

BOARD OF REGENTS
UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA
Northern Nevada Science Center Conference Room
Desert Research Institute
2215 Raggio Parkway, Reno
Thursday-Friday, June 14-15, 2001

Members Present:

Mrs. Thalia Dondero, Chair
Mr. Mark Alden
Dr. Jill Derby
Mrs. Dorothy S. Gallagher
Mr. Douglas Roman Hill
Mrs. Linda Howard
Dr. Tom Kirkpatrick
Mr. Howard Rosenberg
Mr. Doug Seastrand
Mr. Steve Sisolak
Mr. Tom Wiesner

Others present:

Chancellor Jane Nichols
Vice Chancellor, Finance & Administration Dan Miles
Interim Vice Chancellor, Academic & Student Affairs Sherwin Iverson
General Counsel Tom Ray
Interim President Mike Meyer, CCSN
President Stephen Wells, DRI
President Ron Remington, GBC
Interim President Rita Huneycutt, TMCC
President Carol Lucey, WNCC
President Carol Harter, UNLV
Interim President Stephen McFarlane, UNR
President Richard Moore, NSCH
Chief Administrative Officer Suzanne Ernst

Also present were faculty senate chairs Mr. Ruell Fiant, CCSN; Dr. Lynn Fenstermacher, DRI; Mr. John Patrick Rice, GBC; Mr. Bill Newhall and Dr. Eun-Woo Chang, TMCC; Dr. Arthur Broten, UCCSN; Dr. Stephen Carper, UNLV; Dr. Paul Neill, UNR; and Mr. Richard Kloes, WNCC. Student government leaders present included Ms. Michelle Lacerda, TMCC; Mr. Paul Moradkhan, UNLV; Ms. Rana Koran, UNLV-GSA; Mr. Carlos Ledon, UNR-GSA; and Ms. Leslie Carlen, WNCC.

Chair Thalia Dondero called the meeting to order at 12:00 noon on June 14, 2001 with all members present except Regents Hill and Seastrand.

1. Approved-Personnel Session - In compliance with NRS 241.030, a closed session was held for purposes of discussion of the character, alleged misconduct, professional competence, or physical or mental health of certain executive employee(s) of the UCCSN.

Regent Gallagher moved approval of moving to a closed session. Regent Rosenberg seconded. Motion carried.

The Board moved to a closed session at 12:05 p.m. and returned to open session at 1:55 pm with all members present except Regents Hill and Seastrand.

1.2 Information Only-Return to Open Session - The Board returned to open session.

2. Introductions - President Wells introduced Dr. Lynn Fenstermacher, vice chair of the DRI faculty senate, and Dr. S. Kent Hoekman, Executive Director of Atmospheric Sciences. Dr. Hoekman came from Chevron Corporation with a specialty in chemistry and atmospheric pollution. President Huneycutt thanked outgoing TMCC faculty senate chair, Mr. Bill Newhall, adding that he did a wonderful job. She introduced Dr. Eun-Woo Chang, the incoming faculty senate chair. She thanked Regents Kirkpatrick and Rosenberg for attending the TMCC High School graduation. President Meyer introduced Mr. Ruell Fiant, the new CCSN faculty senate chair. President Harter introduced a student contingent present from UNLV: Mr. Paul Moradkhan, Mr. David Fauscke, Ms. Jennifer Hale, Mr. Tim Lanning, Mr. Al Heck, Ms. Ali Laman-Lyons, Mr. Davin Hill, Mr. David Himmel, Ms. Kelly Martinez, and Ms. Katie MacDonald. Regent Dondero welcomed the students.

Regent Dondero announced a closed session would be held again in the morning. Regent Sisolak noted that this was Interim President Meyer's last meeting and thanked him for the fine job he performed under difficult circumstances.

3. Chair's Report - Regent Dondero thanked Chancellor Nichols and her team, under Dr. Crowley, for their work with the governor and legislators during the demanding legislative session. She stated that Dr. Nichols performed a wonderful job for higher education. She congratulated President Remington as the next president of CCSN. She also thanked Interim President Meyer for keeping CCSN on a steady course during the process. She also thanked Interim President McFarlane for his work. She thanked Regent Seastrand for his work as chair of the CCSN Presidential Search Committee. She noted that throughout the search he had been fair and dedicated. She appreciated the strength and integrity he brought to the search.

4. Chancellor's Report – Chancellor Nichols reported that a significant amount of time and energy was dedicated to the legislative session. She expressed her appreciation to the presidents and their staffs. She shared a System Administration staff perspective of several studies and issues on which they will be concentrating in the coming year. System Administration is in the midst of a master plan for the System. She indicated they would revitalize the process and proceed with an all-day retreat planned for August. Additionally, forums are planned in the Fall, which will include community leaders as well as faculty and students. A number of committees and task forces are either underway or being formed, including:

- Campus Security Study Committee.
- Part-time Faculty Task Force.
- Community College Salary Schedule Task Force.
- Community College Task Force on Workforce Development.
- University Task Force on Technology Transfer.
- Common Course Numbering Committee.
- Chancellor's Task Force on the Millennium Outreach Center.

She noted there were a number of legislative and Board directives to be addressed:

- Study on nursing within UCCSN.
- Study of Business Center North and Business Center South functions and structure.

- Review of Foundation policy.
- Study with UNR and the School of Medicine to bring recommendations regarding the structure of the practice plans.
- Study of the System-wide cost for technology.
- Review of year-round campus operations to bring recommendations on summer school and funding.
- Study of the administrative structure of CCSN.
- Study of the High Tech Centers to be completed before the next legislative session.
- Revisit the taxonomies that drive FTE counts in the funding formula.

Chancellor Nichols stated that the Board would be involved with two presidential searches to be conducted this Fall (TMCC and GBC). She reported that two comprehensive, periodic presidential reviews would be completed over the next year. She related they needed to complete the policy recommendations from the CCSN administrative review. Chancellor Nichols reported the need to revise and update the Board Handbook, as many parts refer to community colleges and universities, but make no reference to state colleges. She reported the Board would review a suggested calendar from the Chancellor's office perspective. Should the Board approve moving to a one-day Board meeting with a separate day for committee meetings, changes would be necessary to the way the agenda is released to Board members. She reported that System Administration would work harder to bring more background material and staff recommendations with the agenda. She noted that the current agenda included a longer Consent Agenda for routine business items. System Administration is also looking carefully at whether or not routine, perfunctory business items could be handled via a different mechanism. Recommendations will be brought forward for review. She announced that the student government officers had elected Mr. Carlos Ledon as their chair. She then introduced President Lucey for her presentation.

President Lucey introduced Professor Don Carlson to address issues related to the transformation of their college. Professor Carlson shared his observations as the former chair of the transformation committee. It was his sense the origins of the committee were a result of the accreditation visit, as well as President Lucey's desire to get moving following her first winter in Nevada. He strongly endorsed President Lucey's challenge to the institutional mission. Last Fall, President Lucey announced the formation of the transformation committee, which was comprised of students, classified staff, administrative and academic faculty, and three vice presidents. In November, a chair was elected and procedures were established. In December, the committee-meeting schedule was announced to all personnel. Committee meetings were scheduled and held at all campuses. The committee followed the spirit of the Open Meeting Law by posting the agendas on e-mail. Committee minutes were also e-mailed as well as posted on the internet. This provided opportunity for personnel to attend meetings and be informed and encouraged them to submit ideas. All issues were listed first as discussion items only and, at a later meeting, were listed as tentative action items. At the final meeting in April, all previously tentatively acted upon items were considered for amendment, rejection or final approval. Initially, there was much skepticism/cynicism, even amongst committee members. Ultimately, the transformation committee recommended the discharge of 13 committees, which may contribute to greater institutional efficiency. The decision to begin with an easy issue helped bring cohesion to the committee. More institutional members began to attend committee meetings. When committee consensus authorized appointment of ad hoc committees, everyone responded. When President Lucey originally created the transformation committee, a widely held view was that the committee would explode over the 'tough one', i.e. transforming academic departments. After frank and extended discussions, a superb proposal with administrative options was unanimously approved. Administration adopted the proposal, which will be implemented July 30, 2001. This academic management transformation will provide an opportunity to reduce long-standing geographically based internal institutional barriers and will save approximately \$80,000. The committee submitted numerous recommendations to President Lucey. He anticipated the shakedown would happen with the transformation from academic departments to academic divisions. He concluded that, in order to more effectively identify and meet student and community needs, WNCC was required to transform.

Regent Gallagher expressed interest in the avenue explored, adding that all of the community colleges had different campuses and geographic locations. She was interested to see how the plan worked, adding it should also work at other institutions.

Regent Alden asked that items 10-16 be heard that day since he and Regent Sisolak would be leaving early the following day.

5. Information Only-Final Legislative Report - Chancellor Jane Nichols and Vice Chancellor Dan Miles provided an overview of the final UCCSN budget for 2001-2003 and legislation approved by the Nevada State Legislature, including the impact on the System.

Vice Chancellor Miles stated he would discuss the budget using an additional information package that was mailed to the Regents. Regent Sisolak indicated that he had not received the information. Chancellor Nichols stated that the material was mailed approximately one week ago. Many other regents noted that they had also not received the information. Additional copies of the material were available at the meeting for Regents and others.

Vice Chancellor Miles stated that legislative expectations were reviewed at the previous meeting, and the legislature did act as indicated. Formula funding was calculated at 81.55% for the first year of the biennium and 80.29% for the second year. He reported that actual enrollments had been inserted into the formula calculation, governor recommended formula reductions, as well as the proposed increase for non-resident tuition. The Board agreed to use Estate Tax funds for: (Ref. #5 on file in the Board office)

- \$13,685,494 - Hold harmless funding for CCSN, TMCC, UNLV, and WNCC.
- \$260,000 - GBC 4-year programs.
- \$1,400,000 – Boyd School of Law, Clinical Law Program.
- \$3,554,458 – UNLV dental school (including COLA).

Vice Chancellor Miles related that the legislature reduced the performance-funding proposal (\$1,000,000-FY02) with the promise it would be considered again in the next session. He reported the legislature also reduced budgeted NSCH student enrollment from 1,000 to 500 FTE, which resulted in a reduction of student fee revenue (\$668,500-FY03). Items added to or subtracted from state general funds by the legislature included:

- Statewide programs (UNR 'End of Life', UNR Basque Basque Studies, UNLV Public Radio Station Support) - \$1,094,500. The radio station will be added to the base budget next biennium.
- School of Medicine General Practice Dental Residency Program - \$668,834.
- NSCH Enrollment Reduction – (\$1,803,930).
- Classified COLA 10% Adjustment – (\$1,437,155).
- Professional COLA-4% Adjustment to MAP - \$18,139.

Vice Chancellor Miles reported that the initial governor-recommended budget included COLA funds (classified positions) for each individual budget. The legislature removed those funds from the individual budgets, pooled them, and allocated them to the System to be allocated based upon justifiable need for higher classified salaries. He related that the total legislative-approved budget for FY02-03 was \$1,026,635,383; slightly less than the System's initial request, and \$28 million less than the governor's initial recommendation (prior to realization of the state revenue shortfall). Mr. Miles related there was \$131,801,034 in new money coming to UCCSN budgets, with \$44 million representing COLA.

