

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

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

Friday, January 24, 2014

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 *{via telephone}*
Mr. Robert Blakely
Mr. Cedric Crear
Dr. Mark W. Doubrava
Dr. Jason Geddes *{Reno}*
Mr. Ron Knecht
Mr. James Dean Leavitt
Mr. Kevin C. Melcher
Dr. Jack Lund Schofield
Ms. Allison Stephens
Mr. Michael B. Wixom

Others Present: Mr. Daniel J. Klaich, Chancellor
Ms. Crystal Abba, Vice Chancellor, Academic and Student Affairs
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
Mr. John V. White, Provost and Executive Vice President, UNLV
Dr. Marc A. Johnson, President, UNR
Mr. Chester "Chet" O. Burton, President, WNC

Also present were faculty senate chairs Ms. Dani Chandler, NSHE; Dr. Paul W. Werth, UNLV; and Dr. Swatee Naik, UNR. Student government leaders present included, Mr. Umram I. Osambela, ASCSN President, CSN; Mr. Alex Porter, SGA President, GBC; Mr. Mark Ciavola, CSUN President, UNLV; and Ms. Sharon Young, GPSA Acting President and Vice President, UNLV.

Chairman Page called the meeting to order on Friday, January 24, 2014, at 9:08 a.m. with all members present except for Regent Knecht.

Regent Schofield led the Pledge of Allegiance.

1. Information Only – Public Comment (Agenda Item #1) –Mr. John Hunt, UNLV Foundation Board of Trustees; Mr. Sig Rogich, former Regent; Mr. Matt Engle, UNLV Alumni Association; Mr. Brian Greenspun, Las Vegas Sun; Mr. Ken Ladd, Las Vegas resident; Mr. Mark Alden, former Regent; Mr. Brian MacAnallen, Las Vegas Metro Chamber of Commerce; Mr. Tom Kaplan, Council for a Better Nevada; Mr. Duncan Lee, Asian Chamber of Commerce and Council for a Better Nevada; Mr. Tom Jingoli, Kowami Gaming; Mr. Jonas Peterson, Las Vegas Global Economic Alliance; Mr. Brendan Bussman, Las Vegas resident; Mr. Jerald M. Dick, Las Vegas resident; Mr. Greg McKinley, Treasurer, UNLV Foundation Board of Trustees; and Mr. Jason Mendenhall, Las Vegas resident, addressed the Board in support of the recommendation of Chancellor Daniel J. Klaich to appoint Mr. Donald Snyder as Acting President of UNLV.

Regent Knecht entered the meeting.

State Assemblywoman Dina Neal addressed the Board in regard to the presidential search process and her support for a national search.

Mr. Rich Aballon, Findlay Toyota; Mr. Bob Stockham, UNLV Football Foundation; and Mr. Tom Jingoli, Kowami Gaming, addressed the Board in support of the proposed contract extension for UNLV Head Football Coach Bobby Hauck.

Mr. Joe Klein, retired physician and UNLV Student addressed the Board in regard to the concept of a smoke-free campus at UNLV.

Mr. Paul Moradkhan, Las Vegas Metro Chamber of Commerce and Mr. Ken Evans, President of the Urban Chamber of Commerce, addressed the Board in regard to a dialogue regarding a medical school at UNLV, expansion of graduate medical education and increased collaboration between UNLV and the hospitals and medical community.

1. Information Only – Public Comment (Agenda Item #1) – (Cont'd.)

Ms. Beverly Rogers, KSNV, addressed the Board in support of Dr. Carol Harter as Acting President of UNLV.

Mr. Conrad Wilson, UNLV Classified Staff Council, addressed the Board in regard to grant-in-aid for classified staff.

2. Approved - Consent Items (Agenda Item #2) - The Board approved the following Consent Items in their entirety except for Consent Item #2a (Minutes) which was considered separately.

