a variety of properties available for consideration within the business development corridor or there may also be ways to capitalize on moving forward on the stadium project through a business improvement district. However, Clark County needs to see a commitment that there are actual dollars designated for the citizens of Clark County.

B. Action Taken - Approval of Medical School MOU Among UNR, UNLV, UNSOM and NSHE *(Agenda Item #12b)* – The Board approved the November 6, 2013, Memorandum of Understanding (MOU) among the University of Nevada, Reno, University of Nevada, Las Vegas, University of Nevada School of Medicine and the Nevada System of Higher Education containing the vision statement for medical education in Nevada. The MOU provides for development of detailed plans for a full-scale four-year allopathic medical school campus in Las Vegas, accompanied by continued development of a comparable full-scale four-year campus in Reno, under the continued accreditation of UNSOM, ultimately leading to two independent, separately-accredited, financially sustainable medical schools affiliated with UNLV and UNR, respectively *(Ref. BOR-12b on file in the Board Office).*

President Johnson strongly supported the MOU which he felt endorsed four points: 1) The overall context of the MOU relies upon the balance of undergraduate and graduate medical education. The System must attend to graduate medical attention immediately in order to improve the number of doctors in the state; 2) The MOU contains directions for the two universities and the medical school to work together on an evolutionary path to create a second medical school in the southern part of the state and to eventually have separate schools; 3) The pace with which this initiative is moved is wholly determined by the availability of funds to invest in both graduate and undergraduate medical education. Until the state identifies the funding, it will not be possible to jump immediately into a second medical school while maintaining the quality of the first; and 4) The System is fortunate to have the expertise and dedication of Dean Schwenk as the Dean of the School of Medicine.

President Smatresk said the MOU is a tribute to several key components including the capability to collaborate. He felt both UNR and UNLV were determined to make the state understand its research universities are resources. Investment in those resources would improve outcomes for Nevada's citizens. He said the proposed MOU was critical to start the process and encouraged the Board's endorsement.

Dean Schwenk felt the discussion had potential to be transformative in the quality of life and medical education in the state of Nevada. He said the MOU is not a

13. Action Taken - Discussion of Public Medical Education in Nevada *(Agenda Item #12)* – *(Cont'd.)*

B. Action Taken - Approval of Medical School MOU Among UNR, UNLV, UNSOM and NSHE *(Agenda Item #12b)* – *(Cont'd)*

plan but an agreement to plan. The MOU sets forth a broad approach to accomplish the two fundamental purposes of filling the pipeline of undergraduate medical students and of graduate medical education (GME) for residents and fellows in Nevada. The MOU specifies a revolutionary approach to connect the two separate processes in three phases: 1) early campus development in southern Nevada, particularly with GME and residency program development; 2) full campus development in northern and southern Nevada, including facilities and basic science in the south; clinical teaching capacity in the north; and clinical research development in both the north and south; and 3) separation of the schools at a time yet to be determined. Dean Schwenk emphasized six important factors driving the process, including alignment and unity, inclusivity, use of current System expertise within the process, quality, trust and understanding of implications of what is being initiated. The project has the capacity to transform economic development in Nevada. He felt there had been a tremendous amount of effort and good will put forth to this point. A vision, a dream and a direction had been set out and failure would not simply mean a return to the starting line but would devastate and destroy the System and impair the state.

Regent Geddes emphasized the following statement contained in the MOU, *"The undersigned wish to make clear to the Board of Regents, the state Legislature and the Governor that both of these developmental phases will require substantial incremental funding over and above the current allocation to UNSOM."* He recalled about a decade past the state charged the System to double the number of nursing students without additional funding. The NSHE took funding from other programs in order to accomplish the task. The substantial amount of funding needed to accomplish the Medical School MOU should not come out of the existing institutions. He called for the citizens of Nevada, the business community and all those testifying in support of public medical education in southern Nevada to be champions for incremental funding from the state.

Regent Wixom said the MOU was a very positive development. However, he requested an analysis of the upfront and start-up costs as well as the ongoing operating costs; a cost analysis of existing and planned practice plans; and a cost, nature and location analysis of existing and planned residency programs. He said stakeholder involvement and incremental funding would be critical for the project to succeed.

Regent Stephens said she was in support of the MOU with the understanding it is an executive summary to begin the process with more information to be forthcoming including follow-up and timelines. In addition, she thanked the Clark County Commissioners for putting resources on the table. She said the speed of the project has everything to do with the ability to raise funds. She was

13. Action Taken - Discussion of Public Medical Education in Nevada *(Agenda Item #12)* – *(Cont'd.)*

    B. Action Taken - Approval of Medical School MOU Among UNR, UNLV, UNSOM and NSHE *(Agenda Item #12b)* – *(Cont'd)*

    in favor of bringing a medical school to southern Nevada but would not support duplication of administrative services or compromise existing accreditation.

    Regent Crear said there needs to be a clear understanding the project will establish a medical school at UNLV or the project would not be fully supported by the citizens of southern Nevada. He felt a clear master plan, autonomous of UNR, would help garner a tremendous amount of financial resources.

    Regent Blakely commended President Johnson and President Smatresk for the improved level of cooperation between the two universities. He agreed one of the most important aspects of the MOU is the planning and development of residency programs throughout the entire state.

    Vice Chairman Trachok commended all those involved, particularly President Johnson, President Smatresk and Dean Schwenk for their perseverance and accomplishment. He said the MOU is a conceptual drawing for the planning process but poor planning could lead to the disastrous outcome of only educating medical school graduates for export. He believed the initiative was critically important for the entire state of Nevada. However, the state does not need two underfunded medical schools. He encouraged everyone who testified under Public Comment to assist in making sure incremental funding is received.

    Regent Melcher said it is critical for all members of the Board to support the Legislature and the Governor in finding revenues to support the project. The success of medical education in Nevada, rural, north and south, could be a model for cooperation that unites the state in positive ways.

    Regent Doubrava said he would support the MOU because it leads to a UNLV school of medicine and it protects and promotes the University of Nevada Medical School at UNR. He agreed it was important to request additional incremental funding and not cannibalize other programs to fund future medical school activities.

    Regent Stephens moved approval of the Memorandum of Understanding (MOU) among the University of Nevada, Reno, University of Nevada, Las Vegas, University of Nevada School of Medicine and the Nevada System of Higher Education containing the vision statement for medical education in Nevada. Regent Knecht seconded.

13. Action Taken - Discussion of Public Medical Education in Nevada *(Agenda Item #12)* – *(Cont'd.)*

B. Action Taken - Approval of Medical School MOU Among UNR, UNLV, UNSOM and NSHE *(Agenda Item #12b)* – *(Cont'd)*

Regent Knecht said there was roughly one medical school for every two million citizens in the United States. Although he felt it was time for Clark County to have its own UNLV medical school it was also important to maintain the good health and productivity of the UNSOM at UNR. Nevada was a state with two population centers in need of two medical schools. Additional incremental funding will allow for undergraduate and residency programs at both ends of the state. He felt an evolutionary program had been presented for the most effective way to grow a medical school at UNLV.

Upon a roll call vote, Regents Crear, Doubrava, Geddes, Knecht, Leavitt, Melcher, Page, Stephens, Trachok, Wixom, Anderson and Blakely voted yes. Motion carried. Regent Schofield was absent.

As Chair of the Health Sciences System Committee, Regent Leavitt charged UNR, UNLV and UNSOM to form campus-specific committees with broad stakeholder support on facilities, staffing, timeframes, a liaison committee for medical education (LCME) accreditation, private and state funding and operating and capital requirements for each phase of campus development. The committees will also focus on GME and the partnerships necessary with teaching hospitals and community physicians as well as increasing the number and quality of residencies and fellowship training. The parties will create full clinical and basic science teaching and research capacity in Reno and will design, finance and build a major facility to create full clinical and basic science teaching and full research capacity in Las Vegas.

Regent Stephens supported the charge but requested a timeline be established for implementation of the listed committees. Regent Leavitt responded his intention was for the committees to be formed prior the end of the year with an initial report presented to the Health Sciences System Committee at the March 2014 meeting.

Regent Crear said he was concerned one committee's mission may supersede the other. Dean Schwenk responded he would do his best to establish the committees before the holidays. The work of the committees would be layered to some extent. He anticipated a considerable amount of the first layer would be available for reporting by March. The committees could not operate sequentially but would need to operate in a parallel, highly integrated and interactive format.

Regent Crear asked who will chair and participate in the committees. Regent Leavitt responded there would be cross representation from each campus on each committee.

13. Action Taken - Discussion of Public Medical Education in Nevada *(Agenda Item #12)* – *(Cont'd.)*

    B. Action Taken - Approval of Medical School MOU among UNR, UNLV, UNSOM and NSHE *(Agenda Item #12b)* – *(Cont'd)*

    Dean Schwenk clarified he will be the convener of the committees and not necessarily the chair. The first order of business should be to establish clear directions for each committee.

    Regent Geddes said the Board should not be involved in committee structure or timelines. The Board has approved the MOU and has provided direction to develop committees and a plan. He felt an update at each quarterly meeting would be appropriate.

    Regent Doubrava suggested a project of this magnitude be brought back to the full Board. Secondly, he asked if each university was free to have its own consultant. Regent Leavitt said it would be imperative for experts to be present on each committee.

    President Smatresk anticipated there will be a planning dean to serve as point person for which several names were currently under consideration. However, with his pending departure from UNLV, the point person should be Provost and Executive Vice President John V. White. President Smatresk said it will be important for each of the committees to provide internal planning teams as well as community-based support.

    Regent Crear said it was important for each committee to include a diversified member body as they are representing a diversified population. Regent Leavitt said he supported diversification within the committees.

Regent Crear requested a moment of silence in honor of the passing of civil rights leader and former President of South Africa, Nelson Mandela.

    C. Action Taken - *Handbook* Revision Regarding NSHE Professional Degree Programs *(Title 4, Chapter 14, Section 7(6)) (Agenda Item #12c)* – The Board approved a policy revision to *Handbook* Title 4, Chapter 14, Section 7(6) regarding the limitation of professional degree programs within NSHE to a single School of Medicine until 2025 *(Ref. BOR-12c on file in the Board Office).*

    Regent Melcher moved approval to revise *Handbook* Title 4, Chapter 14, Section 7(6) to eliminate the limitation of professional degree programs within NSHE to a single School of Medicine until 2025. Regent Knecht seconded.