Vice Chancellor Miles reported that the total Estate Tax allocation for the biennium approved by the legislature totaled \$75.04 million. Legislative changes included:

- An additional \$3 million added for EPSCoR research grants.
- \$3 million performance funding request cut completely.
- FY 01-03 Merit/COLA - \$1.09 million added.
- UNLV dental school - \$3.55 million added.
- UNLV law school clinic - \$1.4 million added.
- Hold Harmless - \$13.69 million.

He noted that with the U.S. Congress passing tax relief legislation last week, the Estate Tax would be phased out over the next 10 years (federal share). Mr. Miles reported that the state share would be eliminated by 2005. In 2002 Nevada will be eligible for 75% of the allowable credit; 2003 - 50%; 2004 - 25%; and by 2005 it would be eliminated completely. Regent Wiesner asked whether the Estate Tax could be re-instated in 10 years, with Mr. Miles replying that it would be a Congressional decision. Regent Rosenberg asked whether money could be realized from an endowment of the Estate Tax with no further expenditures. Mr. Miles replied that if it were truly endowed and the System only spent income from it, theoretically, it would go on forever. However, the income available for expenditures would be decreased substantially. He recommended the legislature be made aware of the problem. Regent Rosenberg asked whether the System portion could be banked in a reserve. Regent Derby commented that it had just been spent. Regent Gallagher stated that the System was required to keep it until it reached a certain level before they could spend anything. K-12 was not held to the same regulation. She doubted that it could be endowed now when money was so tight. Vice Chancellor Miles felt it was a position the System should press. He felt that knowing it was really going away would allow better planning. He noted that items funded by the Estate Tax now were basically ongoing programs. He related there was general agreement in the legislature and with the governor that there would be a significant review of the state's tax structure, which is not keeping pace with need. He felt that would provide opportunity to address the Estate Tax. Regent Gallagher asked what the Estate Tax would produce and what ongoing costs could be covered were it endowed. Mr. Miles agreed to provide this information.

Regent Kirkpatrick asked whether the legislature would fund in the same manner as the System had with the Estate Tax (student aid and EPSCoR). Chancellor Nichols replied that was the System dilemma, since those items were not as essential to the state, but were essential to the System. She felt the UCCSN should begin to frame an argument and make a case with the public that those items are essential and the state has not stepped forward to cover those costs. Regent Alden commented that, at some point, enrollments would need to be capped because the System could only do so much and still maintain quality. Regent Rosenberg felt that would be difficult to employ and suggested inviting the legislators to the campuses so they could witness the interest in taking classes. He noted that it also meant they might need to increase tuition and technology fees. Regent Alden felt that university entry requirements should be raised, which would route some students to the community colleges or state college, which is less expensive to operate.

Vice Chancellor Miles reported the legislature approved \$2,523,863 for System Computing Services (SB461), but did not approve the following:

- UNLV Harry Reid Center (SB460) - \$250,000 (governor recommendation).
- NSCH Start-up Costs (AB518), - \$1,000,000 (governor recommendation).
- Teacher Scholarship (AB613) - \$410,000 (governor recommendation).

Other legislation passed affecting UCCSN included:

- SB518 - increased per diem rate for state employees, restored the Interim Finance contingency fund to

\$11,000,000, and appropriated \$17,000,000 for state agencies and UCCSN for energy cost overruns in FY02 and FY03.

- AB122 – Classified employees unused sick leave; expanded to include payment for half of the leave hours accrued (but not carried forward) plus 120 hours.
- AB558 – Employee Health Benefit; sets the monthly contribution rates for health benefits at \$357.50 (FY 02) and \$384.50 (FY 03).
- SB586 – included language (Section 8) allowing each campus to augment their budgets if student fee revenue exceeds budget levels with IFC approval. It will also allow any campus that has any other revenues that exceed budgeted levels to apply that surplus to energy cost overruns (this year only).

Vice Chancellor Miles reported that the legislature approved the following Capital Improvements (bond costs removed from certain projects to be paid out of state general funds):

- Redfield Campus Phase I build-out.
- DRI SNCS build-out.
- WNCC Library build-out.
- CCSN Science building build-out.
- UNR Medical building furnishings.
- UNLV Science/Engineering planning, design, and utility infrastructure.
- CCSN Health Science/Biotech building (West Charleston Campus design only).
- TMCC Student Services Center Phase II.
- UNLV Wright Hall addition and renovation (asbestos abatement added).
- UNR Library.
- NSCH Academic & Student Services building.
- UNLV Frazier Hall (initial planning).
- CCSN Telecommunications building (Cheyenne Campus).
- Dental School planning and site preparation.
- Transitional 'Bridge' building-UNLV.
- Medical School, Dental Residency remodel.

Mr. Miles related that the WNCC-Fallon classroom expansion was not recommended by the governor nor funded by the legislature. Capital Improvement Projects 9-10, 12-14, 16-18, and 20 were also not funded.

Regent Howard asked about HECC funds. Mr. Miles replied that HECC (Higher Education Capital Construction) was comprised of the first \$5 million collected from the slot tax and was dedicated to UCCSN for repair and renovation projects on all campuses.

Regent Sisolak asked about legislative approved maintenance. Mr. Miles replied that the state regards the previous year's budget as the base budget. Maintenance refers to maintaining the current service level.

Dr. Neill assured Regent Alden that increased quantity did not always entail a decrease in quality and cited the Millennium scholars as an example. He felt that the campuses were having difficulty due to the cuts to the funding formula. He suggested that increasing the university entry requirements might actually increase the number of students due to a perception of higher quality.

Chancellor Nichols reported the status of UCCSN-sponsored bills. Six of the nine UCCSN sponsored bill were approved: (Ref. #5 on file in the Board office)

- AB113 – Millennium Scholarship awards for GBC and NSCH; also opened the door for private institutions to be eligible (SNC).
- SB461 – System Computing Services equipment.
- SB496 – revision of bonding authority for UNLV and UNR and amended to include GBC residence hall project.
- SB497 – Bonding for TMCC purchase of Reno Town Mall.
- SB500 – Revision of university securities statute.
- SB543 – Changes to intellectual property rights.

Chancellor Nichols reported that four UCCSN-sponsored bills were not approved:

- AB518 – Start-up funding for NSCH.
- AB613 – Continuation of teacher education scholarships for UNLV and UNR, and expansion of those scholarships to GBC and NSCH. Scholarships for UNLV and UNR were also lost, since the bill was not approved.
- SB460 – One-shot funding for the UNLV Harry Reid Center (\$250,000).
- SB493 – Carry forward funding between fiscal years.

Chancellor Nichols reported that AB378, providing a loan program for nursing students and a System study of nursing, was approved. Special appropriations were also provided for the KUNV radio station at UNLV (\$195,000) and the School of Medicine Dental Residency Program (\$688,000).

Non-appropriations bills affecting the UCCSN included:

- AB454 - A study of CCSN administrative structure.
- AB634 – Authorization to create police review boards in UCCSN if desired.
- AB225 – Prohibition of certain serial meetings of public bodies including the Board of Regents.
- AB253 - Uniform Athletics Agent legislation.
- AB661 – Energy deregulation legislation.
- SB518 – Provides access to \$17 million to cover utility costs not covered by institutional appropriations.

Chancellor Nichols related that the Board's top priorities were met:

- #1 priority - 4% COLA for employees was fully funded by the state.
- The Board's top 8 construction projects received full or partial funding
- Five additional capital improvement projects received full or partial funding:
 - UNLV Student Services addition planning funds.
 - CCSN Telecommunications building.
 - UNLV Dental School building planning funds.
 - UNLV transitional 'Bridge' building for dental school.
 - SOM Dental Residency building remodel.
- The Board's top 3 priorities for one-shot dollars were approved:
 - Hold Harmless - \$13.6 million.
 - SCS Equipment - \$2.5 million.
 - EPSCoR research grants - \$3 million.
- Top 2 special priorities were approved for partial funding:
 - Law School Clinic - \$1.4 million.
 - Additional funding for existing GBC baccalaureate programs - \$260,000.
- Special priorities funded:

- o UNR End of Life Issues - \$746,700.
- o UNR Basque Studies - \$152,158.

Chancellor Nichols observed that, while funding for the GBC nursing program had not been approved, four other important needs were funded:

- Nevada State College - \$4.4 million (FY 2003).
- New space funding - \$4.8 million.
- Gender equity - \$1 million, split evenly between UNLV and UNR.
- SCS Internet II and technology - \$1.2 million.

Chancellor Nichols related that UCCSN realized a substantial reduction in operating funds, which would impact each institution. She stated the System would continue to do all that is possible to protect students and would work closely with faculty in order to do more with less. She reported that fiscal and academic consequences could include:

- Hiring freezes.
- Holding positions open.
- Flexible contracts.
- Split positions.
- Fewer class sections.
- Larger class sizes.
- Less advisement time.
- Reduced operations at High Tech Centers.

Regent Alden asked whether AB253 (Uniform Athletics Agent legislation) provided the ability for the System to seek damages. General Counsel Ray replied that it did, adding that the bill specifically addressed agent conduct. He related that current laws address the conduct of boosters. Regent Alden asked about reduced operations at High Tech Centers. Chancellor Nichols replied that CCSN was trying to open two new centers with no funds. She related that President Remington would need to negotiate with the school district for joint funding. She indicated they might not be able to open those centers. Regent Alden was particularly concerned about WNCC and whether classes could be offered at those sites. Chancellor Nichols replied that they were working on various alternatives.

Regent Rosenberg asked whether faculty could be asked to take on an extra class to help with the reduced number of sections. Chancellor Nichols replied that it would help, but thought that every campus president was already working with the faculty senate about the reality of this situation and seeking ways in which the faculty might step forward to ensure student needs are met. Regent Rosenberg stated that offering the classes and providing advisement were the most important services provided, adding they should concentrate in that area.

Regent Derby asked whether figures were available on the High Tech Centers and whether most fees had been paid. Chancellor Nichols replied that figures were available, adding Dr. Chris Chairsell and the campuses prepared a report outlining the annual costs for each High Tech Center (\$200,000-\$500,000/year). She related that the campuses had that data and would be meeting with the school districts to see what assistance could be provided. She stated that it raised the issue of which centers would be kept open during the day for high school use. She related that FTE from those centers was state supported.

Regent Sisolak asked about access to the \$17 million for increased utility costs. Vice Chancellor Miles replied that it was an appropriation or pool of money. One would need to apply for the funds and follow the rules. He added that it could only be used for cost overruns. Regent Sisolak related that the school district had already initiated plans (i.e.

closing earlier) and asked whether UCCSN also had plans. Chancellor Nichols replied that UCCSN was engaged in an energy conservation/retrofit effort. Each campus has an energy plan with a goal for reducing energy consumption (i.e. reducing hours, turning off lights) and the System would track the energy savings.

Chair Dondero asked when UCCSN began conservation efforts. Chancellor Nichols replied that it had been in progress since early in the year, adding that the campuses had been doing this for some time. President Harter reported that UNLV won a \$25,000 award from Nevada Power for their energy conservation efforts.

Regent Howard expressed concern for offering fewer class sections, adding that she hoped it could be avoided. Chancellor Nichols assured her the presidents were attempting to avoid that. She noted that UCCSN was enrollment-driven for funding and that it would do no good to cap or decrease enrollments since it would provide even less funds. She relayed the need to protect student enrollment in every way possible. She acknowledged there could be a shortage of resources to hire part-time faculty and keep the sections open.