2b. Approved - Naming of UNR Graduate and Family Student Housing (Agenda Item #2b) – The Board approved the naming of UNR’s new Graduate and Family Student Housing project “Ponderosa Village” (Ref. BOR-2b on file in the Board Office).

2c. Approved - Procedures and Guidelines Manual Revision, Teaching English as a Second Language Endorsement Program (TESL), GBC (Agenda Item #2c) – The Board approved GBC 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, Section 8). The TESL program is a high-need area for local school districts and the request is intended to allow GBC to be competitive with non-NSHE institutions offering similar endorsement programs and to better serve the needs of local school districts. Similar approval was granted by the Board for Nevada State College at its meeting in December 2013 (Ref. BOR-2c on file in the Board Office).

2d. Approved - Acceptance of Gift from the Rogers Family Foundation, UNLV (Agenda Item #2d)

(1) The Board approved a \$10 million donor gift from the Rogers Family Foundation for the benefit of the Black Mountain Institute. At the request of the donor the gift is being made directly to UNLV and not through the UNLV Foundation (Ref. BOR-2d(1) on file in the Board Office); and

(2) The Board approved acceptance of a residential real property gift from the Rogers Family Foundation for the benefit of the Black Mountain Institute. The Board further approved the Chancellor be delegated the authority to finalize acceptance of the gift, subject to successful completion of all due diligence analysis currently in process. This real property transfer is a small portion of the \$10 million gift from the Rogers Family Foundation. (Ref. BOR-2d(2) on file in the Board Office).

2. Approved - Consent Items (Agenda Item #2) - (Cont'd.)

Regent Melcher moved approval of the Consent Items in their entirety except for Consent Item #2a (*Minutes*) which was considered separately. Regent Doubrava seconded. Motion carried.

The Following Consent Items Were Considered Separately:

2. Approved - Consent Items (Agenda Item #2) - (Cont'd.)

- 2a. Tabled - Minutes (Agenda Item #2a) – The Board tabled the minutes from the October 18, 2013, Board of Regents' Special Meeting and then approved the minutes as submitted later in the meeting (*Ref. BOR-2a on file in the Board Office*).

Regent Knecht requested tabling consideration of the October 18, 2013, special meeting minutes until the March 6-7, 2014, meeting. He said he wanted to discuss some of the items recorded in the proposed draft with Chief of Staff and Special Counsel to the Board of Regents Scott Wasserman before any Board action is taken.

Regent Melcher asked, in regard to Regent Knecht's request to pull the minutes from the consent agenda, if there was anything in particular in the minutes that needs to be approved today because it is critical. Mr. Wasserman said a delay in taking action on the minutes will further delay the public's access to the final record. Each set of minutes includes a header noting they are intended to note (a) the date, time and place of the meeting; (b) those members of the public body who were present and those who were absent; and (c) the substance of all matters proposed, discussed and/or action was taken on. The minutes are not intended to be a verbatim report of the meeting. Mr. Wasserman said he would be happy to discuss the minutes with Regent Knecht within those parameters.

3. Approved - Appointment, Acting or Interim President, UNLV (Agenda Item #3) – The Board approved the appointment of Mr. Donald Snyder as Acting President for the University of Nevada, Las Vegas; for a national search to commence immediately; and for the acting president to remain in the position for a term beginning February 1, 2014, and ending December 31, 2014, or until a permanent president is appointed by the Board. The terms and conditions of the appointment were approved as follows: (*Handbook, Title 2, Chapter 1, Section 1.5.4 and Procedures and Guidelines Manual Chapter 2, Section 1*) (*Ref. BOR-3 on file in the Board Office*).