13. Action Taken - Discussion of Public Medical Education in Nevada *(Agenda Item #12)* – *(Cont'd.)*

C. Action Taken - *Handbook* Revision Regarding NSHE Professional Degree Programs *(Title 4, Chapter 14, Section 7(6)) (Agenda Item #12c)* – *(Cont'd.)*

Upon a roll call vote, Regents Doubrava, Geddes, Knecht, Leavitt, Melcher, Page, Stephens, Trachok, Wixom, Anderson, Blakely and Crear voted yes. Motion carried. Regent Schofield was absent.

D. Information Only - Review of *Economic Impact of Medical Education Expansion in Nevada* Study *(Agenda Item #12d)* - Health Sciences System Committee Chairman James Dean Leavitt led a discussion reviewing the Tripp Umbach study *Economic Impact of Medical Education Expansion in Nevada* commissioned by the UNLV Lincy Institute *(Ref. BOR-12d on file in the Board Office).*

Mr. Paul Umbach, Senior Principal of Tripp Umbach, provided a summary of the report's key points *(full report on file in the Board Office).*

Regent Wixom referred to page 5 of the report and quoted *"to ensure the graduates from both the newly established medical school and the existing program at UNSOM-UNR remain in the state to practice medicine, a minimum of 240 new residency positions will also be required."* He asked what the basis was for 240 new residency programs and how those programs could be phased in and funded. Mr. Umbach responded what was being considered was a ratio of 240 new residencies allowing 80 percent of the graduates from the new and existing schools to have an opportunity in Nevada. It is anticipated to take eight years to get those 240 new residencies up and running. The funding program will include a three-prong approach involving hospitals and clinics, community funding for privately matched dollars and public funding including federal, state, county and municipalities.

Regent Crear asked Mr. Umbach if the Board was on the right track. Mr. Umbach responded the System's strengths were in leveraging its existing resources well and in recognizing the need for a second medical school. However, the business plans need to address how those two strengths work together to bring in more federal dollars and increase economic development opportunities from the outside. He cautioned against establishing two parallel activities without a coordinating council to report back to the public, the Regents, the Legislature and the Governor.

Vice Chairman Trachok felt Mr. Umbach was saying there needed to be a driver of the bus with a steering committee answerable to the Board. Regent Leavitt responded the first driver of the bus is Dean Schwenk.

13. Action Taken - Discussion of Public Medical Education in Nevada *(Agenda Item #12)* – *(Cont'd.)*

    D. Information Only - Review of *Economic Impact of Medical Education Expansion in Nevada* Study *(Agenda Item #12d)* – *(Cont'd)*

    Regent Crear asked how the two interests could be kept separate with Dean Schwenk overseeing both as Dean of the Medical School and the Vice President of Health Sciences at UNR.

    Regent Doubrava said there was an inherent problem with the Dean of the Medical School also being the Vice President of Health Sciences for UNR. Although he appreciated Dean Schwenk's skill he was not sure trust could be developed. He asked if the Board should enlist the help of an outside consultant.

    Regent Melcher said he interpreted the committee structure as having one joint committee with representation from both institutions with subcommittees formed at each institution. Mr. Umbach said it was important not to have one committee or group subservient to the other. Medical education differs from higher education in that medical education needs health care partners from the hospitals to participate in the education process. There currently were not enough of those health care partners to create the capacity needed. It will also be important to have the community involved. He liked the idea of having a smaller coordinating council with separate working committees.

    Chancellor Klaich assured the Board he will be on every committee to make sure the desires of the Board are carried out.

    Regent Stephens requested clarification regarding the direction to the two separate committees; they are for the sole purpose of working on the pre-planning goals as prescribed and not the overall project. Regent Leavitt said the suggestions he received from the Board would be incorporated into the process with further information presented at the quarterly Board meetings.

Regent Schofield entered the meeting.

Agenda item #32 *(Student Financial Aid, CSN)* and agenda item #14 *(Audit Committee)*, specifically for consideration of Audit Committee agenda item #4 *(OMB Circular A-133 Audit and Financial Statements),* were taken simultaneously.

14. Action Taken – Audit Committee *(Agenda Item #19)*

15. Action Taken – Student Financial Aid, CSN *(Agenda Item #32)*

    The Board ratified and adopted the findings, conclusions and recommended actions of the Audit Committee as presented *(Full report on the Audit Committee findings as well as a Power Point presentation on file in the Board Office).*

14. Action Taken – Audit Committee *(Agenda Item #19)*

15. Action Taken – Student Financial Aid, CSN *(Agenda Item #32)*

Regent Knecht presented a report of the Audit Committee's findings, conclusions and recommended actions in relation to Audit Committee agenda item #4 *(OMB Circular A-133 Audit and Financial Statements)* as follows: *(full report on file in the Board Office)*

Outside auditor, Grant Thornton, LLP (GT) reported 18 separate Federal Award Findings and Questioned Costs (Findings 2013-001 through 2013-018), variously involving the College of Southern Nevada (CSN); Truckee Meadows Community College (TMCC); the University of Nevada, Las Vegas (UNLV); the University of Nevada, Reno (UNR), and the Desert Research Institute (DRI).

1) Inadequate/Insufficient Responses by NSHE Institutions: In response to any future federal audit findings, the Audit Committee directed the institutions to provide responses indicating not just how compliance was achieved, but at least the following with reasonable specificity:
   - What will be done to avoid the identified problems and issues in the future;
   - How compliance and future good management and practice will be measured, monitored and assured;
   - Who will be responsible and may be held accountable in the future if repeat or similar problems arise;
   - When the measures will be taken and on what schedule compliance and good practice will be secured; and
   - How compliance and performance will be documented for future audit, management and performance review.

2) Repeat Findings: Except with an extraordinary and satisfactory explanation, the Audit Committee concluded repeat findings were unacceptable. All NSHE institutions are hereby notified the Audit Committee expects future findings to be promptly and fully remedied and addressed as discussed above, and not to lead to repeat findings. In the event of future repeat findings, the Committee will recommend appropriate action to the full Board of Regents.

3) Significant Deficiencies: The Audit Committee expects all NSHE institutions to promptly remedy significant deficiencies and to avoid others in the future. The Audit Committee directed CSN, TMCC, UNLV, UNR and DRI to report their progress and compliance with Committee directives in this regard at the next meeting of the Committee.

4) Material Weaknesses: The Audit Committee expects all NSHE institutions to promptly remedy material weaknesses and to avoid others in the future. The Committee finds material weaknesses are unacceptable shortcomings. The Committee directed CSN, TMCC, UNLV and UNR to report their progress and compliance with Committee directives in this regard at the next meeting of the Committee.

14. Action Taken – Audit Committee *(Agenda Item #19)*

15. Action Taken – Student Financial Aid, CSN *(Agenda Item #32)*

    5) Instances of Noncompliance Required to Be Reported in Accordance with OMB Circular A-133: The Committee expects all NSHE institutions to promptly remedy noncompliance and to avoid other non-compliances in the future. The Committee directs both institutions CSN and UNLV to report their progress and satisfaction of Committee directives in this regard at the next meeting of the Committee, as well as any response from federal agencies in this regard.

    6) Findings and Questioned Costs Leading to a Qualified Opinion on the Student Financial Aid Cluster: The Committee fully intends to secure compliance by all NSHE institutions, units and activities with all federal requirements promptly and to demonstrate the good stewardship and citizenship of all of NSHE in all regards, and it will recommend to the Board of Regents all necessary and appropriate actions to that end. The Committee expects all NSHE institutions to promptly remedy the bases for a qualified opinion to avoid others in the future. The Committee finds material weaknesses leading to a qualified opinion are unacceptable shortcomings. The Committee directs CSN, TMCC, UNLV and UNR to report their progress and compliance with Committee directives in this regard at the next meeting of the Committee.

    7) Specific Problems Involving CSN: CSN has recognized the failure and commissioned two outside parties to help restore its student financial aid system to functionality and to diagnose the problems and find remedies. Investigations on this matter are still ongoing, and remedies will have to be as broad, deep, systemic and thorough as the problems. The Committee finds CSN's performance in this area completely unacceptable, and it continues actively to consider what further measures are needed, while the matter is also agendized for possible action at the next meeting of the full Board of Regents. The Committee expects CSN urgently and diligently to continue all measures to further diagnose and completely remedy these shortcomings and it directs CSN to report in full on its actions before and at the next Committee meeting. Further, the Committee expects CSN to propose additional remedies and options as they may appear.

    8) Acceptance of the Grant Thornton Single Audit Report for the Year Ended June 30, 2013: The Audit Committee accepts the Grant Thornton Single Audit Report for the Year Ended June 30, 2013, which addresses financial statements and matters required by government auditing standards, as well as compliance required by OMB Circular A-133. The audit opinion was modified (qualified) only to the extent noted in the report.

Regent Stephens offered an anecdotal example of an unsatisfactory personal experience she had with the CSN Financial Aid Office while acting on behalf of a CSN student. She was concerned if an institution will treat a Regent who has identified themselves in an unsatisfactory way how then does it treat students on a daily basis.

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15. Action Taken – Student Financial Aid, CSN *(Agenda Item #32)*

President Richards said sometimes it is necessary to go beyond an audit to understand a certain situation. CSN engaged ProEd Solutions as a third party to conduct a comprehensive verification in response to the Department of Education's (DOE) request for a student record verification. The verification was voluntarily expanded to academic years 2012-13 and 2013-14 based on early findings. A request for proposal (RFP) was then issued for a review of all financial aid operations and staffing at CSN. Evans Consulting group was selected and a preliminary report was presented to the institution, the Chair of the Audit Committee, the Chairman of the Board and the Chancellor on November 22, 2013. Vice Chancellor of Administration and Operations Renee Yackira was also assigned to monitor the process.

In August 2013 the first phase of a remediation package was implemented with CSN's Financial Aid Office reassigned back to the Finance and Administration Department. At the end of September 2013, CSN engaged Victoria "Vikki" Goeke from Evans Consulting as Assistant Director of Financial Aid. Student workers were moved off of the front line, several policy issues were corrected, financial aid awareness was expanded to the entire institution, selected staffing changes were made and a communication process was implemented to keep the members of the Board informed.

Evans Consulting's preliminary report covered three basic themes including personnel, policy and procedure and technology. Their recommendations included revision to the organization's structure, review of employee job functions as well as accountability and engagement in more professional development and training. With regard to policy and procedure, Evans Consulting suggested putting national best practices in place. Financial Aid services continues to be monitored by CSN's Finance and Administration department and the President's Office with performance of monitoring efforts verified by a third party. In regard to technology, the functionality of PeopleSoft is being assessed including usage, capacity and capability.

The full Evans Consulting report will be available by the end of December 2013 and may lead to further actions. Pending receipt of the full report, CSN plans to move forward in areas including personnel changes and assessments, workflow analysis, development of a systematic training program and quality assurance strategy and continued monitoring. A communications plan involving a faculty and student advisory council is being created with concentration on customer service. Town Hall meetings are being planned for the spring semester and communication will continue with the Board of Regents and System Administration.