6. Information Only-Tahoe Basin Environmental Science and Policy Center, DRI - President Stephen G. Wells provided an update on the status of the Tahoe Basin Environmental Science and Policy Center, including information regarding a memorandum of understanding between DRI, Sierra Nevada College, and RAND Corporation outlining cooperation between the parties in the development and implementation of the new Center. (Ref. A on file in the Board office)

President Wells reported that the Center for Watersheds and Environmental Sustainability (CWES) was developed for research at the lake and reported the following milestones:

- Development of a regionally based research program at Lake Tahoe.
- Using Lake Tahoe as a field site for other types of watersheds in the west.
- Develop a faculty whose interests in watershed restoration are compatible.
- Outreach program with the community to plan the process.
- Enhancement of future funding for research.

The program was incorporated into DRI's 10-year vision, academic master plan, and capital improvement projects (private funds only). Dr. Wells noted the programs fit with the TESS agreement formulated by Chancellor Nichols, Dr. Crowley, Dr. Wells and UC Davis to engage in non-competitive research. He reported that DRI teamed with the TRPA and the forest service for site selection and selected the Sierra Nevada College (SNC) as an alternative site. Goals for the site include:

- Create programmatic center and physical location for CWES to bring science, policy, and education together with a focus on watershed management.
 - Promote more effective interaction and communication between researchers and policy makers.
- President Wells related that a memorandum of understanding had been developed with SNC and RAND Corporation to build the center on the college campus, providing opportunity for all UCCSN institutions, U.C.-Davis, federal agencies, and others to participate. Construction and operating expenses will be paid entirely from private sources. Fundraising strategies include cooperation with the SNC Board and developing all aspects of private fundraising including foundation, individual and corporate support. Future goals include:
- Planning the facility – conference/workshop area, classrooms, research labs, policy and research war room, office space, and administrative offices.
 - Building design – integrating research, policy, and education with a strong visiting scientist component. He noted it would provide students the opportunity to witness interaction while scientists are conducting their research and policy makers are meeting.

- Expand CWES and increase institutional cooperation.
- Continue discussions with the State Public Works Board.
- Facilitate any contract review required by the Board of Regents.

Regent Derby commended Dr. Wells for wonderful work and an exciting collaboration. She asked whether Board action would be necessary. President Wells felt that action would be necessary when the actual proposal comes before the Board. Chancellor Nichols replied that no action was necessary that day, but wanted to keep the Board apprised. Chair Dondero asked whether the land would belong to DRI. President Wells replied that the land was part of the SNC campus. He stated that an arrangement was being considered for the land and building to become DRI property for 20 years and then revert back to the campus. He explained that all details would be part of the proposal.

The meeting recessed at 3:40 p.m. and reconvened at 3:55 p.m. with all members present except Regents Hill and Seastrand.

7. Approved-UCCSN Strategic Plan - Chancellor Jane Nichols facilitated a discussion about a potential long-term vision for the UCCSN, principles and strategies for achieving the vision, and a potential structure for the delivery of education in the future.

Chancellor Nichols suggested that, in light of time constraints, she would briefly discuss the Nevada 2001 Master Plan and then assign homework to the Regents, presidents, faculty senate chairs, and student body presidents. She related they would compile the results of their responses the following day and readdress the issue at the end of the meeting. She related that her office had been working on this document for some time. She stated they were working toward a compilation of the RAND report recommendations to create a document everyone could live with, including very specific numbers and very specific plans. She related that her cabinet would spend the following Tuesday with Mr. David Longanecker (WICHE). She stated they required concrete ideas about:

- Principles and basic beliefs driving the system of higher education.
- What is missing or inadequate?
- Every principle becomes a driving force for action to be taken.

Dr. Nichols related that her office conducted a review of successful master plans across the country. Nevada 2001 Goals include:

- Expand access for all Nevadans.
- Refine the mission of each institution and plan new institutions as needed.
- Support and expand economic development throughout Nevada.
- Use resources efficiently and effectively.
- Place priority on meeting Nevada's professional workforce needs.
- Establish a system of assessment to ensure greater quality, efficiency, and effectiveness.
- Implement financing reforms.
- Collaborate with K-12 to create a quality K-20 system.
- Refine governance model to support institutional enhancement.

Chancellor Nichols related they would then expand the goals to include specific strategies and cited two examples. She then assigned key questions to be answered by the Regents, presidents, faculty senate chairs, and student body presidents:

- What five problems still remain to be solved over the next 20 years?
- Very specifically, what five areas/programs/institutions do they want to see added in higher education in

Nevada over the next 20 years'

- Are there any activities or services that higher education now provides that should be dropped'
- What are the five key public policy issues that need to be addressed for higher education to best serve the needs of Nevada'
- If funding were no issue, what 'wild ideas' would they want to see implemented in Nevada higher education within 20 years'

8. Approved-Consent Agenda – The Board approved the Consent Agenda with the exception of items (6b), (7), (11), (17), (21), (22), and (23). Chancellor Nichols reported that items (6a) and (8b) had been withdrawn. Regent Sisolak recalled that Chair Dondero had requested a listing of all properties held by the UCCSN. Chancellor Nichols stated that the list was available in the System Administration office. Regent Sisolak stated that he had been asked whether properties (i.e. #17) were available for general public bidding.

(1)Approved-Minutes – The Board approved the minutes from the meeting held April 19-20, 2001.

(2)Approved-Promotion to Vice President, GBC – The Board approved the appointment of Ms. Lynn Mahlberg as Vice President for Student Services effective July 1, 2001 at a salary of \$101,000. Ms. Mahlberg has served as Dean of Enrollment Management at Great Basin College since July 1, 1997. (Ref. C-2 on file in the Board office)

(3)Approved-Finance Committee Membership, GBC – The Board approved the following new members of the Great Basin College Foundation Finance Committee:

- James Kelley
- Nancy Rosasco
- Robert Zerga
- Jean Sloan
- Kurt Neddenriep

(4)Approved-Appointment, Acting Vice President, TMCC – The Board approved the appointment of Mr. Stephen Salaber as the Acting Vice President of Finance and Administrative Services for the period of July 1, 2001 through June 30, 2002 at a salary of \$111,305. Mr. Salaber currently serves as the Assistant Vice President of Administrative Services at TMCC. (Ref. C-4 on file in the Board office)

(5)Approved-Leave of Absence, UNLV – The Board approved giving Associate Professor Ranel Erickson a second year's leave of absence without pay during the 2001-2002 academic year with the following conditions:

- Dr. Erickson will return to UNLV at the completion of his year's leave of absence without pay for at least one year;
- The university will not pay Dr. Erickson's health benefits while on leave.

Professor Erickson will continue to spend the year assisting in the planning of the development of a unified mathematics research center at UNLV.

(8)Approved-Vice Presidential Transitions, UNR – The Board approved the following:

A. In accordance with Handbook, Title 4, Chapter 3, Section 21, the Board approved a request for reassignment for Dr. David Westfall to a teaching position in the Department of Pharmacology in the School of Medicine, effective July 1, 2001. Interim President McFarlane recommended that Dr. Westfall's academic base salary for 2001-2002 be set at \$163,085, which was equal to the salary he had as professor in 1996-1997 plus appropriate adjustments for merit and COLA. President McFarlane further recommended that Dr. Westfall's request for a professional

development leave be granted. The duration of the leave is to be six months, beginning within one year of Dr. Westfall stepping down from the position of vice president. No other expenses related to the professional development leave were recommended.

(9)Approved-Capital Improvement Fee Funds, CCSN – The Board approved the use of \$115,000 in capital improvement fee funds for the following projects at CCSN:

- Improvements to Charleston Campus Building D, 4th floor, providing offices for CCSN's architect and construction manager, allowing better proximity and oversight to the Science Building project.\$15,000
- Remodel Cheyenne Campus Receiving Area to provide eight offices and a storage area for the expansion of Business Services operations.\$100,000

TOTAL:115,000

(10)Approved-Capital Improvement Fee Funds, TMCC – The Board approved the use of \$23,500 in capital improvement fee funds for the following projects at TMCC: (Ref. C-10 on file in the Board office)

- Plant & Facilities Building Gas Leak Repair\$7,500
- Library Fire Main Repair5,000
- Reno Town Mall Appraisal11,000

TOTAL:\$23,500

(12)Approved-Handbook Revision, SAT Scores for English Courses – The Board approved a Handbook revision, Title 4, Chapter 16, Section II, to update SAT scores required for placement in English courses. (Ref. C-12 on file in the Board office)

(13)Approved-Handbook Revision, Investment Objectives and Policies for the Endowment Fund – The Board approved a Handbook revision, Title 4, Chapter 10, Section 3, Statement of Investment Objectives and Policies for the Endowment Fund, for a management fee approved by the Board on May 10, 2001. (Ref. C-13 on file in the Board office)

(14)Approved-Handbook Revision, Revised Constitution of the Associated Students of TMCC - The Board approved revisions to the Constitution of the Associated Students of Truckee Meadows Community College. (Ref. C-14 on file in the Board office)

(15)Approved-Handbook Revision, Medical Student Annual Fee for Health Life and Disability Insurance – The Board approved Handbook revisions, Title 4, Chapter 17, reflecting 2000-2001 premiums for the regular student insurance plan (UNR, TMCC, WNCC) and the medical student insurance plan. Both insurance plans are administered by USI. The Board's packet on student fees at the March and April meetings contained a reference to this item with a request that it be approved separately once the revised rates became available from the insurance company. (Ref. C-15 on file in the Board office)

(16)Approved-Cloud Seeding Program, DRI – The Board approved DRI to approach the Interim Finance Committee for funding of the 2001-2002 and 2002-2003 cloud seeding program as authorized by the 2001 Legislature. Funding request ranges from \$465,000-\$485,000 per year.

(18)Approved-Cooperative Agreement, Nevada State Fire Marshal, TMCC – The Board approved a cooperative agreement proposed to allow the State Fire Marshal's division and the University and Community College System of Nevada to work together to provide a strategic melding of resources to deliver the best possible first responder

training for Nevada, within the approved budget. (Ref. C-18 on file in the Board office)

(19)Approved-Land Lease, UNLV – The Board approved a sponsorship agreement with CMEDIA, LLC (Land Lease), for property located on the northwest corner of Tropicana and Swenson to be used for the sale of advertising. This agreement includes the existing structure on the property that can either be modified or torn down, for which they will be fully responsible. (Ref. C-19 on file in the board office)

- Lease Term:10 years (starting 1-2 months after execution of agreement).
- Fees:\$3,000,000 (\$240,000-year 1; \$280,000-year 2; \$310,000-years 3-10).
- Principal(s):Bob Stockham

(20)Approved-Grant of Easement, City of Las Vegas, UNR – The Board approved granting an easement to the City of Las Vegas for construction and maintenance of billboards. (Ref. C-20 on file in the Board office)

Regent Rosenberg moved approval of the Consent Agenda with the exception of items (6b), (7), (11), (17), (21), (22), and (23). Regent Alden seconded. Motion carried. Regent Wiesner abstained from voting on Consent Agenda item (19). Regents Hill and Seastrand were absent.

(6b)Approved-Tenure Upon Hire, UNLV - The Board approved tenure upon hire for the following faculty member:

Dr. CarolAnne Kardash, Associate Professor, Department of Educational Psychology, effective August 1, 2001. The department faculty voted unanimously to recommend tenure upon hire.