- Base salary: \$300,000.00
- Salary Supplement: No Salary Supplement
- COLA: No COLA has been funded for FY 2015
- Merit: Will be eligible for merit increases
- Host Account: \$5,000.00 per fiscal year
- Contract Period: February 1, 2014, through December 31, 2014

3. Approved - Appointment, Acting or Interim President, UNLV (Agenda Item #3) – (Cont'd)

Regent Stephens referred to a memo distributed by the Board Officers, Chancellor Klaich and Mr. Wasserman referring to the Board's consideration of an acting president. However, the agenda indicates either an acting or an interim president will be considered. Mr. Wasserman responded the memo was intended to be a short thank you letter to the UNLV campus community for their involvement and input in the process.

The Following Consent Item Was Considered Separately:

2. Approved - Consent Items (Agenda Item #2) – (Cont'd.)

2a. Approved - Minutes (Agenda Item #9a) – (Cont'd.)

Regent Melcher said the Board would need to vote in order to consider Regent Knecht's request to table consideration of the proposed October 18, 2013, special meeting minutes until the March 6-7, 2014, meeting.

Regent Melcher moved to approve the minutes of the October 18, 2013, Board of Regents' Special Meeting. Regent Geddes seconded.

Regent Knecht respectfully requested the minutes be tabled.

Regent Crear asked what Regent Melcher's concern was in approving the minutes at this time versus tabling consideration until the next meeting. Regent Melcher replied an item had been pulled from the consent agenda and a request was made to table consideration but no action had been taken to do either.

Regent Crear said there was a request to table the minutes until the next meeting. Regent Melcher said tabling the item would be fine but there still had not been a motion to do so.

Regent Crear asked if Regent Melcher's motion should have been to table discussion of the minutes until the March meeting. Regent Melcher said if Regent Knecht had concern regarding the record then he needed to have addressed those concerns with Mr. Wasserman before the meeting.

Regent Knecht suggested a friendly amendment to the motion to approve the tabling of Consent Item #2a (*Minutes*). Regent Melcher declined to accept the friendly amendment.

Regent Blakely said he also had wanted to address some of the discussion contained in the proposed minutes but felt it could wait given the more pressing items on the agenda.

2. Approved - Consent Items (Agenda Item #2) – (Cont'd.)

2a. Approved - Minutes (Agenda Item #9a) – (Cont'd.)

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

3. Approved - Appointment, Acting or Interim President, UNLV (Agenda Item #3) – (Cont'd)

Chancellor Klaich provided a report to the Board on the procedure followed to develop a recommendation for the appointment of Mr. Snyder as acting president of UNLV.

Vice Chairman Trachok moved approval of Mr. Donald Snyder as Acting President of the University of Nevada, Las Vegas. Regent Wixom seconded.

Regent Crear said Mr. Snyder is an exceptional individual and actively involved in the Las Vegas community. However, he asked why the recommendation was not for Provost John V. White who was already serving as the University's second in command. He agreed the memo distributed by the Chancellor and Board Officers clearly indicated the direction of the Board was to consider an acting president. He said an acting president may not be the desire of the full Board. Chancellor Klaich responded recent changes to Board policy had changed the process. He noted three of the four candidates had previously been through a search process in order to be considered for their current positions.

Chancellor Klaich said he had asked Mr. Snyder if he could handle both the position as acting president in addition to his community involvement activities including the UNLV Campus Improvement Authority Board (CIAB). Mr. Snyder had assured him he could. In addition, removal or replacement of Mr. Snyder's position on the CIAB would send a mixed message to the community on the importance of that board. Consultants have been approved to work with the CIAB and will do much of the heavy lifting.

Regent Stephens asked if Provost White had been offered the position of interim president. Chancellor Klaich said he was not certain if Provost White was specifically asked if he would be interested in an interim position.

Mr. John White, Provost and Executive Vice President, UNLV, said it was the underlying premise of the discussion between him and the Chancellor. He was heavily weighing the possibility of applying for the permanent position and it would have been interesting for him to serve as an interim president.