As of Monday, December 2, 2013, CSN received communication from the DOE on next steps. ProEd Solutions will also be engaged to conduct the 2014-15 verification process.

Regent Knecht said it was one thing for an audit to say the institution failed on certain matters but quite another thing to make certain the institution has enough information to facilitate corrections and to satisfy federal requirements and good practices. Secondly,

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until the final report by Evans Consulting is available it cannot be answered what further measures are related to underperformance in student financial aid, particularly at CSN. He asked Vice Chancellor Yackira how auditors should be instructed to conduct Single Audits and what further results and progress could be expected from the ongoing investigation.

Vice Chancellor Yackira said she has been working with CSN as well as Evans Consulting to verify the information reflected in the 2011-12 A-133 Single Audit. That particular audit reflected an error in five records out of the 59 or 68 samples tested (*7.5 percent error rate)*. The request for a full file review by the DOE was received in March 2013 and was somewhat surprising since a ten percent error rate is typically what triggers a further file review. The verification conducted by ProEd Solutions reflected a 44 percent error rate. The question then became what caused the difference in error rates. It was discovered Grant Thornton conducts "attribute testing" rather than statistical sampling when performing A-133 audits. In attribute testing when the auditor sees a certain number of recurring errors they stop the review and recommend further action based on their judgment. If the auditor had continued testing the entire sample of records a higher error rate would have been found. One of the challenges is CSN knew there were errors but did not know the level of the errors and no one was auditing responses to ensure the errors were not part of a larger issue. Discussions were ongoing to determine if there should be an additional testing level in the audit process to determine red-flag thresholds.

Regent Knecht asked the Board to allow the Audit Committee and outside auditors to continue to work through the situation and provide a report back to the full Board. Secondly, pending receipt of the final report by Evans Consulting, he asked the Board, members of the Audit Committee, System staff and CSN staff to work with the consultants to bring further recommendations to the full Board at its next meeting.

Regent Knecht moved approval for the Board to ratify and adopt the findings, conclusions and actions of the Audit Committee. Regent Stephens seconded.

Vice Chairman Trachok asked President Richards if there was a problem within the CSN leadership team. President Richards responded some of the personnel in Student Affairs were not in a position to follow the situation appropriately. Since Financial Aid has been reassigned to Finance and Administration there has been consistent daily attention to the problems.

Vice Chairman Trachok asked if there were issues within President Richards' leadership team which allowed the situation to go on for so long. President Richards responded no, as soon as the executive leadership became aware of the problem they moved quickly and made changes to quickly achieve remediation.

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    Vice Chairman Trachok did not expect an answer at this time but asked President Richards to reflect on the previous question in light of the magnitude of the situation.

    Regent Stephens said she would have anticipated President Richards answer to be in the affirmative. Accountability has been hammered home within the Audit Committee. However, clearly there was a problem within CSN's leadership even if it had since been rectified. She would have liked to have seen some accountability and hear President Richards say there was a problem rather than openly denying a problem existed. President Richards responded appropriate personnel changes have been made to provide the particular oversight needed. He also felt appropriate changes had been made at the senior level to move the institution forward.

    Motion carried.

The meeting recessed at 3:54 p.m. and reconvened at 9:00 a.m. on Friday, December 6, 2013, with all members present.

The Board's regular meeting recessed at 9:00 a.m. and immediately reconvened at 9:00 a.m. on Friday, December 6, 2013, sitting as Members of the Corporation for the respective institution foundations with all members present *(separate minutes for meetings of the Members of the Corporation of the respective institution foundations maintained by the Board Office)*.

The Board meeting reconvened at 10:43 a.m. on Friday, December 6, 2013, with all members present.

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

17. Approved - Employment Contract, Athletic Director, CSN *(Agenda Item #16)* – The Board of Regents approved an Employment Agreement with a revision to paragraph 6.02(b) for L. Dexter Irvin as CSN Athletic Director effective January 1, 2014, through June 30, 2015 *(Ref. BOR-16 on file in the Board Office).*

    President Richards read an amendment into the record for paragraph 6.02(b) *"Employee agrees for the term of this Agreement not to serve, directory or indirectly, as an employee or otherwise, as a director, personnel executive, advisor and/or consultant, for any collegiate athletic program or organization, nor shall he perform athletic-related services for any organization, league, conference, college, club or group, with or without compensation, without the prior written consent of the Employer during the term of the Agreement which consent can be withheld in the Employer's sole and absolute discretion."*

17. Approved - Employment Contract, Athletic Director, CSN *(Agenda Item #16)* – *(Cont'd.)*

Regent Blakely moved approval of an Employment Agreement with revision to paragraph 6.02(b) for L. Dexter Irvin as CSN Athletic Director effective January 1, 2014, through June 30, 2015. Regent Crear seconded.

Regent Crear asked why the term of the proposed contract was for only 18 months. President Richards responded multi-year contracts were new to CSN. An evaluation will be conducted at the end of the first term in consideration of a multi-year contract.

Motion carried. Regent Leavitt was absent.

18. Approved - Employment Contract, Athletic Director, UNLV *(Agenda Item #17)* – The Board approved a three year Employment Agreement for Christina (Tina) Kunzer-Murphy as UNLV Athletic Director effective January 1, 2014, through December 31, 2016, with an amendment to Section 5.08, new provision (c). Upon the Board's approval, the Employment Agreement supersedes the previous employment contract through December 31, 2014, which was approved by the Board during its October 18, 2013, special meeting *(Ref. BOR-17 on file in the Board Office).*

UNLV General Counsel Elda Sidu read an amendment into the record for section 5.08, new provision (c) *"Employee agrees for the term of this Agreement not to serve, directory or indirectly, as an employee or otherwise, as a director, personnel executive, advisor and/or consultant, for any collegiate athletic program or organization, nor shall she perform athletic-related services for any organization, league, conference, college, club or group, with or without compensation, without the prior written consent of the Employer during the term of the Agreement which consent can be withheld in the Employer's sole and absolute discretion."*

Regent Crear said he supports Ms. Kunzer-Murphy but was concerned regarding the proposed salary. He asked President Smatresk what the median salary was for an athletic director in the Mountain West Conference (MWC). President Smatresk responded the median salary of an MWC athletic director is between $250,000 and $280,000, not including incentives.

Regent Crear said the former UNLV athletic director received a salary of $350,000 with previous job experience. UNR's current athletic director receives a salary of $285,000 with no previous direct experience.

Regent Crear moved approval of a three year Employment Agreement for Christina (Tina) Kunzer-Murphy as UNLV Athletic Director effective January 1, 2014, through December 31, 2016, with amendment to Section 5.08, new provision (c) and an adjustment in salary from $240,000 to $285,000. Regent Stephens seconded.

18. Approved - Employment Contract, Athletic Director, UNLV *(Agenda Item #17)* – *(Cont'd.)*

Regent Melcher philosophically understood the reason for Regent Crear's motion. However, he did not think it was appropriate for the Regents to make such an arbitrary change to a negotiated contract.

Regent Stephens referred to a news article stating according to many women employed by UNLV the university has arguably lost rather than gained ground in hiring, retaining and promoting faculty and administrators from traditionally underrepresented groups and in achieving parity in pay when it comes to staff and faculty. She did not believe it went too far for the Board to say compensation should be appropriate and in line with similar positions around the System.

Vice Chairman Trachok said the presidents are not operating with unlimited funds. He asked President Smatresk to explain his rationale for the proposed salary. President Smatresk responded UNLV has conducted equity surveys on pay and pay disparities using recommended national methodologies and have not been able to find systemic evidence of equity problems in pay. However, having raised the issue, he felt he had to defend the university in regard to diversity issues. He said under his administration women and minorities have made greater progress than at any other time in the institution's history, particularly in the realm of leadership. Two years ago, of approximately 85 incoming faculty, 11 white males were hired. In other words, the incoming faculty were diverse in gender and race. He said UNLV Provost White has a solid plan in place to address the equity challenges UNLV is aware of.

President Smatresk said in all athletic budget discussions across the country there has been concern about what are termed "runaway salaries." The challenge is market force verses what is considered a reasonable force. The challenge becomes striking a balance between prudent fiscal management and fairness. There was never intent to deprive Ms. Kunzer-Murphy of equal pay for equal work. However, there is a more complicated discussion involved about the role of fiscal accountability and responsibility in a university setting where academics should come first and what is fair pay for someone who is doing a very good job. President Smatresk said one way the concern is being addressed for this particular contract is through programmed pay raises in accumulative increments of $10,000 to the base salary. Such a program will allow someone who is performing well to share in the program's revenue growth. A $25,000 bonus is also available for winning the Governor's Cup Series.

Regent Stephens said she did not feel any disparity was intentional. However, she said if UNLV thought everything was being handled fairly then its Provost would not need to implement the indicated programs. She felt the salary adjustment could be an opportunity to jump start those equity programs. President Smatresk said not a deep enough reserve of funds was available to start the equity programs all at once. He said the existing equity issues were in many cases not related to gender or race but rather to length of service and rank. Only a limited number of resources are available to address relatively large problems.

18. Approved - Employment Contract, Athletic Director, UNLV *(Agenda Item #17)* – *(Cont'd.)*

Regent Geddes preferred to approve the contract as proposed. He said the proposed contract had been negotiated between President Smatresk and Ms. Kunzer-Murphy. He recommended if the Board did not want to support the contract as proposed then it reject the contract and have it brought back to the next meeting.

Regent Knecht said one characteristic cannot be selected from which to determine if higher pay is merited when making comparisons and a full assessment of the comparability between UNR and UNLV would consume much time. Secondly, when discussing fairness, the proposed contract is an arms-length agreement between two parties. Ms. Kunzer-Murphy signed the agreement of her own free will which is in-itself the hallmark of fairness.

Regent Knecht asked Vice Chancellor Nielsen if the Board would be doing its fiduciary duty to the citizens of Nevada by unilaterally increasing the proposed salary by $45,000. Vice Chancellor Nielsen said the Board has the authority to approve, reject or modify agreements brought before it. If the Board wanted to change the compensation package she suggested it ask for appropriate information on the financial wherewithal of the institution to be able afford the increase. She agreed further due diligence would be needed.

Regent Melcher asked if the Board's proposed modification would void the original signature and require the contract to be brought back at another meeting. Vice Chancellor Nielsen responded Ms. Kunzer-Murphy would have to reaccept the contract.