Regent Rosenberg indicated that he had a basic objection to tenure upon hire, especially for an associate professor. He questioned why UNLV was hiring Dr. Kardash as an associate professor if she was awarded full professorship at her prior institution. President Harter replied that Dr. Kardash was told she would be considered for a full professorship shortly following her hire. Dr. Harter related that UNLV's standards were slightly higher for a full professor. Regent Kirkpatrick noted that UNLV would be providing credit for a number of years towards her full professorship. President Harter replied that they would since she achieved full professorship at her previous school and was also tenured. Provost Ray Alden affirmed that she was a full professor now. Regent Rosenberg asked why, if UNLV's standards for professor were higher than her present institution, the standards for tenure would be any less. He stated that he did not doubt Dr. Kardash's qualifications, but felt that tenure could be achieved after coming to the institution. President Harter replied that Dr. Kardash was already tenured and would not move to UNLV without tenure. She stated that Dr. Kardash had been hired at the same level she was at her previous institution, with the promise to consider her for full professorship within a year or two. Meanwhile, she was granted full professorship in Missouri.

Regent Sisolak moved approval of tenure upon hire for UNLV. Regent Gallagher seconded.

Regent Kirkpatrick requested that vitae be provided on all future requests for tenure upon hire. President Harter agreed to do so. He did not believe that UNLV's standards for full professor were any higher than Missouri. President Harter replied that the Department of Educational Psychology was striving to hire people with high levels of national and international recognition.

Motion carried. Regents Rosenberg and Wiesner voted no. Regents Hill and Seastrand were absent. Regent Sisolak requested a roll call vote.

Regent Sisolak asked about the impact if the item were voted down. President Harter replied that they would lose her; she would not come without the tenure. Dr. Stephen Carper, UNLV faculty senate chair, stated there had been a

national search for candidates and this person rose to the top and was voted on unanimously. In order to recruit senior people with experience, tenure with hire was necessary. He noted that Dr. Kardash was awarded full professorship just prior to coming to UNLV. He stated that the faculty would evaluate her performance prior to award of full professorship, adding there were plenty of checks and balances. He urged Board support of this candidate.

Regent Gallagher stated that when presidents hire someone in advance of Board approval and the Board did not support the president's decision, it made the Board and the president look foolish, especially when there were no problems with the individual's credentials. Regent Derby stated that the Board had encouraged the institutions to strive for the best. She noted that, in order to attract tenured faculty, an institution must also offer tenure. She related that it increased program quality. She felt that negating UNLV's efforts would be a setback for the entire System. She encouraged Board support for the motion. Regent Rosenberg felt that the Board really had no choice with the current method, but recognized Regents Gallagher and Derby's points and added his support. Regent Alden asked whether the people in the department had voted unanimously to award tenure. President Harter replied that they had, adding that they presented their recommendation to the faculty senate, which also concurred. President Harter stated that with the hire of Dean Gene Hall, College of Education, the charge was made to create centers of excellence in the College of Education. One area he chose was educational psychology and Dr. Kardash was part of that decision.

Regent Sisolak noted for the record that none of the discussion centered on the qualifications of Dr. Kardash and had been merely philosophical in nature.

Upon a roll call vote the motion carried. Regents Alden, Derby, Dondero, Gallagher, Howard, Rosenberg, Sisolak, and Wiesner voted yes. Regent Kirkpatrick abstained. Regents Hill and Seastrand were absent.

(7)Approved-Tenure Upon Hire, UNR – The Board approved tenure upon hire for Dr. Michael W. Collopy as Professor of Environmental and Resource Sciences effective April 16, 2001. Dr. Collopy is the incoming chair of the Department of Environmental and Resource Sciences in the College of Agriculture, Biotechnology, and Natural Resources. (Ref. C-7 on file in the Board office)

Regent Sisolak moved approval of the tenure upon hire for UNR. Regent Gallagher seconded.

Regent Alden asked whether the department had agreed to tenure upon hire for this individual. President McFarlane replied that they had. Regent Alden asked whether a recommendation had been made to the faculty senate. President McFarlane replied that UNR's procedures were slightly different. The department, the dean, the Vice President for Academic Affairs, and President McFarlane all reviewed the recommendation.

Motion carried. Regents Hill and Seastrand were absent.

Regent Alden asked why Consent Agenda item (8b) was removed. Chancellor Nichols replied that Dr. Paul Page elected to retire from the university rather than return to the faculty.

(11)Approved-Handbook Revision, Professional Salary Schedules – The Board approved the fiscal year 2002 professional salary schedules that have been updated to reflect the 4% legislative-approved cost of living increase, Title 4, Chapter 3, Section 22. (Ref. C-11 on file in the Board office)

Regent Howard asked about institutional vice presidential salaries. Chancellor Nichols replied that the reference depicted the salary schedules adjusted to reflect the 4% COLA. She noted that it raised the salary schedules by 4% to keep up with the cost of living.

Regent Alden moved approval of the Handbook Revision for professional salary schedules. Regent Sisolak seconded. Motion carried. Regents Hill and Seastrand were absent.

(17)Approved-University Car Wash Lease Assignment, DRI – The Board approved a lease assignment between the Board of Regents/UCCSN, on behalf of DRI, and new owners Edward and Marilyn Webb for tenancy of the 'University Car Wash' at 4590 S. Maryland Parkway, Las Vegas, Nevada. (Ref. C-17 on file in the Board office)

Regent Sisolak asked whether the general public could bid on such a property. Mr. Alan Austin, Vice President for Finance and Administration-DRI, explained that it was an assignment of an existing lease, first entered into in 1985. It is a 20-year lease that allows transfer of assignment with Board approval. Regent Sisolak asked about the remaining years on the lease. Mr. Austin replied that it would expire in 2005 with an option for extension. Regent Sisolak observed that it was a valuable piece of property. President Wells commented that it was part of a gift given to DRI. The earnings are used to support student fellowships. Regent Dondero stated that she has received calls requesting that it be cleaned up. Mr. Austin stated that DRI monitors it closely. The individual who complained actually called to thank DRI for cleaning it up so quickly. Regent Kirkpatrick asked about the income. Mr. Austin replied that it generates \$4,300/month.

Regent Gallagher moved approval of the University Car Wash lease assignment. Regent Kirkpatrick seconded. Motion carried. Regents Hill and Seastrand were absent.

(21)Approved-Water Rights Deed, UNR – The Board approved the water rights deed that transfers 63.9 acre-feet of water that is in Equity Docket No. A-3 to Sierra Pacific Power Company for UNR's current and future projects. (Ref. C-21 on file in the Board office)

- Current Projects:
 - Medical School Library (Pennington)6.47 acre-feet
 - Student Services Building1.67 acre-feet
 - New Resident Hall21.02 acre-feet
- TOTAL:29.16 acre-feet

The remainder 34.74 acre-feet will be banked for future university projects, such as:

- The Redfield Building
- New Library Building
- Engineering Laboratory Addition
- University Inn Expansion
- Student Housing
- Dining Commons

Regent Rosenberg commented that water rights are extremely valuable. He asked for assurance that this was a good deal. President McFarlane assured him that it was. In order to have water service to buildings, the university would need to purchase water rights. In this case, there are existing water rights assigned to each building. The transaction is an exchange to get the necessary service. Nothing was given away.

Regent Alden moved approval of the water rights deed for UNR. Regent Rosenberg seconded. Motion carried. Regents Hill and Seastrand were absent.

(22)Approved-Settlement Agreement, UNR – The Board approved the settlement agreement with Sierra Pacific

Power Company regarding a water service agreement for 35.0 acre-feet of water obtained from Sierra Pacific Power Company in exchange for conveyance by the university of groundwater permits and one well and real property acreage for a second well site. (Ref. C-22 on file in the Board office)

Regent Sisolak moved approval of the settlement agreement for UNR. Regent Alden seconded. Motion carried. Regents Hill and Seastrand were absent.

(23)Approved-Grant of Easement, Sierra Pacific Power Company, UNR – The Board approved the grant of easement to Sierra Pacific Power Company for installation, maintenance, and/or repair of utilities at 5625 Fox Avenue, Stead Campus. (Ref. C-23 on file in the Board office)

Regent Alden moved approval of the grant of easement for UNR. Regent Sisolak seconded. Motion carried. Regents Hill and Seastrand were absent.

9. Approved-Study of Board Meeting Calendar – The Board reviewed and discussed the proposed Board of Regents' meeting calendar for 2001-2002. (Ref. #9 on file in the Board office)

Regent Wiesner asked who requested the changes. Ms. Ernst replied that a number of people had. She related that, since Regent Wiesner felt that 6 meetings would be insufficient, she drafted another option with 7 meetings. Ms. Ernst stated that the meeting dates for Fall 2001 were the same as originally scheduled, but would be held on Thursdays only. She mentioned that the proposal included the full Board meeting on Thursdays, with committee meetings held separately two weeks prior to the full Board meeting. She suggested that committee meetings could be attended electronically. Holding the committee meetings separate from the full Board meeting would provide the committees time to address their issues. She stated that the dates depicted for 2002 were new meeting dates with tentative locations.

Regent Derby stated there were advantages and disadvantages to every plan. She felt the proposal would be helpful for staff. She was concerned with holding video/telephone committee meetings, feeling that it detracted from the quality of those meetings. She stated that the Board realized their strongest asset was the committee structure and the quality of the committee meetings. She was reluctant to diminish the quality of those committee meetings.

Regent Alden expressed his approval for the proposed schedule, noting a preference for 6 meetings. He felt that an additional 2002 meeting should be held in Las Vegas, since 70% of the people reside in Clark County. He acknowledged Regent Derby's concerns for committee meetings, but felt that holding them separate from the Board meeting was a good one.

Regent Rosenberg expressed several concerns. Two full days separated from one another could be problematic for the faculty senate and student representatives to attend. He suggested keeping the present format (2-days) and using Thursdays for committee meetings and Fridays for the full Board.

Regent Gallagher stated that it was difficult to get out of Las Vegas on Friday nights. She asked whether people preferred Thursday meetings and not Friday meetings. Regent Alden emphatically agreed.

Regent Kirkpatrick observed that, with the present committee meeting schedule, he missed two meetings each time since they were held simultaneously. He asked whether the Thursday full Board meetings would start earlier and go later. Ms. Ernst replied that it was still in the planning stages, but would likely be 8:00 a.m. to 5:00 p.m. She noted that most Regents left early on Fridays. She stated that the committee meetings would be held separately so that Regents could attend any they desired. Ms. Ernst related that cost had been a motivating factor, as well as

discussion regarding the committees meeting in Las Vegas or Reno, but not in outlying areas (i.e. Fallon and Elko). She stated that many attending committee meetings did not attend the full Board meeting, adding that video hook-up could be provided for those choosing not to travel.

Regent Wiesner suggested holding the meetings on Wednesday-Thursday. He suggested having fewer Regents on the committees and more public sector participation.

Mr. Carlos Ledon stated that the student body presidents discussed the proposal and were strongly opposed to it. He felt it would double expenses for faculty and student government during a time when money should be conserved. He agreed with Regent Wiesner that fewer Regents were necessary on the committees.

President Harter agreed with the student and faculty leadership. She related that most presidents would still come in the night before. She felt that video meetings were less than desirable. She liked the idea of fewer meetings and agreed with Regent Wiesner's suggestion that Wednesday-Thursday meetings might be a workable compromise. Regent Kirkpatrick agreed.