3. Approved - Appointment, Acting or Interim President, UNLV (Agenda Item #3) – (Cont'd)

Regent Stephens was concerned a preliminary decision or preference was made for an acting versus interim president. She said she was prepared to abstain from this particular vote given the Chancellor's lengthy memo and recommendation was received less than 24 hours before the meeting.

Chairman Page said the Chancellor was complying with the Board's current policy.

Regent Leavitt said the Board's current policy allows for significant campus input. In the case of UNR President Johnson, the UNR campus had made it clear it wanted to pursue a national search. In the case of current UNLV President Smatresk, the UNLV campus had made it clear it did not want a search. He hoped there would be certainty in the process but also flexibility to listen to each campus.

Regent Blakely said he had spoken with Chancellor Klaich at length about his recommendation and would support the recommendation made. If the full Board does not support the recommendation then it could consider other options including an interim president.

Regent Wixom said his understanding of the policy is Chancellor Klaich had no other option than to make a recommendation for acting president to the Board. He personally has heard the UNLV campus community express a desire for a national search sooner rather than later, which, according to the Board's policy, leads to the recommendation for an acting president. A recommendation for an interim president would delay the campus' desire for a national search. He said it was incumbent upon the Board to support the wishes of the campus. He supported the Chancellor's recommendation which was endorsed by the Board Officers.

Chancellor Klaich said the Board deserved to understand his recommendation was consistent with Board policy but not driven by Board policy. He said UNLV should have an acting president and the person in that position should be Mr. Snyder.

Regent Melcher said he also had heard support for a national search from the UNLV campus and its community. Pursuant to the Board's policy a recommendation for acting president would allow a national search to commence sooner rather than later.

Regent Stephens said she did not believe the Chancellor had a personal preference. However, the Chancellor's recommendation leaned towards an acting president versus an interim president. Provost White would have been ineligible for consideration as a candidate for the permanent appointment as president if he had been selected as the acting president. In her experience, obtaining stakeholder input is important. However, she has never seen an executive position filled based upon the desires of individual departments. The best decisions need to be made for the institution as a whole while listening to campus input.

3. Approved - Appointment, Acting or Interim President, UNLV (Agenda Item #3) – (Cont'd)

Regent Crear asked if the Board would also address the timeframe of a search. Secondly, he asked what the term limit would be if an acting president is approved. Chairman Page said the term of the appointment would be until a permanent president is selected by the Board. The motion could be amended to include a provision to launch a national search immediately.

Regent Crear said the timing of the search would make a difference in the quality of the search committee participants and the candidates.

Mr. Wasserman noted Board policy contemplates the national search being conducted immediately. The search process needs to work in conjunction with many factors including the institution's academic calendar and the Board of Regents' calendars. Candidate campus visits will need to occur when the campus is open. He suggested the proposal of a friendly amendment to approve Mr. Snyder as the acting president and to immediately commence a national search.

Chairman Page said commencing the national search process immediately will allow him to form the Board of Regents' President Search Committee and the Institutional Advisory Committee. That would leave February through April to complete the search process while students and faculty are still on campus. Although not impossible, it would be a challenge to have a new president in place by September 1, 2014.

Regent Crear did not want to taint the search process by creating a rushed situation. Chairman Page said UNR's search was conducted in six months. However, the Board will not rush any president search process.

Vice Chairman Trachok said Provost White has exhibited tremendous leadership in his current position and would be an attractive candidate for the permanent position. He reminded the Board the reason it changed its policies on how vacancies in the office of president were handled was to eliminate any appearance the appointment of an acting president was an inside job.

Regent Knecht said the presidential search process is unsatisfying. He asked what search schedule would allow a president to be in office by September 1, 2014, and who will decide what time limits the search process can take. Chairman Page responded the committee will be responsible for the search.

Regent Knecht asked what the accountability of the Board's search committee will be to the Board. Chairman Page said the accountability will remain the same as it has in the past. The Board's President Search Committee will be comprised of six Regents as voting members with institutional advisory members assisting with the process.