Regent Crear agreed athletic salaries were out of line. However, he felt Ms. Kunzer-Murphy's position as UNLV's first female athletic director should be held as an example. Secondly, it is the Board's responsibility to make sure the contracts presented to it are equitable. It is important to understand the demographics involved and it is a fact UNLV has more programs, a larger budget and a larger student population than UNR. He said it was the Board's responsibility to ensure equity and parity in salaries.

Vice Chairman Trachok said he supported the recommended appointment of Ms. Kunzer-Murphy to the permanent position as Athletic Director. He did not feel the Board should micromanage the presidents in negotiating salaries when the funds are not available in the operating budget. He said he did not feel the Board could tell the community colleges to make due with $2.5 to $4.5 million less but then spend an additional $40,000 to $50,000 on what is already a highly paid athletic position.

Regent Melcher called for the question. Vice Chairman Trachok seconded. Motion carried.

Mr. Wasserman restated the motion on the table as being approval of a three-year Employment Agreement for Christina (Tina) Kunzer-Murphy as UNLV Athletic Director effective January 1, 2014, through December 31, 2016, with amendment to Section 5.08, new provision (c) and an adjustment in salary from $240,000 to $285,000.

18. Approved - Employment Contract, Athletic Director, UNLV *(Agenda Item #17)* – *(Cont'd.)*

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

Regent Geddes moved approval of the contract as presented, including with amendment to Section 5.08, new provision (c). Regent Melcher seconded.

Regent Stephens asked President Smatresk to confirm if UNLV has funds available for the suggested increase. President Smatresk responded although the former athletic director received a higher salary than the one proposed for Ms. Kunzer-Murphy the athletic department budget does not currently break even. It is hoped under Mr. Kunzer-Murphy's leadership the program will break even in the next two years. President Smatresk said one of the first things Ms. Kunzer-Murphy did was to significantly reorganize the Athletics Department which reduced the number of more highly compensated individuals as well as decreased the salaries for a significant number of other individuals.

Regent Knecht said the real issue for him was the Board of Regent's fiduciary duty to the broad public interest.

Mr. Michael Gordon, GPSA Student Body President, UNLV, said the GPSA fully supports the appointment of Ms. Kunzer-Murphy as UNLV Athletic Director.

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

19. Approved - *Procedures and Guidelines Manual* Revision, E.L. Wiegand Fitness Center Fee, UNR *(Agenda Item #31)* – The Board approved a policy revision to include a mandatory undergraduate fee of $15 per student per semester commencing fall 2014 to be used in the construction of the E.L. Wiegand Fitness Center. Pursuant to this proposal, the undergraduate fee will increase to $45 per student per semester when the Fitness Center opens to augment operating expenses and to allow for access to the E.L. Wiegand Fitness Center and the Lombardi Recreation Center *(Ref. BOR-31a and Ref. BOR-31b on file in the Board Office).* .

Regent Geddes moved approval of revision to the *Procedures and Guidelines Manual*, to include a mandatory undergraduate fee of $15 per student per semester commencing fall 2014 to be used in the construction of the E.L. Wiegand Fitness Center. Regent Stephens seconded.

19. Approved - *Procedures and Guidelines Manual* Revision, E.L. Wiegand Fitness Center Fee, UNR *(Agenda Item #31)* – *(Cont'd.)*

President Johnson said UNR anticipated bringing the financing plan to the Board for approval at the March 6-7, 2014, meeting.

Regent Knecht distributed a handout reflecting a higher increase in general fees than in the per capita income of Nevada families since approximately 2007 *(handout on file in the Board Office)*.

Regent Knecht said the graduate students voted against the facility fee while the undergraduate students voted to implement a general fee. He asked if the graduate students will be allowed access to the facility even though they voted against implementation of the fees. Dr. Shannon Ellis, Vice President of Academic Services, UNR responded the graduate students will be allowed access to the facility but at a higher user rate than the undergraduate students who will be assessed a mandatory general fee.

Regent Knecht asked UNR to address how the institution determined implementation of a general fee verses a user fee. Mr. Ziad Rashdan, ASUN Student Body President, UNR, responded a student survey was conducted and the results reflected students preferred automatic membership as opposed to a user-fee.

Regent Knecht said he would make an exception to his general rule not to add or increase fees because the students at UNR have shown support for the fee which will support a new service with substantial new elements of value for the students.

Vice Chairman Trachok asked if the project budget included funds for deferred maintenance. President Johnson responded deferred maintenance for new buildings is now budgeted out of UNR's total revenue.

Regent Schofield urged the Board to support the proposed fee.

Motion carried.

Meeting recessed at 12:04 p.m. and reconvened at 12:32 p.m. on Friday, December 6, 2013, with all members present except for Regent Crear.

20. Information Only - Mission Statement, NSC *(Agenda Item #13)* - NSC President Bart Patterson reviewed the college's mission statement and provided a video and PowerPoint presentation on how the college intends to accomplish the goals listed in its mission statement, 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-13 on file in the Board Office).*

14. Approved – Audit Committee *(Agenda Item #19)* – *(Cont'd.)*

Committee Vice Chair Allison Stephens reported the Audit Committee met on December 2, 2013, and heard the following:

The Committee discussed (1) the needs of the NSHE institutions to be timely and complete in their responses to audit matters; and (2) to be mindful of audit findings relating to timely and customer-service oriented responses to students and the public.

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

- Minutes – The Committee recommended approval of the minutes from the August 30, 2013, meeting *(Ref. A-2a on file in the Board Office).*
- Internal Audit Follow-up Reports – The Committee recommended acceptance of the following internal audit follow-up reports:
  - Business Center North Payroll, UNR *(Ref. A-2b on file in the Board Office).*
  - Differential Program & Special Course Fees, UNR *(Ref. A-2c on file in the Board Office).*
  - Hosting, UNR *(Ref. A-2d on file in the Board Office).*
  - Associated Students of the University of Nevada, Reno *(Ref. A-2e on file in the Board Office).*
  - Residency Determinations, UNLV *(Ref. A-2f on file in the Board Office).*
  - Sponsored Projects Administration, NSC *(Ref. A-2g on file in the Board Office).*
  - Special Course Fees, TMCC *(Ref. A-2h on file in the Board Office).*
  - PeopleSoft Security, TMCC *(Ref. A-2i on file in the Board Office).*
  - Special Course Fees, WNC *(Ref. A-2j on file in the Board Office).*
  - Hosting, WNC *(Ref. A-2k on file in the Board Office).*
- Communications with Those Charged with Governance, NSHE – The Committee recommended approval of a report on the Communications with Those Charged with Governance for the year ended June 30, 2013 *(Ref. A-3 on file in the Board Office).*
- OMB Circular A-133 Audit Report and Financial Statements, NSHE – The Committee recommended approval of the OMB Circular A-133 Audit Report and NSHE Financial Statements for the year ended June 30, 2013, with the findings, conclusions and actions of the Audit Committee as presented *(See agenda item #32 (Student Financial Aid, CSN) for actions approved by the full Board of Regents) (Ref. A-4 and full report on file in the Board Office).*
- Communications with Those Charged with Governance, UNSOM Integrated Clinical Services, Inc. – The Committee recommended approval of a report on the Communications with Those Charged with Governance for the year ended June 30, 2013 *(Ref. A-5 on file in the Board Office).*

14. Approved – Audit Committee *(Agenda Item #19)* – *(Cont'd.)*

- OMB Circular A-133 Audit Report and Financial Statements, UNSOM Integrated Clinical Services, Inc. – The Committee recommended approval of the OMB Circular A-133 Audit Report and UNSOM Combined Financial Statements and Report of Certified Public Accountants for the year ended June 30, 2013 *(Ref. A-6 on file in the Board Office).*
- Report on Internal Control Matters, UNSOM Integrated Clinical Services, Inc. – The Committee recommended approval of the UNSOM Report on Internal Control Matters for the year ended June 30, 2013 *(Ref. A-7 on file in the Board Office).*
- Internal Audit Reports – The Committee recommended approval of the following internal audit reports:
  - ✓ Special Course Fees, GBC *(Ref. A-8 on file in the Board Office).*
  - ✓ Libraries, UNR *(Ref. A-9 on file in the Board Office).*
  - ✓ Student Accounts – PeopleSoft, UNR *(Ref. A-10 on file in the Board Office).*
  - ✓ Facilities, DRI *(Ref. A-11 on file in the Board Office).*

Committee Chair Knecht moved acceptance of the report and approval of the Committee recommendations. Regent Blakely seconded. Motion carried. Regent Crear was absent.

21. Approved- Ad hoc Marketing, Publicity and Public Safety Committee *(Agenda Item #21)* – Committee Vice Chair Robert Blakely reported the ad hoc Marketing, Publicity and Public Safety Committee met on December 5, 2013, and heard the following:

The Committee heard marketing and publicity presentations from the College of Southern Nevada, Great Basin College, Truckee Meadows Community College and Western Nevada College. The colleges discussed their respective marketing strategies, tactics and budgets to promote their institutions.

The Committee then discussed the need to review the NSHE mission statement, which is stated in Title 4, Chapter 1, Section 1 of the Board of Regents' *Handbook*. The Committee would like to have Chancellor Klaich form a task force to review the current mission statement and make a recommendation on the need to revise the mission statement to the Marketing, Publicity and Public Safety Committee at the March 2014 meeting. The task force should include one representative from each institution. No Regent would serve on the task force.

College of Southern Nevada President Mike Richards presented an overview of the college's public safety and cyber security efforts. Due to a time constraint, presentations from Great Basin College, Truckee Meadows Community College and Western Nevada College have been postponed to the March 2014 Committee meeting.

21. Approved- Ad hoc Marketing, Publicity and Public Safety Committee *(Agenda Item #21)* – *(Cont'd.)*

The Committee has requested the following be addressed at future meetings:

- Report on the marketing budgets of other colleges and universities *(both public and private)* and the respective percentage the marketing budget is to the institution's overall budget.
- Discussion on a cohesive branding strategy for NSHE and its eight institutions with the possibility of each institution making a financial contribution to that marketing initiative.

Action items:
Board action was requested to approve the following recommendation of the Marketing, Publicity and Public Safety Committee:

- Minutes – The Committee recommended approval of the minutes from the September 5, 2013, meeting *(Ref. MPPS-2 on file in the Board Office).*

Committee Vice Chair Blakely moved acceptance of the report and approval of the committee recommendations. Regent Melcher seconded.

Chancellor Klaich said there were many significant projects going on within System Administration. He was not sure System staff could comply with the Committee's directives in time for the March meeting. Regent Blakely responded System staff could have until the June meeting if necessary.

Vice Chairman Trachok reminded Regents to be mindful of the number of tasks the Board places on System and institutional staff.