Regent Alden established that committee meetings would be held on Wednesday and the full Board would convene on Thursday. He asked whether a Regent could attend video committee meetings and still attend in-person for the full Board meeting. Ms. Ernst and Regent Wiesner agreed that it could be done. President Lucey felt that holding committee meetings at two sites and using video would realize substantial savings for the campuses.

Mr. Eric Nystrom, UNLV-NSA (Nevada Student Alliance) Secretary, related that student leaders and faculty could be prevented from taking/teaching Tuesday-Thursday classes. He felt it would mean the end of effective student and faculty representation.

Regent Derby clarified that the current structure involved 1½ days (all-day Thursday and half-day Friday). She asked whether the meetings would be all day Wednesday and all day Thursday. Ms. Ernst related there had been a preference expressed for holding all committee meetings on the same day. Some people want to attend more than one committee and were unhappy with simultaneous committee meetings.

Regent Gallagher felt it was time to re-think the manner in which the Board conducts business. She felt that long meetings were unnecessary and that staff could accomplish some of the work. She felt that, if the committees functioned properly, the Board meetings would also take less time.

Regent Wiesner liked the idea of having the committee meetings the day before a full Board meeting. He noted that the alternative was to travel twice in one month.

Mr. Richard Kloes reminded the Board that faculty missed classes on Wednesday and Thursday nights in order to attend these meetings. He felt that holding the committees separate from the Board meetings would make the situation worse.

Regent Sisolak noted that two Regents were not present. While he appreciated faculty and student concerns, he wanted Regents to be able to attend the meetings. He noted that the time obligation was mounting.

Regent Kirkpatrick moved approval of studying the setting of the 2001-2002 Board meeting calendar. Regent Gallagher seconded.

Regent Derby related that the Board generally trusted committee recommendations due to the committee structure.

She felt it was important to have several Regents on each committee. She questioned whether 2 or 3 Regents would represent the full Board's perspective and there would be the temptation for the Board to review what the committee accomplished, which could lengthen Board meetings. She felt that having the number of Regents on the committees worked well for the Board.

Regent Sisolak observed that if the Board size grew to 13, there would likely be longer meetings.

President Moore observed that, if the Board could live with 4-5 meetings per year, he felt they would have higher attendance and less cost (i.e. once per quarter, every other month, not in the summer). He felt it was not the days of the week but the number of meetings held that caused poor attendance. Regent Wiesner observed that attending the meetings was a large part of a Regent's responsibility.

Ms. Ernst clarified the motion: to study the calendar and reorganization.

Upon a roll call vote the motion carried. Regents Derby, Dondero, Gallagher, Howard, Kirkpatrick, Rosenberg, Sisolak, and Wiesner voted yes. Regent Alden voted no. Regents Hill and Seastrand were absent.

10. Approved-Handbook Revision, Executive Perquisites - Chancellor Jane Nichols presented a recommendation for changes to executive perquisites as contained in Board policy, Title 4, Chapter 3, Section 23, Subsection 5. (Ref. B on file in the Board office)

Chancellor Nichols proposed changing the car allowance for the presidents and the Chancellor from \$6,000 to \$8,000/year. She noted that the most common automobile perquisite nationally was furnishing one, and in absence of furnishing one, offsetting the cost of using an automobile. She related that \$6,000 was the absolute minimum found at any system or institution. She reported that the automobile allowance had not been increased for 8 years and seemed to be a reasonable change.

Chancellor Nichols reported that her office reviewed data related to housing allowances across the country. She stated that the most common perquisite was furnishing a house (universities), adding that UCCSN did not do that. She felt it was reasonable to increase the housing allowance for university presidents from \$12,000/year to \$18,000/year. She explained that the housing allowance was taken away from community college presidents six years ago based upon a national study at that time. Issues of fairness have been raised regarding provision of an allowance for one set of presidents and not others. She felt it would be fair to provide community college and state college presidents a \$12,000/year housing allowance. She reported that the remaining perquisites were not new. In an effort to clean up the Handbook, they have been relocated to one place.

Regent Alden moved approval of the Handbook revision for executive perquisites. Regent Kirkpatrick seconded.

Chair Dondero asked whether there was a typographical error in the proposed language (June 30, 1999). Chancellor Nichols stated that the sunset provision was being removed. Regent Kirkpatrick clarified that the amounts noted were pre-tax. Chancellor Nichols agreed.

Regent Rosenberg asked about the feasibility of buying houses. Chair Dondero replied that it had been studied and was determined to be not advisable. Regent Rosenberg commented that, after going through searches and hearing applicants say that the System was not competitive, he felt the Board had little choice.

Regent Sisolak felt the System had a great group of presidents. He observed that the Board was raising car and housing allowances and providing merit and COLA increases all at the same time. He was concerned that such

actions would be perceived badly. He observed that people were hired with higher salaries than existing presidents, which he felt was unfair. He noted that the Chancellor had two housing allowances (northern and southern Nevada). Regent Rosenberg stated that the DRI president did as well. Chancellor Nichols stated that it was current practice. Regent Sisolak asked how to determine who should get \$18,000 and who should get \$12,000. He acknowledged that everyone felt that the market required it, but was concerned that it would appear UCCSN was not short of money. Chancellor Nichols replied that the Board was seeing the impact of all these changes at once. She noted that Board policy required a review of the perquisites every two years, adding that they had not been reviewed in the last 6 years. She observed that the presidents had not received a salary increase for 3 years. She stated that the faculty had only received merit (no COLA). She explained that the Board would not take action on the presidents' salaries until the August meeting. She related that action was required on the perquisites, adding that the recommendation was based upon the national picture, the need to be competitive in the national marketplace, as well as being fair to the presidents. Regent Rosenberg lamented that he previously recommended freezing presidential salaries. Regent Wiesner asked whether he had changed his mind. Regent Rosenberg replied that he had.

Regent Derby agreed with Regent Rosenberg that consultants had indeed convinced them that the UCCSN was not competitive. She felt that item #14 (2001-2002 Salaries and Contracts for UCCSN Presidents) would address that. She asked whether the Chancellor would bring forward salary ranges reflecting a more competitive rate in the marketplace. Chancellor Nichols replied that presidential salary ranges were set and were good. She stated that UCCSN's placement within the ranges was determined to be low. She noted that when the UNR president was hired, there was an implicit cap based on the Board's desire for the Chancellor to earn more than the presidents. Regent Derby asked whether the Chancellor would be bringing recommendations for different ranges. Chancellor Nichols replied that the Board would only be voting on the perquisites that day. She explained that the Board would vote on the actual salary recommendations at the August meeting. Regent Derby had thought the Board would review whether UCCSN pay schedules were competitive in the marketplace. She asked whether the perquisites were intended to address that. Chancellor Nichols replied that the perquisite recommendations were part of the competitive issue as well as the 2001-2002 salary recommendations for institutional executive officers.

Regent Gallagher noted the need to not only attract good people, but to retain them as well. She felt the ranges were adequate and that an individual's salary depended upon the individual and their experience. Regent Howard asked whether the Board would need to re-evaluate the salary ranges every time the market changed or a new president was hired. Chancellor Nichols replied that good salary practice meant regular review of the schedules and regular steps forward for the employees. She noted that when employees get behind (the market), each subsequent increment appears to be too large. She stated again that the presidents had not received a raise in the past three years and that was why it appeared so high because they were trying to catch up. Regent Howard asked about housing allowances for the community college presidents. Chancellor Nichols replied that this proposal would provide a housing allowance to all community college and state college presidents.

Regent Sisolak was disturbed that when someone was hired from outside the System, they were brought in at a salary that necessitated adjusting all of the existing presidential salaries. Chancellor Nichols stated that, had Dr. Harter been given a COLA and merit adjustment in previous years, no adjustment would be necessary to her salary.

Regent Howard wondered whether a review timeframe could be agreed upon once everyone had reached the necessary level of equity.

Mr. Ledon asked about the total fiscal impact for the additional perquisites. He felt that \$8,000/year was excessive for an automobile. Regent Rosenberg stated that he had previously felt the same way, but each time the Board searches for a new president they are told by the consultant that the UCCSN is not at all competitive. He felt that salaries should be handled in a similar fashion as tuition. He felt it could be done so the impact was not felt

suddenly.

Ms. Ernst repeated the motion: to approve changes to the Handbook regarding executive perquisites.

Mr. Ledon again asked about the fiscal impact. Chancellor Nichols reported the proposed perquisites would total \$80,000/year for the System.

Upon a roll call vote the motion carried. Regents Alden, Derby, Dondero, Gallagher, Howard, Kirkpatrick, Rosenberg, and Wiesner voted yes. Regent Sisolak voted no. Regents Hill and Seastrand were absent.

11. Approved-Handbook Revision, Delinquent Student Accounts – The Board approved an amendment to Board policy concerning delinquent student accounts. (Ref. C on file in the Board office)

Chancellor Nichols reported that, currently, only two institutions use collection agencies to collect delinquent student accounts (CCSN and TMCC). She stated there are requirements for collection of federal student loans. She related that the practice for collection of student fees and tuition varied by campus. Neither university uses a collection agency to collect delinquent fees, but does withhold transcripts and prevents future class registration. The community colleges were more likely to use a collection agency. She reported that WNCC has discontinued the practice. She related that CCSN and TMCC find using a collection agency appropriate to protect the public dollar. TMCC Acting Vice President for Finance and Administration, Mr. Steve Salaber reported that TMCC uses a collection agency due to the fiscal impact and their responsibility to the public. TMCC discovered that students can go down the road to UNR in pursuit of a degree. He related that TMCC did not have the collection mechanism that universities do.

Ms. Patty Charlton, CCSN Acting Associate Vice President for Finance and Administration, reported that CCSN experienced the same issue. She noted that CCSN does not pay the collection agency, adding that they did get a percentage of what they collected. She related that CCSN would be supportive of what other institutions were doing.

Regent Rosenberg stated that UNR billed their students. He was under the impression that those bills were paid prior to start of instruction. He asked why students were allowed to attend classes without paying and how many extenuating circumstances existed. Mr. Salaber replied that a student was allowed to pay a portion of the fees and be put into the system with a deferred payment. They may not pay the deferred payment and just leave the campus. He noted the need for a system for collecting, adding that TMCC would follow the will of the other institutions. He felt that the collections agency did help.

Regent Derby asked about the financial impact. Mr. Salaber replied that it was a small amount (\$50,000-\$60,000/year). Regent Rosenberg asked what percentage was required up front. Mr. Salaber replied that he believed it was 25%. Regent Rosenberg suggested increasing that amount. President Huneycutt stated that some of the community college students were very poor. She related that some programs provided bus money for the students (re-entry programs). Chancellor Nichols related that TMCC did withhold the transcripts so the students could not transfer to a university. Mr. Salaber agreed.

Ms. Ernst repeated the motion: to approve an amendment to Board policy concerning delinquent student accounts (permitting the use of collection agencies).

Regent Alden moved approval of the Handbook revision regarding delinquent student accounts. Regent Kirkpatrick seconded. Upon a roll call vote the motion carried. Regents Alden, Dondero, Gallagher, Kirkpatrick, Sisolak, and Wiesner voted yes. Regents Derby, Howard, and Rosenberg voted no. Regents Hill and Seastrand were absent.