Mr. Wasserman said the Board's President Search Committee will be charged with recommending a nominee or nominees to the full Board. The full Board has the option not to accept the President Search Committee's recommendation and to request the search continue.

3. Approved - Appointment, Acting or Interim President, UNLV (Agenda Item #3) – (Cont'd)

Regent Knecht said those were the contingencies the Board did not want to find itself in. He asked what the search schedule would be given the current date. Chairman Page said since President Smatresk submitted his pending resignation in December 2013 there has been time to develop a Regents' committee. UNLV will be given time to develop its recommendations for the institutional advisory members.

Regent Knecht said he had great respect and affinity for Mr. Snyder. However, his abstention or vote against the Chancellor's recommendation would be a reflection of his long-term dissatisfaction with the process and not a reflection of Mr. Snyder.

Chairman Page said the process followed was in accordance with Board policy. He said stakeholder meetings occurred over a three day period of time in which UNLV had made it clear it wanted a national search.

Vice Chairman Trachok amended his original motion for approval of Mr. Donald Snyder as Acting President for the University of Nevada, Las Vegas; for a national search to commence immediately; and for the acting president to remain in the position for a term beginning February 1, 2014, and ending December 31, 2014, or until a permanent president is appointed by the Board. Regent Wixom accepted the amendment as seconder.

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

Chancellor Klaich summarized the contract terms (*Contract and contract terms available on file in then Board Office*). He said Mr. Snyder had requested removal of the traditional car and house allowance.

Regent Crear asked if Mr. Snyder's contract was subject to furlough reduction. Chancellor Klaich responded it was.

Regent Knecht asked if the term of the contract expires December 31, 2014. Chancellor Klaich clarified the term of the contract is through December 31, 2014, subject to the Board's approval of a permanent president. An extension will be requested if the search process continues beyond December 31, 2014.

Regent Crear asked if the Board would receive a long version of the employment contract. Mr. Wasserman responded copies of the long version would be distributed (*Contract and contract terms available on file in then Board Office*).

3. Approved - Appointment, Acting or Interim President, UNLV (Agenda Item #3) – (Cont'd)

Regent Knecht moved approval to delegate authority to the Chancellor, in consultation with the Board Chairman, to finalize the contract with Mr. Snyder based on the specific terms and spirit of the contract terms as presented. Regent Stephens seconded. Motion carried.

The meeting recessed at 11:35 a.m. and reconvened at 11:53 a.m. on Friday, January 24, 2014, with all members present.

4. Approved - Employment Contract, Head Football Coach, UNLV (Agenda Item #5) – The Board approved a three-year contract extension for UNLV Head Football Coach Bobby Hauck, effective January 25, 2014, through January 24, 2017 (Ref. BOR-5 on file in the Board Office).

Regent Crear moved approval of a three-year contract extension for UNLV Head Football Coach Bobby Hauck, effective January 25, 2014, through January 24, 2017. Regent Melcher seconded.

Regent Wixom asked if the proposed contract renewal supplants the last year of Coach Hauck's existing contract. Provost White responded the contract would supplant the last year of his existing contract and extend the contract for two additional years.

Regent Wixom asked for clarification of the indicated \$150,000 lump sum payout. UNLV Athletic Director Tina Kunzer-Murphy responded Coach Hauck's previous contract was for \$500,000. However, \$150,000 of the contract was deferred each year. The new contract provides for \$750,000 but the \$150,000 from the previous contract is still owed.

Regent Wixom said Ref. BOR-5 states the salary is paid for with self-supporting accounts and asked what those self-supporting accounts were. Mr. Gerry Bomotti, Senior Vice President of Finance, UNLV, responded no state funds would be used for this contract. Approximately \$7 million of UNLV Athletics total revenue of \$30 million is received from the state.

Regent Wixom asked what the funding source was for the various bonus payments. Ms. Kunzer-Murphy responded the additional revenue generated from events such as a BCS bowl game would provide plenty of non-state funding to cover the bonuses.