Motion carried. Regent Crear was absent.

22. Approved - Academic and Student Affairs Committee *(Agenda Item #22)* – Committee Vice Chair Jack Lund Schofield reported the Academic and Student Affairs Committee met on December 5, 2013, and heard the following:

UNR Provost Kevin Carman presented information on the UNR BioFIT program, a voluntary "academic boot camp" for incoming freshmen to give students a jump start for success. The inaugural BioFIT program was conducted in August just prior to the Fall 2013 semester. Through the BioFIT program, students are taught study habits and time management, and experience actual lectures and exams in targeted courses. The cost ranges from $500-$600, but scholarships are available for students who need assistance. This year, enrollment was limited to freshmen who plan to major in biology or neuroscience, but UNR plans to expand the program to additional majors. UNR has identified a control group to compare grades and retention rates for students who attend the program compared to those who do not. Provost Carman was asked to report back on the data and initial impact of the program to the Committee at its March meeting.

22. Approved - Academic and Student Affairs Committee *(Agenda Item #22) – (Cont'd.)*

Representatives from each institution presented strategies for recruiting, retaining and graduating adult learners and/or former students. Strategies to retain and support adult learners in completing their degrees include, but are not limited to, prior learning assessments; programs providing targeted support to veterans; flexible approaches to course offerings including evening and weekend classes and expanded on-line and hybrid course offerings; compressed programs to allow adult learners to complete in a shorter time-frame; and proactive advising. Institutions are also working on faculty development to understand the expectations and learning-styles of adult learners, and focusing workforce development opportunities, including skills certificates leading to state and federal licensure and collaboration with employers to identify educational opportunities and resources at the community colleges for their employees. The Chairman asked the Academic Affairs Council to work on and report back to the Committee on the following issues: (1) Strategies for identifying students who qualify for reverse transfer degrees or who need a small number of courses to complete a degree; (2) Any recommendations for policy changes to allow greater flexibility to better recruit, retain and graduate adult learners or former students; and (3) Options for better tracking alumni after leaving the institutions.

Allison Combs, Assistant Vice Chancellor for Academic Affairs and Director of Public Policy, presented the first, third and fifth year new academic program reviews and the report on the institutional review of existing academic programs, as mandated by Board policy (*Title 4, Chapter 14, Section 5*).

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

- The minutes of the September 5, 2013, meeting of the Academic and Student Affairs Committee *(Ref. ASA-2a on file in the Board Office).*
- The elimination of the Associate of Applied Science in CADD Technology at CSN. Students currently enrolled in the program will have the opportunity to graduate as the program is phased out over the next two years *(Ref. ASA-2b on file in the Board Office).*
- A program change in the Associate of Arts in Deaf Studies at WNC to an Associate of Applied Science in Deaf Study, as part of WNC's ongoing effort to consolidate program offerings. The curriculum will not change substantially *(Ref. ASA-2c on file in the Board Office).*
- A program change in the Bachelor of Science with a major in Metallurgical Engineering at UNR to a Bachelor of Science in Metallurgical Engineering. The change to a named degree follows models at other same or higher tier universities offering this program *(Ref. ASA-2d on file in the Board Office).*
- A new degree of an Associate of Science in Nursing at TMCC that responds to changing market demands for nursing students *(Ref. ASA-3 on file in the Board Office).*

22. Approved - Academic and Student Affairs Committee *(Agenda Item #22)* – *(Cont'd.)*

- An organizational unit change to move Nevada Industry Excellence (NVIE) from NSHE System Administration to Statewide Programs at UNR. NVIE will continue to have a statewide focus, and its advisory board will be expanded to include representatives from CSN and UNLV *(Ref. ASA-4 on file in the Board Office).*
- The establishment of the UNLV Nutrition Center, a community outreach project of the Department of Kinesiology and Nutrition Services *(Ref. ASA-5 on file in the Board Office).*
- The establishment of the UNR Cyber Security Center that brings together cross-disciplinary teams to address the growing need for expertise to respond to the challenges of cyber security *(Ref. ASA-6 on file in the Board Office).*

Committee Chair Geddes moved acceptance of the report and approval of the Committee recommendations. Regent Blakely seconded.

Chairman Page asked why NVIE was being moved to UNR. Chancellor Klaich responded returning NVIE to UNR where it previously resided ensures a more statewide presence for the program. System Administration does not have the capacity or the ability to move NVIE into economic development activities as UNR does.

Motion carried. Regent Crear was absent.

23. Approved - Workforce, Research and Economic Development Committee *(Agenda Item #23)* – Committee Vice Chair Jack Lund Schofield reported the Workforce, Research and Economic Development Committee met on December 5, 2013, and heard the following:

Mr. Steve Hill, Executive Director, Nevada Governor's Office of Economic Development (GOED), provided an update on the status of the application process and distribution of funds to date under the Nevada Knowledge Fund. The 2013 Nevada Legislature appropriated $5 million in each year of the biennium to GOED for the Nevada Knowledge Fund (See Assembly Bill 507, Chapter 446, *Statutes of Nevada 2013*), and following the close of the 2013 Legislative Session, GOED formed a six-member Knowledge Fund advisory committee to review grant proposals for those funds. Through the work of the advisory committee, the following four proposals have been recommended for approval: the Applied Innovation Center for Advanced Analytics at the Desert Research Institute; the Nevada Advanced Autonomous Systems Innovation Center at the University of Nevada, Reno (UNR); the Institute for Quantitative Health Sciences at the University of Nevada, Las Vegas (UNLV); and the International Gaming Institute Center for Gaming Innovation at UNLV. The three institutions will each receive approximately $3 million total for these approved projects.

The scheduled presentation on Research University Classifications from UNR and UNLV was postponed to the March meeting of the Committee.

23. Approved - Workforce, Research and Economic Development Committee *(Agenda Item #23)* – *(Cont'd.)*

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

- The Committee recommended approval of the minutes of the September 5, 2013, meeting of the Workforce, Research and Economic Development Committee *(Ref. WRED-2 on file in the Board Office).*

Committee Chair Geddes moved acceptance of the report and approval of the committee recommendations. Vice Chairman Trachok seconded. Motion carried. Regent Crear was absent.

24. Approved - Investment and Facilities Committee *(Agenda Item #24)* – Committee Vice Chair Michael B. Wixom reported the Investment and Facilities Committee met on December 5, 2013, and heard the following:

- Vice Chair Michael Wixom reported on his participation at the Cambridge Associates' Trustee Conference, November 5-6, 2013, and discussed reports presented at the Conference.
- Vic Redding, Vice Chancellor of Finance and Administration, reported on the activities and the current balance of the reserve account of the Operating Pool Fund which was a positive $40.98 million as of close of business on Wednesday, December 4, 2013.
- Summary of Capital Projects – UNR. President Marc A. Johnson updated the Committee on activities related to capital projects, preliminary activities and pre-development activities at UNR. Expenditure of University funds for planning and design (through schematics), artist renderings and other collateral material for all listed projects is not expected to exceed $750,000.

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

- The Committee recommended approval of the minutes from the September 5, 2013, Investment and Facilities Committee meeting *(Ref. IF-2a on file in the Board Office).*
- The Committee recommended approval for TMCC to enter into a lease with SRK Engineering in the Meadowood North building as well as approval of commission payments related to that transaction *(Ref. IF-2c on file in the Board Office).*

24. Approved - Investment and Facilities Committee *(Agenda Item #24)* – *(Cont'd.)*

- Wendy Walker from Cambridge Associates reported on asset allocation and investment returns for the pooled endowment and pooled operating funds for the quarter ending September 30, 2013 *(December 5, 2013, NSHE Discussion Materials prepared by Cambridge Associates LLC on file in the Board Office)*.
    1. Rebalancing and distribution:
        a. Endowment:
            i. A $2.2 million outflow from the portfolio for distribution to campuses for the quarter ending December 31, 2013;
            ii. A $0.7 million addition to RS Global Natural Resources.
            iii. Funding for the above sourced $0.7 million from cash and $2.2 million from equities:
                1. $0.7 million partial redemption from Vanguard Institutional Index;
                2. $0.8 million total partial redemptions from the two Global ex U.S. Equity managers, Manning & Napier and MFS International ($0.4 million from each);
                3. $0.7 million partial redemption from Capital International Emerging Markets.

        b. Operating Fund:
            i. A new $40 million allocation to the PIMCO All Asset All Authority Fund;
            ii. Funding for the above sourced as follows:
                1. $25 million partial redemption from Vanguard Institutional Index;
                2. $6 million total partial redemptions from the two Global ex U.S. Equity managers, Manning & Napier and MFS International ($3 million from each);
                3. $9 million from Short Term Bonds and Cash.

- Incorporating Individual Manager Reports and Presentations into the Process for Evaluating Investment Allocation, Performance and Strategy. The Investment and Facilities Committee provided direction to staff on incorporating presentations, from current and potential managers as well as related speakers, into the Investment and Facilities Committee process for evaluating investment allocation, performance and strategy.

- Distribution from the Endowment Fund (Item #6). The Investment and Facilities Committee discussed current NSHE distributions from the Endowment Fund, including the net 5.0 percent spending rate/management fee in relation to current investment allocation, projected returns, and Board policy *(Handbook, Title 4, Chapter 10, Section 5)*. The Committee deferred action on this item until the March 2014 meeting *(Ref. IF-6 on file in the Board Office).*

24. Approved - Investment and Facilities Committee *(Agenda Item #24) – (Cont'd.)*

- Lease Amendment for the Whittemore Peterson Institute for Neuro-Immune Disease - UNR. UNR received approval of the Second Amendment to the 2008 Lease Agreement. Annual cost is approximately $51,000 *(Ref. IF-8 on file in the Board Office).*
- Lease/Purchase of 450 Sinclair Street, Reno, Nevada – UNR. UNR received approval to enter into a Lease-to-Purchase Agreement for 450 Sinclair Street building, Reno, Nevada, from the City of Reno for a term of 14 years in the amount of $1,475,000; approximately $136,612 annually. Approval was delegated to the Chancellor subject to 1) recording of a memorandum of lease and purchase option and 2) and obtaining a title policy and title insurance upon closing *(Ref. IF-9 on file in the Board Office).*
- New Residence Hall Construction – UNR. UNR received approval to construct a new five-story, 400 bed residence hall on the main campus for a total cost of $38.8 million *(Ref. IF-11 on file in the Board Office).*

New Business:

- Chair Melcher proposed a comprehensive Investment Policy Review for the Operating Fund in early 2014 (similar to the exercise conducted for the Endowment Fund in March 2012). This is viewed as a best practice to periodically examine the current role of each fund within the System's finances, in order to reassess risk and return objectives and asset allocation targets.