12. Approved-Handbook Revision, Non-Resident Tuition – The Board approved the second reading of a proposal to approve an increase to non-resident tuition, effective with the 2002-2003 academic year. This item was presented for information at the Board meeting in April 2001. (Ref. D on file in the Board office)

Regent Alden moved approval of the Handbook revision regarding non-resident tuition. Regent Kirkpatrick seconded. Motion carried. Regents Hill and Seastrand were absent.

13. Approved-Handbook Revision, Millennium Scholarship Policy and Procedures – The Board approved an amendment to Board policy, Title 4, Chapter 18, Section 17, concerning Millennium Scholarships to bring Board policy in line with recent legislation.

Regent Alden moved approval of the Handbook revision regarding Millennium Scholarship policy and procedures. Regent Rosenberg seconded.

Chancellor Nichols reported that the changes made provided GBC (upper division), NSCH, and Sierra Nevada College the ability to compete for those funds. It also limits the number of years following graduation that a student would be eligible. Dr. Iverson reported that it also removed the payback requirement. Regent Kirkpatrick asked whether prisoners were eligible. Chancellor Nichols replied that adult diploma holders over the traditional age could not be recipients (18-22 years).

Motion carried. Regents Hill and Seastrand were absent.

14. Information Only-2001-2002 Salaries and Contracts for UCCSN Presidents – Board policy, Title 4, Chapter 3, requires that salaries and contracts for UCCSN Presidents are recommended by the Chancellor to the Board for consideration and approval. Policy also requires that the consideration take place over two consecutive meetings. The Chancellor provided her recommendations for information only at this meeting and will request action at the August 2001 Board meeting. (Ref. #14/16 on file in the Board office)

Chancellor Nichols reported there were two recommendations for equity and two recommendations for merit that the Board would be voting on in August. Regent Kirkpatrick asked whether the recommendations included COLA and merit. Chancellor Nichols replied that the final figure in the last column included those adjustments.

Regent Sisolak asked about the Chancellor's salary. Chancellor Nichols replied that the Chancellor's current salary was \$195,000; with COLA it would increase to \$202,005. Regent Sisolak asked about the number of housing allowances. Chancellor Nichols replied there were two housing allowances; one in Las Vegas and one in Reno (\$12,000 each).

Chair Dondero asked whether the community college presidents would be making the same pay. Chancellor Nichols replied they would not. There are different salaries and different levels for the presidents.

15. Information Only-2001-2002 Salaries for UCCSN Institutional Executive Officers - Board policy, Title 4, Chapter 3, requires that executive salaries be set using a designated process of recommendation and review. Salaries for deans are recommended by campus vice presidents and approved by the President. Salaries for campus vice presidents are recommended by the campus presidents and approved by the Chancellor. The Chancellor provided the 2001-2002 salaries for campus deans and vice presidents for information to the Board. These salaries become effective July 1, 2001. (Ref. #15 on file in the Board office)

Chancellor Nichols reported the material was mailed out in advance.

Regent Kirkpatrick noted that these employees would also receive a 4% COLA. Chancellor Nichols replied that this particular salary schedule did not include the COLA, adding that it would be in addition to those figures. When the document was prepared, the COLA had not yet been approved.

Regent Howard asked about the difference between merit and equity. Chancellor Nichols replied that merit was based solely upon performance, except for community college faculty who have scale increases. She related that with equity every institution conducts a periodic market study. If someone's salary is disproportionately low, the salary can be adjusted when justified.

16. Information Only-2001-2002 Salaries for System Administration Executive Officers - Board policy, Title 4, Chapter 3, requires that salaries for System executive officers are recommended by the Chancellor to the Board for consideration and approval. Policy also requires that the consideration take place over two consecutive meetings. The Chancellor provided her recommendations for System executive officers for information only at this meeting and will request action at the August 2001 Board meeting. (Ref. #14/16 on file in the Board office)

Chancellor Nichols reported that the recommendations were on the bottom of the page with the presidents' salaries. Two recommendations were presented for Mr. Ron Latimer and Mr. Van Weddle. She noted that Mr. Dan Miles was not eligible.

Regent Rosenberg then thanked President Harter, Dr. Martha Watson, and the students from the UNLV radio station. He noted that it had been a long process and thanked all of them for their work.

Chair Dondero announced that the legislature had recessed until 6:00 p.m., adding that it appeared there would be 13 Regent districts. The meeting recessed at 5:45 p.m. and reconvened at 8:07 a.m. on Friday, June 15, 2001 with all members present except Regent Seastrand.

In compliance with NRS 241.030, a closed session was held for purposes of discussion of the character, alleged misconduct, professional competence, or physical or mental health of certain executive employee(s) of the UCCSN.

Regent Alden moved approval of moving to a closed session. Regent Sisolak seconded. Motion carried.

The meeting moved to a closed session at 8:08 a.m. and returned to open session at 10:30 a.m. with all members present except Regent Seastrand.

Chancellor Nichols introduced Dr. Richard Curry, the new Vice Chancellor for Academic and Student Affairs. She announced that Mr. John Patrick Rice had been elected chair of the faculty senate chairs. She also recognized Mr. Rick Bennett-UNLV and Dr. Jim Richardson-Nevada Faculty Alliance and thanked them for their work during the legislative session.

Regent Seastrand entered the meeting.

17. Approved-Start-up, NSCH – The Board discussed options and decided how to proceed with plans for the start up of Nevada State College at Henderson since no state funds were appropriated for 2001-2002.

Chancellor Nichols reported that the legislature did not fund the governor's recommendation for \$1 million to start the college. That money would have enabled a team to be hired for the necessary planning to begin classes in Fall 2002.

The System's original request totaled \$3 million. She recommended the Board empower System Administration to create a soft money account for NSCH, comprised entirely of private funds. Operations of the state college for the following year would be dependent upon the funds raised. She offered to return in August with a plan for the following year, as well as the start-up year of the college. She indicated there had been many ideas suggested and that she was not comfortable with using state dollars. She felt it should be dependent upon community support of the college with private funds.

Regent Rosenberg moved approval of the proposal for start-up funds for NSCH. Regent Derby seconded.

Regent Alden asked that they not spend money they do not have. Chancellor Nichols agreed. Regent Hill's understanding was that the state would be appraised that System activities would be contingent upon that money being there. If the money does not materialize, the effort would be discontinued. Chancellor Nichols agreed. Regent Hill asked whether money was available in the System budget. Chancellor Nichols replied there was not, adding that System Administration had provided backup support to this effort. She related there was no money or positions available for the new state college. Regent Hill asked about a means of displaying Board support of the project to assist Dr. Moore with fundraising. Chancellor Nichols replied that it was extremely important for the Board to express their support of the college. She noted that this provided opportunity for the community to step forward and support the college.

Regent Sisolak asked about the balance of funds in the NSCH Foundation (approximately \$50,000). He asked whether all debts to the System had been repaid. Chancellor Nichols assured him that they had. Regent Sisolak noted that operating expenses for the four NSCH employees would be in excess of \$40,000-\$50,000 per month. He asked about continuation of those employment contracts. He observed that fundraising thus far comprised \$130,000 from the Landwell Corporation; \$200,000 committed by Clark County (to include Health facilities); and \$200,000 in cash. He asked how the employment contracts could be continued with only 30-days worth of funds. President Moore indicated his support of the Chancellor's recommendation. He related that two members of the Foundation had pledged \$230,000 towards the cost of his salary for this year. Regent Sisolak asked whether that was the same pledge from Landwell. President Moore replied that it was. Regent Sisolak noted that it did not meet all salary requirements. He was very concerned about not having 6 months-1 year of operating funds to pay those employees. Chancellor Nichols related that the decision for continuation of employees past July 1 had not been made. She stated that every contract would be dependent upon funds available. Regent Sisolak felt that \$10 million for capital improvement would be necessary, adding that it was a monumental task.

Regent Howard requested clarification, adding that she shared Regent Sisolak's concerns. She requested a clarification of soft money, the source of funds, what it would be used for, and why this avenue was being considered. Chancellor Nichols replied that the legislature had provided funds to operate the college in the second year of the biennium based upon 500 student FTE. The Board must decide whether to return those funds to the state or to secure funds for planning in the first year. She stated that if the private funds did not materialize and planning did not occur, the college would not open in Fall 2002. She related that System staff would return in August with more certain figures and a plan. She related that it could involve asking Interim Finance for a revision to the state funding in the second year of the biennium. She noted that this proposal presented minimum risk. If the private money did not materialize President Moore (or anyone else at NSCH) would not have a job. Regent Howard stated that she was having difficulty understanding voting on a contract for Dr. Moore in conjunction with having only 30 days of funds on which to operate. Chancellor Nichols replied that his contract would expire in two weeks, adding that it was a separate issue to extend Dr. Moore's contract contingent upon available funding. She related that the soft money would be all private (non-state) dollars.

Regent Derby asked about the total amount the legislature approved for the college. Vice Chancellor Miles reported

they approved \$4.4 million including student fees. President Moore stated that the state's contribution in the first year of operation would be \$3.75 million. The additional funds were comprised of student registration and fees. He related that the state committed \$13.4 million to the first building. Regent Derby stated that she felt President Moore could meet that monumental task. She noted that the state had committed a significant amount of money to the establishment of the college. She felt there was little risk to the Board to establish this type of fund, adding that the employees faced the greatest risk. She noted there had always been the understanding that the community would support this venture and applauded Dr. Moore for his efforts.

Regent Gallagher felt it was not the time to back out. She felt there was no Board risk because if the money was not there no money would be spent. She strongly supported the motion.

Regent Kirkpatrick noted that the \$1 million for start-up was not lost in the closing activities of the legislature, but failed to gain the necessary senate finance committee support. He was disturbed that the Board was expected to support the college while the legislature was not ready to obligate their support. He agreed with Regent Sisolak's concerns and asked whether Dr. Moore's major objective would be to raise sufficient funds for his contract and not to develop the college. He asked whether the employees would be given monthly contracts and how they would be terminated if funds were not available. Chancellor Nichols stated that the bill to fund the state college did pass senate finance and was lost on the floor. She related there was no plan in place. Only a commitment to Dr. Moore if the money is there past June, with a possibility for his assistant. She reported that his assistant was planning to retire soon, but no further commitment had been made to those employees. Regent Kirkpatrick asked whether the employees would be terminated. Chancellor Nichols replied there would be no termination, but their contracts expire at the end of June.

Regent Alden clarified that the Board would be approving continuation of NSCH operating funds if funds were available. General Counsel Ray agreed.

Regent Howard asked about the timeframe. Ms. Ernst stated that the motion was to establish a soft money account of private funds for the operation of NSCH. Any salaries would be dependent upon those private funds. In August the Chancellor would return with a firmer plan for NSCH. No state dollars would be used in the following year. Regent Alden said that he had requested the motion include a statement that the Board would not spend money if funds were not available. Regent Rosenberg noted that if there were no money in the account it could not be spent. Regent Wiesner observed that there could be an obligation. Regent Sisolak commented that such action was micromanagement. Regent Wiesner asked for a suggestion. Regent Sisolak felt that if there were not funds available to continue operation after July 1 something would need to be placed on hold, unless the legislature would provide the money dedicated to the second year. He asked what would happen if there was not enough money to issue payroll. Chair Dondero noted there was a pledge from Landwell Corporation. President Moore stated that, if funds were available a check could be written. He related that the proposal did not require a commitment for funds that were not available. Chancellor Nichols stated that no contracts could be written without being contingent upon available funds. Regent Alden stated that he would support the proposal if that contingency were part of the motion.