4. Approved - Employment Contract, Head Football Coach, UNLV (Agenda Item #5) – (Cont'd.)

Regent Wixom requested clarification that none of the bonuses were paid from state-supported funds. Mr. Bomotti confirmed the source of bonus payments for participation in bowl games does not contain state funds.

Regent Wixom asked where the proposed salary would place Coach Hauck in relation to other head coaches in the Mountain West Conference. Ms. Kunzer-Murphy responded Coach Hauck would move up from twelfth to eighth in the conference. UNLV finished sixth in the conference last year.

Regent Knecht congratulated Coach Hauck for a great season with great improvement while working hard on UNLV's academic mission. He asked, with the bowl game included, what the Rebels win-loss record was for the year. Ms. Kunzer-Murphy responded the football team finished 7 wins and 6 losses for the season, including the bowl game.

Regent Knecht asked how long Coach Hauck has been with UNLV. Ms. Kunzer-Murphy responded Coach Hauck was in his fourth year.

Regent Knecht asked what the Rebels record had been in each of the previous three years. Ms. Kunzer-Murphy responded there had been two wins in each of the previous three years. She emphasized the football team had been struggling when Coach Hauck was hired. The football coaching staff has done an excellent job of creating success for the student athletes.

Regent Knecht said in the first three years of Coach Hauck's contract the football team's record was 6 wins and 28 losses overall.

Regent Knecht said the proposed contract asked for a \$200,000 per year increase on a \$500,000 base salary. Ms. Kunzer-Murphy responded that was correct.

Regent Knecht asked if the contract included a mechanism to reduce the increase if the team's record returned to two wins and ten losses. Ms. Kunzer-Murphy responded negotiation was made in good conscience and with the opinion UNLV wants Coach Hauck to continue being its Head Football Coach. In sports there is no greater pressure than being a head coach.

Regent Knecht supported Coach Hauck but stated a 40 percent increase for beating Reno, finishing the season with 7 wins and 6 losses and losing a bowl game was a bit much.

Regent Blakely agreed the proposed contract was a little generous. He referred to Section F of the contract listing various amounts of supplemental compensation. He asked if it would be appropriate to also provide negative incentives for losing. Ms. Kunzer-Murphy responded the contract is in the standard format and was negotiated in good faith. The contract contained other clauses to deal with losing situations.

4. Approved - Employment Contract, Head Football Coach, UNLV (Agenda Item #5) – (Cont'd.)

Vice Chairman Trachok said he liked what was happening with the UNLV football program. He would have been happy to extend Coach Hauck's contract for another three years if a reasonable proposal had been made. He did not think an annual increase of \$200,000 was a reasonable raise. He said it is incumbent upon presidents and athletic directors to negotiate the best deal possible just as if the funds were out of their own private bank accounts. He could not support the proposed contract for that reason.

Vice Chairman Trachok said he had a major issue with the standard contracts in that they were not fairly balanced. For instance, if a coach decides to leave at any point after contract approval the coach is obligated to pay the university \$250,000. However, if the university decides to terminate a coach's contract, for whatever reason, the university would have to pay the coach \$1.275 million. He said that was not a fair contract. Regardless of the outcome that day, he said the standard contract needed to be reviewed and updated to reflect an even balance for both parties. When entering into a contract for more than one year the institution should be able to pay the same amount for liquidated damages as the coach or the institution needs to be allowed the same right to terminate the contract with no further obligation.

Regent Wixom said he also was not enamored of the contract or the process. However, the Board was not in a position to renegotiate a contract in a public meeting. He agreed with Vice Chairman Trachok and recommended a task force be charged with reconsidering the standard contract template.

Regent Wixom said if the Board did not approve the contract then it would do the football program harm. He did not want to jeopardize the momentum that has been created. He would support the contract even though he did not like the form or process of the contract. He felt the process should go forward followed by the Board taking a closer look at the entire contracting process.