Withdrawn Item:

The following item was withdrawn from the agenda and not heard at this meeting:

- Lease with Family Yogurt II to Operate Space in the Joe Crowley Student Union – UNR. UNR requested approval to enter into a lease with Family Yogurt II to operate retail space in the Joe Crowley Student Union *(Ref. IF-2b on file in the Board Office)*.

Public Comment:

- Public Comment was heard from Samuel Owens regarding the Accreditation Board of Engineering and Technology (ABET) criteria in relation to renovations and equipment purchases and their impacts on a globally competitive curriculum. Comments were also taken from Mr. Owens on LEED certifications related to future UNR capital projects.

In regard to agenda item #9 *(Lease/Purchase of 450 Sinclair Street, Reno, Nevada)* on the Investment and Facilities Committee agenda, Regent Geddes disclosed he is employed as the Environmental Services Administrator for the City of Reno. He was not involved in the lease or the negotiations in any way, and would not in any way benefit personally or in his capacity as Environmental Services Administrator whether the lease is approved or not approved by the Board. He has been advised by legal counsel he may participate in any discussion and action on agenda item #9 and the Investment and Facilities Committee report.

24. Approved - Investment and Facilities Committee *(Agenda Item #24)* – *(Cont'd.)*

Committee Vice Chair Wixom moved acceptance of the report and approval of the committee recommendations. Regent Knecht seconded. Motion carried. Regent Page abstained. Regent Crear was absent.

25. Approved - Cultural Diversity Committee *(Agenda Item #25)* – Committee Chair Andrea Anderson reported the Cultural Diversity Committee met on December 6, 2013, and heard the following:

Representatives from each institution reported on what the institutions are doing to recruit, retain and graduate Native American students and recruit Native American faculty and employees. Reports included institutional initiatives to reach out to the Native American community in general, as well as the creation of Native American student groups. Efforts outlined in the presentations and reports include reaching out to Native American students with targeted assistance with the financial aid process and the application process, as well as actively recruiting students from high schools. Key factors to facilitate these efforts include strong community partnerships and working programs such as the Title VII Indian Education Program. Resource issues include the need for a central location for Native American students and staff to gather on campus for support and general assistance. Members discussed the data included in the report concerning Native American student enrollment and graduation rates and asked institutions to work on tracking the success of these initiatives.

Dr. Maria C. Sheehan, President, TMCC, reported on the recent work of the Equity, Diversity and Inclusion Council and initiatives the group is pursuing. The presentation included an update on the on-going efforts to support and retain faculty diversity and plans for an upcoming national meeting at which NSHE presidents will highlight Nevada's diversity efforts. Dr. Sheehan also announced that Dr. Mike Richards, President, CSN, has been elected the new Chair of the Council and Dr. Edith Fernandez, Associate Vice President of Community Engagement and Diversity Initiatives, NSC, the new Vice-Chair of the Council.

The presentations on the 2013 Northern and Southern Diversity Summits and on the CSN Supplier Inclusion Networking Event and Supply Chain Programs were postponed to the March meeting of the Committee.

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

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

25. Approved - Cultural Diversity Committee *(Agenda Item #25)* – *(Cont'd.)*

Committee Chair Anderson moved acceptance of the report and approval of the committee recommendations. Vice Chairman Trachok seconded. Motion carried. Regent Crear was absent.

26. Approved - Business and Finance Committee *(Agenda Item #20)* – Committee Vice Chair Kevin C. Melcher reported the Business and Finance Committee met on December 5, 2013, and heard the following reports:

- NSHE Fiscal Exceptions of self-supporting budgets and the status of state appropriated budgets for the first quarter of Fiscal Year 2013-2014.
- Classification procedures for UNR and UNLV Department of Police Services crime reports.

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 September 5, 2013, Committee meeting *(Ref. BF-2a on file in the Board Office).*
- The Committee recommended approval for the Nevada System of Higher Education to expend excess student registration fee revenues for the purpose of funding additional adjunct faculty and to seek Interim Finance Committee authorization to expend any additional student fee revenues not utilized for adjunct faculty costs, within the state operating budgets for Fiscal Year 2013-2014 *(Ref. BF-4 on file in the Board Office).*
- The Committee recommended approval of financing plans for the William Pennington Student Achievement Center (UNR), the Cooper Court Residence Hall (UNR), and the renovation of the existing James E. Rogers Center for Administration and Justice (UNLV); approval of a Resolution authorizing the issuance of University Revenue Bonds, Series 2014A and 2014B in the combined maximum principal amount of $58 million for these projects contingent upon UNLV using Capital Improvement Fee (CIF) reserves between $1.1 million and $4.1 million; and an annual allocation of CIF revenues sufficient to pay the debt service on the project financing; and approval of a Resolution authorizing a promissory note in the principal amount of up to $12 million for the UNR projects *(Ref. BF-5 on file in the Board Office).*
- The Committee recommended approval of the following Consent Agenda items:
  - NSHE State Supported Operating Budget to Actual Comparison for Fiscal Year 2012-2013 *(Ref. BF-2b(1) and Ref. BF-2b(2) on file in the Board Office).*

26. Approved - Business and Finance Committee *(Agenda Item #20)* – *(Cont'd.)*

- State Accountability Report for Fiscal Year 2012-2013 reconciling the Board of Regents' approved Budget to Actual revenues and expenditures per Legislative Letter of Intent *(Ref. BF-2c(1) and Ref. BF-2c(2) on file in the Board Office).*
- Self-Supporting Budget to Actual Comparison for Fiscal Year 2012-2013 *(Ref. BF-2d(1) and Ref. BF-2d(2) on file in the Board Office).*
- Student association reports of revenues, expenditures and ending account balances for Fiscal Year 2012-2013 *(Ref. BF-2g(1) and Ref. BF-2g(2) on file in the Board Office).*
- All Funds revenues and expenses of NSHE for the first quarter of Fiscal Year 2013-2014 *(Ref. BF-2f(1) and Ref. BF-2f(2) on file in the Board Office).*
- Budget transfers of state appropriated or self-supporting funds between functions for the first quarter of Fiscal Year 2013-2014 *(Ref. BF-2e(1) and Ref. BF-2e(2) on file in the Board Office).*

Committee Vice Chair Melcher moved acceptance of the report and approval of the committee recommendations. Vice Chairman Trachok seconded. Motion carried. Regent Crear was absent.

27. Approved - Health Sciences System Committee *(Agenda Item #26)* – Committee Vice Chair Mark W. Doubrava reported the Health Sciences System Committee met on December 6, 2013, and heard the following:

- Committee Chairman Leavitt thanked everyone involved in the efforts to bring forth the discussion regarding the expansion of public medical education in the north, south and rural Nevada. He congratulated all involved on the significant progress made in yesterday's Regents' meeting. He noted there is much work left to do, but with the sincere involvement and commitment by all parties he believes this monumental project will succeed. He noted it is time for southern Nevada stakeholders to help in securing the financial resources needed to ensure this project moves forward.
- Vice Chancellor of Health Sciences Marcia Turner provided the Committee with an overview of NSHE's involvement in the City of Las Vegas efforts to update its Medical District Zoning Plan, which includes the Shadow Lane Campus. She also congratulated the institutions involved in the Shadow Lane Clinical Simulation Center for their development of an MOU to share in the emerging operational costs of the Center.

27. Approved - Health Sciences System Committee *(Agenda Item #26)* – (Cont'd.)

- Dr. Karen West, Dean, UNLV School of Dental Medicine, provided an overview of the history, and current status of future plans of the UNLV School of Dental Medicine, including providing information on its student body, and it clinical and research activities. Spencer Armith a four year UNLV SDM student provided additional comments from the students' perspective. The following is a list of some of the highlights shared with the Committee:

  - Vision: The UNLV School of Dental Medicine provides world class oral health education while providing for the dental needs of Nevada residents.
  - Mission: The UNLV School of Dental Medicine is a driving educational force toward improving the health of citizens of Nevada through innovative programs of oral healthcare services to the community, integrated biomedical and clinical curricula and research.
  - Patients Visits: 110,000 per year
  - Number of applicants last year: 2085; one in five prospective dental students nationwide applies to UNLV SDM
  - Faculty/Staff: 47 part-time; 72 full-time; Classified Staff: 109
  - Total Student Enrollment: 312
  - Class of 2017 Size: 84; 48 in state, 36 out-of-state; 45 male, 39 female; 27 languages spoken
  - Residencies: General Dentistry 6; Orthodontic 4; Pediatrics 4
  - Shadow Lane Clinic: 205 dental chairs; digital radiology; 100 percent paperless; only wheel chair lift in the state of Nevada
  - Community Outreach: 9 Community outreach programs

  Questions focused on issues such as the admissions policies relating to Nevada students, the relationship with community dentists, Medicaid patient coverage, relationships with the community college dental programs, philanthropic efforts, specialty residency expansions, access shortages and the plans for clinics and clinical opportunities in northern and rural Nevada.

- Dr. Thomas L. Schwenk, Dean, UNSOM, and Vice President, Division of Health Sciences, UNR, provided an update on the status of various UNSOM activities and initiatives. He highlighted the following initiatives. His report included updates on facilities planning in the Las Vegas Medical District, partnerships with UMC, creation of the new UMC Board of Trustees, fellowship expansions, partnerships with the new VA hospital, the Steering Committee with Renown Hospital, and children's services in Reno, physician collaboration in Reno to develop clinical teaching capacity, and collaboration with St. Mary's hospital and Northern Nevada Medical Center, a pilot program with the PEBP, and an overview of statewide issues, including the roll-out of the electronic medical records. A Regent requested the status of the physician assistant program.

27. Approved - Health Sciences System Committee *(Agenda Item #26)* – *(Cont'd.)*

    - The overview of the $20.3 million dollar NIH Clinical Translational Research Infrastructure Network *(CTR-IN)* grant was postponed to the next meeting.

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

    - The Committee recommended approval of the minutes from the September 6, 2013, Health Sciences System Committee meeting *(Ref. HSS-2 on file in the Board Office).*

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

Chairman Page thanked UNLV and President Smatresk for hosting the Board meeting and System and Board staff for their assistance and services.

28. Information Only – Mission Statement, UNLV *(Agenda Item #27)* - UNLV Executive Vice President and Provost John V. White reviewed the university's mission statement and provided a PowerPoint presentation to update the Board on how the university intends to accomplish the goals listed in its mission statement, discussed how the Board can help the university achieve these goals, and identified any potential impediments to achieving the stated goals, with particular focus on any Board or institutional policies impeding the university's ability to achieve the goals outlined in its mission statement *(Ref. BOR-27 on file in the Board Office).*

The meeting recessed at 2:06 p.m. and reconvened at 2:21 p.m. on Friday, December 6, 2013, with all members present except for Regent Blakely.