Regent Hill proposed a friendly amendment that no commitment would be made for any salaries beyond the amount of funds available.

Regent Alden felt that was not sufficient. Regent Sisolak asked how a contract could exist without funds. Regent Rosenberg noted that all university contracts have an exigency clauses (i.e. no money available, no contract, no obligation).

Regents Rosenberg and Derby accepted the friendly amendment.

Regent Howard asked about the timeframe and what the soft money would provide. Chancellor Nichols stated that if the Board did not approve this, there would be no NSCH operation as of July 1. If the Board did not endorse a fiscal existence for the next year, they would be unable to continue operation. Regent Howard asked whether they were giving NSCH 1 year to raise the necessary funds. Regent Sisolak noted that it would be month-by-month. Chancellor Nichols acknowledged there would be no building if \$10 million was not raised by the proposed groundbreaking date. Regent Howard asked what that date was. Chancellor Nichols replied that it was unknown, adding that it usually takes 1½-2 years. She clarified that the issue before the Board was not the building money, rather the private dollars to allow a planning effort for the next year. She stated that a budget would be presented in August. This measure would allow the receipt of private funds and a continuation (1-2 months) of a contract for Dr. Moore.

Regent Alden proposed amending the motion to include a codicil that no money would be spent for start-up costs unless the money was in a soft money account to cover that expense. Regents Rosenberg and Derby accepted the friendly amendment.

General Counsel Ray stated that Regent Alden had made it very clear there would be no obligation or commitment of funds beyond any funds received from other sources.

Chair Dondero requested clarification of the motion. Ms. Ernst stated that the motion was to establish a soft money account of private funds for the operation of NSCH, which is dependent upon those funds. In August, the Chancellor will present a further plan for the college start-up. No state dollars are available in the coming year and would not be included in the soft money account. No commitment for salaries will be made without sufficient funds. No money will be spent for start-up costs unless sufficient funds are available.

Upon a roll call vote the motion carried. Regents Alden, Derby, Dondero, Gallagher, Hill, Rosenberg, Seastrand, and Wiesner voted yes. Regents Howard, Kirkpatrick, and Sisolak voted no.

18. Approved-Presidents' Contracts – The Board considered an extension to the employment contracts of the following institution presidents. Employment terms and conditions were determined at the meeting.

Desert Research Institute President Stephen Wells – Chancellor Nichols recommended a 2-year extension of the employment contract. She related that his contract would expire June 30. With the transition of Chancellors, his periodic evaluation did not occur. In the next-to-last year of his contract the Board will conduct a periodic review, at which time they may consider a 3-year contract extension. The salary recommendation will be addressed at the August meeting.

Regent Rosenberg moved approval of the 2-year extension for President Wells. Regent Howard seconded.

Regent Hill suggested that Board members discuss President Well's recent award with him.

Motion carried unanimously.

Western Nevada Community College President Carol Lucey – Chancellor Nichols recommended a 1-year contract extension. Dr. Lucey is in the second year of a 3-year contract. She too was due for a periodic review, which did not occur. Extending her contract would provide two more contract years and would allow her periodic evaluation to occur next year when the Board might consider a 3-year contract extension.

Regent Rosenberg moved approval of the 1-year extension for President Lucey. Regent Sisolak seconded. Motion carried unanimously.

Nevada State College at Henderson President Richard Moore – Chancellor Nichols recommended a 2-year contract extension contingent upon available private funding in the first year and state funding in the second year. Additionally, granting tenure at NSCH contingent upon the college opening and full-time faculty being hired.

Regent Hill moved approval of the 2-year extension for President Moore with tenure at the college contingent upon the college opening and full-time faculty being hired. Regent Rosenberg seconded.

Regent Kirkpatrick asked whether Dr. Moore would return July 1, 2002 if there were no funds in the first year of the contract. General Counsel Ray clarified that the Board was contemplating a 2-year contract. The contract would basically be an at-will contract. If the money was not available the contract could be terminated at any time without notice. Chancellor Nichols replied that if the Board approved a 2-year contract and money was not available in the first year, the Board would still have committed to a contract in the second year if state funds were available.

Regent Sisolak asked whether the available funds provision had been part of the initial contract. General Counsel Ray replied that the contingency statement was in the contract. Regent Sisolak noted that this extension was different from the original contract. General Counsel Ray replied that the current contract expires June 30, adding there were no provisions for renewal or notice for non-renewal. Regent Sisolak asked whether the same caveat had been stipulated in the original contract. Chancellor Nichols believed that it was included, adding that she would need to review the details of the contract. She stated it had been less of an issue at that time because Interim Finance had approved funds with the legislation that created the plan. She related that General Counsel Ray assured her that the initial contract had been contingent upon available funds. Regent Sisolak asked whether Dr. Moore had tenure at CCSN. Chancellor Nichols replied that he did not. Regent Sisolak asked why he had not been tenured at CCSN. Chancellor Nichols replied that she had not been involved with his hire at CCSN.

Regent Howard asked whether the provisions included a raise. Chancellor Nichols replied that the motion had nothing to do with salary, which would continue at the same level. The salary recommendations provided for information (to be voted upon at the August meeting) did not include a merit increase for him.

Regent Rosenberg observed that Presidents Harter, McFarlane, and Crowley were tenured in their fields of study at the universities. He related that it was customary for presidents of universities and colleges to be tenured in their respective departments and was not unusual for Dr. Moore. Regent Howard asked about the presidents at the community colleges. President Lucey replied that she was not tenured at WNCC. President Huneycutt stated that she was tenured, adding that she came up through the faculty ranks. President Remington stated that he had been with the System for 28 years and was tenured in 3-4 places. Chancellor Nichols noted that DRI did not grant tenure.

Upon a roll call vote, the motion carried. Regents Alden, Derby, Dondero, Gallagher, Hill, Rosenberg, Seastrand, and Wiesner voted yes. Regents Howard, Kirkpatrick, and Sisolak voted no.

19. Approved-Election of Officers – In accordance with Regents' Bylaws, Article IV, Section 2, there shall be an election of officers for FY 2001-2002. These officers will serve from July 1, 2001, through June 30, 2002.

- Chair - Regent Alden nominated Regent Thalia Dondero as Chair. Regent Sisolak seconded. Motion carried unanimously.
- Vice Chair – Regent Gallagher nominated Regent Rosenberg as Vice Chair. Regent Howard seconded.

Regent Sisolak reminded Regent Rosenberg that he had previously commented that he had no desire to be Chair. He asked how Regent Rosenberg felt about that now. Regent Rosenberg replied that, at this point, he still felt the same.

Regent Sisolak asked what the Board could expect in one year. Regent Gallagher replied that there was nothing dictating the Vice Chair would become Chair. Regent Kirkpatrick stated that, with due respect for Regent Rosenberg, he had not supported his nomination for Vice Chair last year because he is an employee of the System. He felt that a System employee should not be Chair or Vice Chair. Regent Rosenberg stated that when he was elected to this Board he appeared before the Ethics Commission regarding his dual role. He indicated that over the past five years he had diligently tried to be a Systemwide Regent and show no special consideration or preference to any institution.

Motion carried. Regent Kirkpatrick voted no.

Regents Alden and Sisolak left the meeting.

20. Approved-State College Salary Schedules – The Board approved the executive, administrative, and faculty salary schedules for state colleges in the UCCSN. Adoption of these schedules will permit the recruitment of the initial faculty and staff at Nevada State College at Henderson. (Ref. 18 on file in the Board office)

Chancellor Nichols reported that Academic Affairs and Finance & Administration worked together to determine the schedules, which will be used for all future state colleges. State colleges will likely issue limited numbers of master's degrees. Data from the IPEDS Peer Analysis System was used for the analysis. Parameters included:

- 4-year public institutions (no private institutions included).
- Highest degree offered is a master's degree.
- Masters to total degree ratio is less than 20%.
- Enrollment – 5,000 - 20,000 students.

Chancellor Nichols reported there were 54 institutions with available salary data. They eliminated 6 institutions: 3 California State Colleges offering doctoral programs and 3 very small institutions. The resulting schedules are below the 90% threshold set by the interim study committee. She believed the schedules were appropriate.

Regent Gallagher moved approval of the state college salary schedules. Regent Rosenberg seconded.

Regent Kirkpatrick asked who would fill the administrative positions. Chancellor Nichols replied that, at this point, no one did. She assumed they would be comparable to other people in those positions at state colleges across the country. She noted that the classification within each range had not yet been developed.

Mr. John Patrick Rice stated that the faculty understanding was that when peer comparisons were made, administrative salaries actually fell below System community colleges and they were arbitrarily moved up. Chancellor Nichols replied that they ran all salary studies legitimately and based them on the faculty salary schedule. There was no comparable salary data for administrative salaries. A ratio for administrative salaries was derived that was lower than the community colleges. The methodology was reexamined and the salary schedules presented were determined.

Chair Dondero asked whether GBC was included with the state colleges. Chancellor Nichols replied they were not. She related that GBC is a community college offering select baccalaureate degrees and fell under the community college schedule. She stated that System Administration was working with GBC to address issues relating to faculty workload and salary. Mr. Rice stated that GBC understands the distinction, but looks forward to working with the System to arrive at some parity.

Regent Howard asked about GBC's category. Chancellor Nichols replied that, as part of the RAND study, System

Administration was exploring the possibility of an expanded community college offering select baccalaureate degrees. It will be brought to the Board in the future.

Motion carried. Regent Howard abstained. Regents Alden and Sisolak were absent.

Regent Howard left the meeting.

21. Approved-Organizational Chart, NSC – The Board approved the initial organizational chart for Nevada State College at Henderson. (Ref. E on file in the Board office)

President Moore reported that faculty would report to the Academic Vice President and the students would report to the Vice President for Student Services.

Regent Rosenberg moved approval of the initial organizational chart for Nevada State College at Henderson. Regent Derby seconded.

President Moore related that, once the college was established, deans would likely be hired in the future but they were not reflected on the organizational chart presented.

Motion carried. Regents Alden, Howard, and Sisolak were absent.

22. Approved-Interlocal Agreements, NSC/City of Henderson – The Board approved the following:

A. The Board approved the interlocal agreement with the City of Henderson regarding the acquisition of lands for the proposed Nevada State College at Henderson site.

General Counsel Ray reported that this agreement pertained to the acquisition of 22 acres of land at a cost of \$55/acre. He observed that it would not take effect until state funding for Phase I was received and the first part of the application for the BLM land was acquired. He related that it also provided for the process to obtain the BLM land, adding that the City of Henderson would pay those costs.

Regent Derby moved approval of the interlocal agreement with the City of Henderson regarding the acquisition of lands for the proposed Nevada State College at Henderson site. Regent Gallagher seconded. Motion carried. Regents Alden, Howard, and Sisolak were absent.

B. The Board approved the interlocal agreement with the City of Henderson regarding the lease of building space from the City of Henderson for occupancy by Nevada State College at Henderson.

General Counsel Ray reported that the lease agreement pertained to a portion of the building located at the Henderson site. It would become effective July 1, 2001. The annual lease rate is \$1/year and the City of Henderson would pay the utilities associated with the building operation except for telephone and cable.