Regent Geddes said he supported the contract presented that day. He said Ms. Kunzer-Murphy was hired to manage the program and a contract has been negotiated fairly. He encouraged Vice Chairman Trachok to work with the athletic directors on the structure of the contracts going forward.

Regent Melcher said the large sums of money reflect the cost of doing business at a higher level. However, he agreed the standard contract needed to be reconsidered. He supported the proposed contract because it was negotiated in good faith on the forms and processes set forth. If the Board does not like the contract then it had the prerogative to vote it down but he encouraged the Board's support.

4. Approved - Employment Contract, Head Football Coach, UNLV (Agenda Item #5) – (Cont'd.)

Regent Leavitt supported the recommendation to look at best standards for athletic contracts from across the country. He hoped the message was loud and clear there needed to be communication with Board leadership. Board leadership should not dictate the negotiation process but it does have an awareness of the pulse of the Board. He agreed employment contracts need to be more balanced. He also felt private funds and contributions would help to take the program into the future.

Regent Stephens fundamentally disagreed a president's role in fiscal management was to nickel and dime the negotiation process. She said fair market value and adequate compensation were a part of fiscal management. She asked legal counsel to clarify why the Board could not request a fundamental or philosophical change to a proposed contract when it is presented at a Board meeting if the person being contracted with agrees to the change. Vice Chancellor for Legal Affairs Brooke Nielsen said on occasion the Chancellor or president has been delegated authority to make changes to a proposed contract. However, any recommended change effectively constitutes a counter offer. She agreed making a change to a proposed contract during the course of a public meeting puts the parties involved on the spot. Time needed to be given for consideration of the revised offer. She said the form of contract presented that day is the System's standard form containing all the standard terms and conditions similar to other athletic contracts. That was not to say there was not room for improvement. She would be happy to work with a task force to look at the contracts. She had reviewed the proposed contract and confirmed it was in proper order for the Board's consideration.

Regent Stephens said the Board needed to be careful not to paint itself into a box, adding it is within the Board's purview to amend the contracts presented to it.

Regent Knecht said he was hopeful for the future of the UNLV football program. However, given the program is losing approximately \$2.7 million per year, the four year record of 13 wins and 34 losses and the asymmetry of the termination provision all concerned him. He felt the market for college athletic salaries was out of control and needed to be stopped. Over the long-term, college football coach salaries have increased faster than the incomes of Nevadans. He felt a \$200,000 per year salary increase would damage the public interest.

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

5. Information Only - Expansion of Medical Education (Agenda Item #4) – The Board heard a report on activities taken to date in regard to the November 6, 2013, Memorandum of Understanding (MOU) among the University of Nevada, Reno (UNR), University of Nevada, Las Vegas (UNLV), University of Nevada School of Medicine (UNSOM) and the Nevada System of Higher Education (NSHE) containing the vision statement for medical education in Nevada. Chancellor Klaich provided an update to the Board on the plan to implement the MOU and activities in furtherance of implementation and development of a UNLV School of Medicine (*Ref. BOR-4 on file in the Board Office*).

Regent Leavitt asked Chancellor Klaich if there was a communications strategy. Chancellor Klaich responded a communications strategy has not yet been developed. However, development of advisory groups in the north and south was proceeding. A plan was also being developed to determine what is possible in terms of site selection.

Regent Leavitt asked UNLV where it was in the process of appointing a planning dean. Provost White responded a number of individuals will soon be interviewed with the goal of identifying a person for the position within a week or two. A number of individuals were also being considered for the advisory group and he hoped to be making those contacts the following week.

Vice Chancellor of Health Sciences Marcia Turner said a meeting was scheduled for February 12, 2014, with city and county officials to begin discussion on what space options were available.

Regent Melcher said the Elko County Commission agreed to pay for half the cost of two medical residencies in Elko. He said Dean Schwenk and the UNSOM staff continue to develop resources throughout the entire state.