29. Approved - *Handbook and Procedures and Guidelines Manual* Revision, Student Fees and Special Course Fees *(Agenda Item #28)* – The Board approved revisions to *Handbook* Title 4, Chapter 17, Sections 17 through 19 and *Procedure and Guidelines Manual* Chapter 7, Sections 9 through 15 addressing special fee and student fee changes for NSHE institutions, with fees to be effective 2014-2015 *(Ref. BOR-28 on file in the Board Office).*

    Regent Anderson noted there was an extensive increase in UNLV's Student Success Initiative Fee from $1.00 per credit to a flat fee of $25. Mr. Gerry Bomotti, Senior Vice President of Finance, UNLV, said the per-credit fee was being eliminated in exchange for a flat fee because the services provided to each student through UNLV's Academic Success Center were the same regardless of the number of credits taken.

29. Approved - *Handbook and Procedures and Guidelines Manual* Revision, Student Fees and Special Course Fees *(Agenda Item #28)* – *(Cont'd.)*

Regent Anderson asked what percentage of students utilize the Academic Success Center at UNLV. Ms. Ann McDonough, Dean of the Academic Success Center, UNLV, likened the fee to the Recreation Center Fee in that every student pays the fee regardless of use. The proposed flat fee would mean no student would be turned away and UNLV could expand its efforts in order to serve all its students.

Regent Anderson asked if students are currently being turned away. Dean McDonough responded students are being turned away because of the limited space available in tutoring programs and a shortage in tutoring staff.

Regent Anderson asked what UNLV's Academic Success Center budget was currently and what it will be with the requested fee. Dean McDonough responded the requested fee would double the Center's current budget of $700,000 with the additional funding going directly back to the students. UNLV also hires many graduate students to provide the tutoring assistance.

Regent Anderson asked if the issue was a lack of personnel or a lack of space. Dean McDonough responded there was a shortage of both personnel and space.

Regent Anderson asked if an increased budget will result in more space. Dean McDonough responded the Academic Success Center is working with UNLV's Administration to find the space to support the needed expansion.

Mr. Mark Ciavola, CSUN President, UNLV, asked the Board not to approve the proposed fee for the UNLV Academic Success Center at this time. In addition to the Student Success Initiatives Fee the Academic Success Center is also supported by a 23-cent per credit fee through UNLV's Student Health Fee. The materials presented indicate the fee increase would generate approximately $500,000 but Mr. Ciavola said the increase would be closer to $800,000 and included a 25 percent salary increase for the Director of Academic Transitions. He said it was important to note the Special Fees Committee at UNLV had rejected the proposal after it was made clear there had been no attempt to show how programs could be expanded with the approximately $682,000 currently in the program's reserve budget. The committee requested the Academic Success Center try to implement program expansion and return in the next year with a request for a fee increase. He said it was unfair and excessive to force all students to pay the proposed $25 fee. He asked for the Board's support in urging the Academic Success Center to attempt the expansion in a reasonable way with the funds available in its reserve account and to return with a request for a fee increase when it has been demonstrated the additional fees would be put to good use.

Regent Knecht said the UNLV Academic Success Center's projected revenue for Fiscal Year 2013 was $651,741. He asked what the change was from FY 2012 to FY 2013 in the Academic Success Center's Self-Supporting account balance. Mr. Bomotti responded one dollar per credit hour is currently charged on all students for Fall, Spring and

29. Approved - *Handbook and Procedures and Guidelines Manual* Revision, Student Fees and Special Course Fees *(Agenda Item #28) – (Cont'd.)*

Summer semesters which earn approximately $700,000. UNLV's proposal matches UNR's fee for Fall and Spring semester head count only. UNLV has estimated the incremental increase would be approximately $505,000 because the students would not be charged for the Summer semester.

Regent Knecht said the expected use of services for students taking one three-hour class are less than students taking five three-hour classes. If students are going to be charged in proportion to the value received then a per-credit fee would be more appropriate. Mr. Bomotti responded the use of Academic Success Center corresponds more directly to a student's needs in core classes and not necessarily to the number of credit hours being taken.

Regent Knecht asked why the total revenue projection is $1.4 million when the anticipated revenue from the proposed fee is $1.2 million. Mr. Bomotti responded the program receives income from other revenue sources as indicated in the Academic Success Center's total budget.

Regent Knecht asked why a 70 percent increase in the fee was necessary. Mr. Bomotti responded the needs of the students in core requirements such as math, English and writing far exceed UNLV's current ability to provide those services.

Regent Knecht asked why the program could not use the $682,000 in reserve funds to increase its services before requesting a fee increase. President Smatresk responded the excess funds were a result of vacant positions which were actively being recruited for. Secondly, while significant gains have been made in UNLV's four-year graduation rates and freshman retention rates, it wants to push the success further. As reported earlier in committee meetings, there are currently 600 students to one advisor. Advising and academic support are the two strongest indicators of retention, progression and completion. UNLV's Academic Success Center has a historical success rate of 94 percent retention success. It is the most potent tool UNLV currently has to address student success and continuation. However, the resources are fully committee, particularly with the burgeoning population of students coming from Clark County who need help in the critical areas of math, English and writing. He said the proposed fee was in the best interest of the students.

Regent Knecht said if UNLV has such a great success rate then it would not need the proposed fee increase.

Regent Knecht moved to deny UNLV's request for a $25.00 flat Student Success Initiative Fee from the overall request.

No second received – Motion not entertained.

29. Approved - *Handbook and Procedures and Guidelines Manual* Revision, Student Fees and Special Course Fees *(Agenda Item #28)* – *(Cont'd.)*

Regent Melcher moved approval of revisions to the *Handbook* and *Procedure and Guidelines Manual* addressing special fee and student fee changes for NSHE institutions, with fees to be effective 2014-2015 *(Handbook Title 4, Chapter 17, Sections 17 - 19* and *Procedure and Guidelines Manual Chapter 7, Sections 9 - 15)*. Regent Leavitt seconded. Motion carried. Regents Anderson, Knecht and Stephens voted no. Regent Blakely was absent.

30. Approved - *Procedures and Guidelines Manual* Revision, Differential Program Fees *(Agenda Item #29)* – Pursuant to Board *Handbook*, Title 4, Chapter 10, Section 18 and *Procedures and Guidelines Manual*, Chapter 7, Section 7, the Board approved the following differential program fees:

A. Approved – Nursing, TMCC *(Agenda Item #29a)* – The Board approved differential program fees for all NURS-prefix courses except NURS130 (CNA) and NURS140 (Medical Terminology) effective Fall 2014 and approval of the elimination, for all courses with differential fees, of any special course fees for "nonconsumables" currently paid by students *(Ref. BOR-29a on file in the Board Office).*

Regent Geddes moved approval of revisions to the *Procedure and Guidelines Manual* addressing differential program fees for all NURS-prefix courses except NURS130 (CNA) and NURS140 (Medical Terminology) effective Fall 2014 and approval of the elimination, for all courses with differential fees, of any special course fees for "nonconsumables" currently paid by students . Regent Stephens seconded. Motion carried. Regent Blakely was absent.

B. Approved - Engineering, UNLV *(Agenda Item #29b)* – The Board approved differential program fees for UNLV's Engineering program effective Fall 2014 and approval of the elimination, for all courses with differential fees, of any special course fees for "nonconsumables" currently paid by students *(Ref. BOR-29b on file in the Board Office).*

Regent Geddes moved approval of revisions to the *Procedure and Guidelines Manual* addressing differential program fees for UNLV's Engineering program effective Fall 2014 and approval of the elimination, for all courses with differential fees, of any special course fees for "nonconsumables" currently paid by students. Regent Stephens seconded. Motion carried. Regent Blakely was absent.

30. Approved - *Procedures and Guidelines Manual* Revision, Differential Program Fees *(Agenda Item #29)* – *(Cont'd.)*

    C. Approved - Graphic Design and Media Bachelor of Science, UNLV *(Agenda Item #29c)* –The Board approved differential program fees for UNLV's Bachelor of Science in Graphic Design and Media effective Fall 2014 *(Ref. BOR-29c on file in the Board Office).*

Regent Knecht moved approval of revisions to the *Procedure and Guidelines Manual* addressing differential program fees for UNLV's Bachelor of Science in Graphic Design and Media effective Fall 2014. Regent Doubrava seconded. Motion carried. Regent Blakely was absent.

31. Approved - *Procedures and Guidelines Manual* Revision, Teach English as a Second Language Endorsement Program Reduced Fee, NSC *(Agenda Item #30)* – The Board approved a policy revision allowing Nevada State College to offer its existing Teaching English as a Second Language (TESL) post-baccalaureate endorsement program at a reduced fee *(Procedures and Guidelines Manual, Chapter 7, new Section 8) (Ref. BOR-30 on file in the Board Office).*

Regent Knecht moved approval of revision to *Procedures and Guidelines Manual*, Chapter 7, new Section 8, to allow NSC to offer its existing Teaching English as a Second Language (TESL) post-baccalaureate endorsement program at a reduced fee. Regent Anderson seconded. Motion carried. Regent Blakely was absent.

Regent Melcher requested an identical request be presented for GBC at a future meeting, possibly January 24, 2014.

32. Information Only - UNLV Repositioning in Asia *(Agenda Item #33)* – UNLV Executive Vice President and Provost John V. White provided the Board with a PowerPoint presentation containing an update on the status of UNLV's Singapore campus and a review of strategic alternatives being considered as to the University's future activities in Asia *(Ref. BOR-33a and Ref. BOR-33b on file in the Board Office).*

Vice Chairman Trachok asked why the Singaporean government was not renewing the contract. Mr. Richard Linstrom, Associate Dean for the UNLV Singapore Hotel College and Managing Director of UNLV Singapore, Ltd., responded a contract renewal had been proposed based on lessons learned as outlined in the reference material, including the need for students to spend one year at UNLV's main campus in Las Vegas, for students to be charged the same out-of-state tuition and fees as students attending the Las Vegas campus, and for UNLV to be able to conduct research and have sufficient resources to

32. Information Only - UNLV Repositioning in Asia *(Agenda Item #33)* – *(Cont'd.)*

provide executive level education. However, Singapore preferred to maintain an undergraduate workforce development model with students paying only 25 percent of out-of-state tuition and visiting the Las Vegas campus for five weeks during the summer.

Vice Chairman Trachok understood the program to be successful and asked why it would not continue in the same manner. Mr. Linstrom responded the program has become financially successful. However, he would argue the program does not line up with the current strategic plans of the University to increase grant funding or to have the educational experience be substantially similar to what is occurring on its Las Vegas campus. He said there is also some question if Singapore is strategically where UNLV needed to be or if there were opportunities in other countries such as South Korea.

Vice Chairman Trachok asked who made the determination the Singapore government's goals were not in the best interest of the UNLV Hotel College. Mr. Linstrom responded changes were not being requested by the Singapore government. The contract was coming to an end of its own accord.

Vice Chairman Trachok asked if the Singapore government would have renewed the contract if the terms were more in line with its current contract. Mr. Linstrom responded he did not believe the contract would have been renewed. He said the Singapore government was moving away from the global school house model and instead developing a model where they can educate in-house.

Vice Chairman Trachok said Mr. Linstrom had indicated the Singaporean government wanted the students to remain in Singapore as it had in the past and UNLV's request was to require the students to stay in Las Vegas for one year and pay out-of-state tuition. He asked if negotiations had occurred with the Singaporean government to maintain the existing program. Mr. Linstrom said he had misspoken when he indicated the Singaporean government wanted to maintain the existing program. Their government did not enter into much discussion or engage in negotiations when presented with the contract renewal.

Vice Chairman Trachok asked Mr. Linstrom if he lived in Singapore and had direct contact with Singaporean officials. Mr. Linstrom responded he did.

Vice Chairman Trachok asked if Mr. Linstrom had constant communication with those officials. Mr. Linstrom responded he had regular communication with those officials.

Chancellor Klaich asked if UNLV held any financial liability if it walked away from the program in Singapore. Mr. Linstrom responded UNLV was scheduled to have a two million U.S. dollar surplus. Taxes have not been paid on the surplus amount so a determination needed to be made if those funds can be expended through scholarship to Singaporean students to come to the United States or if an International Gaming Institute presence needs to be extended out into Singapore.

32. Information Only - UNLV Repositioning in Asia *(Agenda Item #33)* – *(Cont'd.)*

Chancellor Klaich asked where the $2 million came from. Mr. Linstrom said those funds were a savings from previous contract negotiations and other operational efficiencies.

Chancellor Klaich asked if there had been a loan early on in the relationship. Mr. Linstrom said the Singaporean government was holding $1 million in tuition in escrow. UNLV has pre-paid the loan except for $1 million because it did not want to be at risk for the funds not being returned.

Chancellor Klaich asked if UNLV would receive a bill from the Singaporean government. Mr. Linstrom said to the contrary, UNLV is one of the few programs in Singapore without financial difficulty.

Regent Wixom asked for the due diligence process to include audit oversight as part of the financial component. Mr. Linstrom said there has been a deficiency in the business model both in terms of governance and oversight. If those deficiencies cannot be resolved in addition to campus integration issues then perhaps it may be determined the model does not make sense.

Regent Stephens asked for an overview of the due diligence process. Mr. Linstrom said UNLV generally used the same model used by the University of Utah in its international hospitality programs. There were approximately four points including viability of enrollment projections, accuracy of costing models, curriculum programming, governance control and integration, risk management and physical security.

Regent Leavitt said UNLV is known around the world for its hospitality college. Whether UNLV renegotiates with Singapore or not, its Hotel College should be expanding around the world. He also felt because of the excellent product UNLV has it could use those resources to enrich student life on the main campus in Las Vegas. He said the UNLV brand should be the driver in negotiations. Mr. Linstrom said the brand is only as good as what it represents.

President Smatresk agreed with Regent Leavitt. He said there was no question UNLV could disengage its hospitality and gaming programs from Asia. He said, of all the universities in the world, UNLV owns gaming as an academic discipline. However, with the infusion of capital going into the other universities, UNLV needs to assert its leadership while projecting its thin faculty population. In various negotiations with the Singapore government it became clear they viewed hospitality as a low level service function. The Singapore government refused to allow UNLV to extend, protect or improve its brand which was unacceptable. UNLV is now looking for a better opportunity not only to project its hospitality brand but other areas as well. For all of those considerations, President Smatresk said Singapore no longer felt like a viable opportunity. The question then becomes where the lowest risk and best opportunities could be found for UNLV.

Mr. Linstrom said part of negotiations with other projects is access to governmental and corporate research support. He would expect to see commitments in multi-million dollar ranges if appropriate faculty could be identified. As a future Tier 1 institution, UNLV has to have a vibrant and fully developed campus with ongoing research programs.

32. Information Only - UNLV Repositioning in Asia *(Agenda Item #33)* – *(Cont'd.)*

Chairman Page understood UNLV wanted to expand its presence in Asia. However, he was concerned about the situation in Singapore. Based on what had been said it appeared UNLV's relationship with Singapore had not been good. Mr. Linstrom said the relationship between UNLV and Singapore had been ongoing but never particularly good. The political environment in Singapore is difficult.

Chairman Page said he was not comfortable with the explanation being given. He asked what happens to UNLV's financial surplus. Mr. Linstrom said the surplus accumulated because UNLV knew the program may be ending and had not invested the funds into improving the on-site facilities.

33. Approved - *Handbook* Revision, Use of Electronic Approvals, NSHE *(Agenda Item #34)* - The Board approved a policy revision pursuant to *Handbook* Title 4, Chapter 10, *new* Section 32 requiring use of electronic approval in lieu of handwritten signatures whenever possible so long as their use is consistent with, and not prohibited by, any applicable state or federal law or NSHE policy *(Revised Ref. BOR-34 on file in the Board Office).*

Regent Geddes moved approval of a policy revision pursuant to *Handbook* Title 4, Chapter 10, *new* Section 32 requiring use of electronic approval in lieu of handwritten signatures whenever possible so long as their use is consistent with, and not prohibited by, any applicable state or federal law or NSHE policy. Regent Wixom seconded. Motion carried. Regent Blakely was absent.

34. Approved - *Handbook* Revision, Use of Capital Improvement Fee Funds For Projects In Excess of $100,000, NSHE *(Agenda Item #35)* - The Board approved a revision to the policy regarding use of Capital Improvement Fees for projects in excess of $100,000 *(Title 4, Chapter 10, Section 12(3)).* The revision authorizes an institutional president to approve expenditures from the institution's Capital Improvement Fee Fund balance only, up to $1.2 million, on projects approved by the president after expiration of a 30 day notice to the Board *(Revised Ref. BOR-35 on file in the Board Office).*

Regent Geddes said the $1.2 million threshold is consistent with other required limits such as personnel contracts and lease agreements.

Regent Leavitt moved approval of a revision to the policy regarding use of Capital Improvement Fees for projects in excess of $100,000 from the institution's Capital Improvement Fee Fund balance only, up to $1.2 million, on projects approved by the president, after expiration of a 30 day notice to the Board *(Revised Title 4, Chapter 10, Section 12(3))*. Regent Wixom seconded.

34. Approved - *Handbook* Revision, Use of Capital Improvement Fee Funds For Projects In Excess of $100,000, NSHE *(Agenda Item #35)* – *(Cont'd.)*

Regent Knecht said the provision originally instituted in 1990 was for a $25,000 limit with a revision occurring in 1999 for a $100,000 limit. Although inflation has been minimal since 2009 the proposed revision would increase the limit more than ten times. He asked what process would occur if a Regent had a concern regarding the expenditure. Mr. Wasserman responded a Regent should contact the Chairman of the Board as soon as possible so a discussion could be property agendized within the 30 day time limit.

Regent Knecht asked if the Chairman of the Board would have the authority to hold the applicable president from making the expenditure until a meeting of the Board could be scheduled. Mr. Wasserman responded the Chairman will not have such authority. However, if the timing does not allow for a discussion to be included on a scheduled meeting agenda then a special meeting could be coordinated as long as seven days are allowed between notification to the Board Office and the 30 day time limit.

Regent Knecht asked if the Chairman of the Board had the authority to veto the concern of a Regent and not agendize the discussion or call for a special meeting. Mr. Wasserman responded Board policy allows five members of the Board to call for a special meeting.

Motion carried. Regent Blakely was absent.

The meeting recessed at 3:50 p.m. and reconvened at 3:56 p.m. on Friday, December 6, 2013, with all members present except Regent Blakely.

35. Approved - System Administration Office Building, Las Vegas *(Agenda Item #36)* – The Board approved the granting of expenditure authority to Chancellor Daniel J. Klaich for additional expenses associated with the Board meeting room FF&E *(Furniture, Fixtures and Equipment)* and audio-visual requirements for the new System Administration Office Building in Las Vegas *(Handout on file in the Board Office)*.

Regent Wixom moved approval to grant Chancellor Daniel J. Klaich expenditure authority for additional expenses associated with the Board meeting room FF&E *(Furniture, Fixtures and Equipment)* and audio-visual requirements for the new System Administration Office Building in Las Vegas. Regent Doubrava seconded. Motion carried. Regent Knecht voted no. Regent Blakely was absent.

36. Approved - Athletic Oversight Annual Report, UNLV, UNR, CSN and WNC *(Agenda Item #18)* – The Board approved the institutional Athletic Oversight Annual Report (UNLV, UNR, CSN and WNC) *(Title 4, Chapter 24, Section 1(9))*.

    A. University of Nevada, Las Vegas *(Ref. BOR-18a on file in the Board Office).*
    B. University of Nevada, Reno *(Ref. BOR-18b on file in the Board Office).*
    C. College of Southern Nevada *(Ref. BOR-18c on file in the Board Office).*
    D. Western Nevada College *(Ref. BOR-18d on file in the Board Office).*

    Vice Chairman Trachok moved approval of the institutional Athletic Oversight Annual Report (UNLV, UNR, CSN and WNC). Regent Geddes seconded. Motion carried. Regent Blakely was absent.

37. Information Only – New Business *(Agenda Item #37)* – Chairman Page noted the following items as New Business for future Board discussion:

    - Consideration of Interim/Acting President at UNLV at the January 24, 2014, special meeting;
    - Repeal of Title 4, Chapter 14, Section 7(6) to remove limitation of a single Law School and Dental School; and
    - Further discussion regarding UNLV activities in Singapore.

    Regent Knecht reminded Chairman Page a discussion regarding the WNC Search Committee may be included on the January 24, 2014, special meeting if the process allowed.

38. Information Only – Public Comment *(Agenda Item #38)* - Mr. Ciavola asked the Board to pursue the reason behind the $25 fee request for UNLV's Academic Success Center approved under agenda item #28 *(Handbook and Procedure and Guidelines Manual Revision, Student Fees and Special Course Fees)*.

The meeting adjourned at 4:53 p.m.

Prepared by: Jessica C. McMullen
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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 the March 6-7, 2014, meeting.