Regent Leavitt said he asked for any agenda item related to the development of medical education in Nevada to be placed on the main Board agenda for consideration by the full Board.

Regent Doubrava said he has been listening to the Interim Legislative Health Committee meetings and would be requesting information from the System for the benefit of the full Board. Chancellor Klaich said Nevada was being presented with a unique opportunity to plan for undergraduate and graduate medical education and to plan for two complimentary medical schools that would not compete with each other.

Regent Stephens asked for the planning process to include a number of scenarios to take into account changing variables.

6. Approved - IGT Applied Technology Center Renovation, TMCC (Agenda Item #6) – The Board approved TMCC’s request to proceed with development of a proposed renovation of the IGT Applied Technology Center using various financing sources that include local capital improvement fees up to \$2 million and grant funds from the US Department of Commerce Economic Development Administration (EDA); to grant authority to the Chancellor to execute the Agreement and Mortgage document (first priority lien) and the Covenant of Purpose, Use and Ownership that secures the EDA’s interest in the IGT land and building as required by the grant award; and to grant authority to the Chancellor to modify the form of the Agreement and Mortgage document (first priority lien) and the Covenant of Purpose, Use and Ownership to meet EDA requirements (*Refs. BOR-6a and BOR-6b on file in the Board Office*).

The current financing plan for the estimated \$5 million building is comprised of federal grants, local capital fees, Higher Education Capital Construction (HECC) and/or Special Higher Education Capital Construction (SHECC) funds and community support as outlined below:

- \$2,249,000 grant funding from the US Department of Commerce Economic Development Administration (EDA).
- Up to \$2,000,000 from the college’s local capital improvement fees.
- \$400,000 for needed equipment from a U.S. Department of Labor Trade Adjustment Assistance Community College and Career Training grant.
- \$200,000 from the HECC/SHECC funds.
- In-kind gifts (value ranging from \$1,000 to \$10,000).

Regent Geddes moved approval of TMCC’s request to proceed with development of a proposed renovation of the IGT Applied Technology Center using various financing sources that include local capital improvement fees up to \$2 million and grant funds from the US Department of Commerce Economic Development Administration (EDA); to grant authority to the Chancellor to execute the Agreement and Mortgage document (first priority lien) and the Covenant of Purpose, Use and Ownership that secures the EDA’s interest in the IGT land and building as required by the grant award; and to grant authority to the Chancellor to modify the form of the Agreement and Mortgage document (first priority lien) and the Covenant of Purpose, Use and Ownership to meet EDA requirements. Regent Melcher seconded. Motion carried.

7. Approved - Handbook Revision, Professional Degree Programs, NSHE (Agenda Item #7) – The Board approved a revision to *Handbook*, Title 4, Chapter 14, Section 7(6), eliminating the professional program limitation regarding a single School of Law and School of Dentistry until 2025 (Ref. BOR-7 on file in the Board Office).

Vice Chairman Trachok moved approval of revision to *Handbook*, Title 4, Chapter 14, Section 7(6), eliminating the professional program limitation regarding a single School of Law and School of Dentistry until 2025.
Regent Doubrava seconded. Motion carried.

8. Information Only - New Business (Agenda Item #8) - Chancellor Klaich and Vice Chairman Trachok will form a task force to review employment contracts.
9. Information Only - Public Comment (Agenda Item #9) – Mr. Umram I. Osambela, ASCSN President, CSN, thanked the Board for its recommendation to appoint him to serve on the Interim Study Concerning the Governance Structure of and Funding Methods for Community Colleges under Senate Bill 391 (Chapter 494, *Statutes of Nevada 2013*).

Chairman Page thanked UNLV and Provost White for hosting the Board meeting and CSN, System and Board staff for their assistance and services.

The meeting adjourned at 1:11 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 April 25, 2014, meeting.