Regent Derby moved approval of the interlocal agreement with the City of Henderson regarding the lease of building space from the City of Henderson for occupancy by Nevada State College at Henderson. Regent Gallagher seconded.

Regent Kirkpatrick asked about the gas line right-of-way. Chancellor Nichols replied that the question had been addressed on several occasions with the legislature. Southwest Gas has assured UCCSN this would not be a

problem.

Motion carried. Regents Alden, Howard, and Sisolak were absent.

23. Approved-Academic, Research & Student Affairs Committee Report - Chair Jill Derby reported the Academic, Research & Student Affairs Committee met June 14, 2001. Dr. Sherwin Iverson, Interim Vice Chancellor for Academic and Student Affairs, presented an update on the Student Affairs Council, which is composed of senior student services officers from each campus. Activities of the council include discussions regarding enforcement of federal reporting (i.e. crime statistics and lessons learned regarding the Millennium Scholarship Program). The group performed a System-wide assessment of the disabled student population. The Student Affairs Council also sponsored the Student Services Symposium (an annual professional development event). Future activities include legislative issues regarding the Millennium Scholarship Program, alcohol use policies, joint collaboration with the Academic Affairs Council on the academic advising report to be presented to the ARSA Committee in August, and continued collaboration on seamless transfer.

Dr. Iverson also reported on the activities of the Academic Affairs Council. Currently, there is a moratorium on new programs. The council approved a baccalaureate degree in jazz studies at UNR, which will ultimately be submitted to the ARSA Committee. A brief history of this program was provided to illustrate how a program may evolve after many years based on student and faculty interest.

Dr. Ray Alden, UNLV Provost, and Dr. David Westfall, Vice President for Academic Affairs-UNR, provided a report on time-to-degree and completion rates of doctoral students. Based on the Survey of Earned Doctorates, the average time-to-degree for students receiving doctoral degrees in 1999 was 10.4 years nationally. At UNR, the average time to doctorate was 5.7 years from the first day of enrollment. The average time at UNLV was 4.6 years. The success rate of doctoral students completing a program or still enrolled is 58% at UNR and 74% at UNLV. The attrition rate (students who voluntarily stopped their programs) at UNR is 26% and 15% at UNLV. Attrition and time-to-degree rates within UCCSN are significantly better than national norms. Assistantships are critical for student success in completing doctoral programs. Full-time credit loads also contribute to completion. Chair Derby requested a follow-up report in six months.

Dr. Bill Cathey, Associate Vice President for Academic Affairs-UNR, presented information on an ESPCoR research initiative for undergraduate students. The program provides research opportunities for the enhancement of the undergraduate experience. Currently, the EPSCoR Young Scholars Program has 9 students from UNLV and 10 from UNR. Students must be enrolled in science disciplines and receive compensation for program work performed during the summer. Students prepare poster presentations upon completion. This summer's poster presentations will be available for viewing in August. The program greatly benefits students. Ms. Nancy Washton, a participant in the program at UNLV, received additional fellowship funds for graduate work and was accepted to an accelerated Ph.D. program. Mr. Ben Carlson, a UNR student participant, received national and regional awards for his EPSCoR research and was admitted to a Ph.D. program with a scholarship.

Regent Derby moved acceptance of the report. Regent Seastrand seconded.

Regent Hill requested an explanation for the difference in completion rates at UNR and UNLV. President Harter surmised that it was due to a smaller number of students at UNLV. President McFarlane asked whether a national rate was provided. Regent Derby replied that one had been provided and both institutions were well below the national average.

Motion carried. Regents Alden, Howard, and Sisolak were absent.

24. Approved-Audit Committee Report – Regent Rosenberg reported the Audit Committee met June 14, 2001 and received follow-up responses for three internal audit reports presented to the Committee in November 2000 and January 2001. Mrs. Sandi Cardinal, Director of Internal Audit, reported that the institution bank reconciliations were up-to-date. Mr. Tom Judy, Associate Vice President for Finance and Administration-UNR, reported on the status of the University of Nevada School of Medicine Practice Plan. He indicated that the practice plan was up-to-date on reimbursements to the university for the monthly payroll. He stated that two open audit items, relating to contract signing and the structure of the practice plan, would be determined by the end of this calendar year. Dean Robert Miller reported that they project practice plan income to be \$500,000 for this fiscal year and \$800,000 for the following fiscal year. Dean Miller stated that insurance collections were taking about 60 days in northern Nevada and slightly longer in the South. Regent Rosenberg requested Board action on the following Committee recommendations:

- Quality Assurance Review, Internal Audit Department – PricewaterhouseCoopers reported on the Quality Assurance Review of the Internal Audit Department.
- Internal Audit Reports – The Committee reviewed the following Internal Audit reports: (Ref. F on file in the Board office)
 - Psychology Department, UNR
 - Security Administration, UNR
 - Security Administration, DRI
 - Intercollegiate Athletics, CCSN
 - Amusement & Vending Machines, CCSN
 - Security Administration, GBC
- Internal Audit Department Work Plan – The Committee discussed the Internal Audit Department work plan for the year ended June 30, 2002. (Ref. G on file in the Board office)

Regent Rosenberg moved approval of the Committee recommendations and acceptance of the report. Regent Seastrand seconded. Motion carried. Regents Alden, Howard, and Sisolak were absent.

Regent Howard entered the meeting.

25. Approved-Campus Environment Committee Report - Chair Tom Kirkpatrick reported the Campus Environment Committee met June 14, 2001. He praised the campus and staff participants for their efforts in preparing the reports for the Committee. Dr. Chris Chairsell, Associate Vice Chancellor for Academic and Student Affairs, presented the climate survey, which was evaluated by a professional researcher at UNLV, Dr. Keith Schwer. He determined that it is an acceptable assessment instrument. The Committee reviewed the survey, and Regent Derby requested that Gender Equity be added to question 12. The survey will be sent by mail to faculty in Spring 2002. Dr. Chairsell presented the institutional diversity goals and reported that institutions have provided their diversity goals. Regent Derby requested longitudinal data from the last five years, including a summary of the trends. Regent Howard requested annual data. She also requested that the System diversity goals include a commitment to outreach and assessment of community needs. Regent Derby requested that a statement about campus climate be included. The Committee will consider these amendments at the August Committee meeting. Additional campus crime and security information requested at the previous meeting was presented by Dr. Chairsell. Contextual information from each campus was included in the report. Overall, UCCSN institutions compare well with national data. At a future meeting, campuses will provide information regarding crime data collection and emergency action plans. Goals and accomplishments of the Committee for the past year were reviewed. The Committee established System and institutional diversity goals, constructed a campus climate survey, reviewed System benefits to domestic partners, and reviewed reports on institutional diversity, crime statistics, and safety, health and environmental protection

programs. A report on Women's Center/Re-Entry and Childcare issues will be presented at the August meeting. Regent Kirkpatrick requested Board action on the following Committee recommendations:

- Climate Survey – The Committee reviewed and approved the survey and the Spring 2002 distribution of the survey to faculty.
- Institutional Diversity Goals – The Committee reviewed and approved the institutional diversity goals.
- Campus Crime Statistics – The Committee reviewed and approved crimes and security information requested at the previous meeting.
- Year-End Review of Campus Environment Committee Work – The Committee reviewed their goals and accomplishments from the past year.

Regent Kirkpatrick moved approval of the Committee recommendations and acceptance of the report. Regent Hill seconded.

Regent Rosenberg thanked the Committee for the report. Regent Kirkpatrick acknowledged that many people were involved with the work and likely did not receive the credit they deserved.

Motion carried. Regents Alden and Sisolak were absent.

26. Approved-Finance & Planning Committee Report - Chair Dorothy Gallagher reported the Finance & Planning Committee met June 14, 2001 to review quarterly reports and to approve the fiscal year 01-02 self-supporting budgets. The Committee reviewed the 3rd Quarter FY 00-01 All Funds Report and the 3rd Quarter FY 00-01 Fiscal Exception Report. Current Board policy requires that all accounts exceeding \$25,000 (self-supporting budgets) of annual expenditure activity will be included in the budget process. The self-supporting budgets approved by the Committee total some \$223 million for the fiscal year. Regent Gallagher requested Board action on the following Committee recommendation:

- Fiscal Year 2001-02 UCCSN Self-Supporting Budget – The Committee reviewed and approved the 2001-02 UCCSN self-supporting budgets.

Regent Gallagher moved approval of the Committee recommendations and acceptance of the report. Regent Rosenberg seconded. Motion carried. Regents Alden and Sisolak were absent.

27. Approved-Resolution, Appointment of Paying Agent and Registrar – The Board approved removal of the paying agent and the appointment of Wells Fargo Bank Arizona, National Association as paying agent and registrar for various bond issues. (Ref. H on file in the Board office)

Vice Chancellor Miles reported that Resolution 01-01 was just an action to change the bank with which they conduct business. He related there were a few accounts used to pay debt service to the bondholders. The UCCSN traditionally used Nevada State Bank. They recently closed their Reno office and the Phoenix service has deteriorated. He reported that they checked around and found Wells Fargo willing to take the accounts for half the cost (\$600/year at Nevada State vs. \$350 each for the year).

Regent Gallagher moved approval of Resolution 01-01 to change the Paying Agent and Registrar. Regent Rosenberg seconded. Motion carried. Regents Alden and Sisolak were absent.

28. Approved-Appointment, Interim President, GBC – The Board approved the appointment of an Interim President of Great Basin College, to take effect upon the departure of President Ronald Remington. The Chancellor

and Board Chair have consulted with the campus. The proposed salary and terms of the contract included:

- This appointment is made with the understanding that the appointee will not be a candidate in the GBC Presidential Search.
- Salary: \$124,000/year.
- Effective July 1, 2001 until the new president is hired.
- Traditional pro-rated presidential perquisites.

Chancellor Nichols reported there had been a tremendous turnout of faculty, students, and campus personnel when she and Chair Dondero went to GBC to discuss the interim selection. Chancellor Nichols recommended the appointment of Mr. Carl Diekhans, adding that Mr. Diekhans has a master's degree in mathematics from Montana State College and had served the college since 1980.

Regent Gallagher moved approval of the appointment. Regent Kirkpatrick seconded.

Regent Rosenberg stated that, while he felt that Mr. Diekhans is a fine man and would be a fine interim president, he would be voting no due to the lack of credentials. He asked the Chancellor to bring forward recommendations for the qualifications and criteria for interim presidents. Regent Derby asked whether there was a requirement for a Ph.D. Regent Rosenberg replied that there was. Regent Hill respectfully disagreed. He felt the only consideration should be whether the interim appointment could do the job. Regent Rosenberg suggested that it should be stated clearly in Board policy. Regent Howard stated that she was surprised that the qualifications for a college president had been taken so lightly. She saw no difference between an interim and permanent appointment and felt that a college president should have a doctorate degree. She felt that Interim President Mike Meyer had done a very good job and commended him for his efforts. She suggested the Board should review this in the future.

Regent Gallagher asked about the Board policy for interim presidents. General Counsel Ray replied that Board policies and bylaws did not address the issue. He related that in past presidential searches a doctorate had been made a requirement. Regent Rosenberg reported that when the System was initially chartered the decision was made that the Chancellor would not require a Ph.D. but the presidents would. He has been operating under those rules. Regent Howard stated that she felt that Mr. Diekhans is a very fine man, adding that she supported the recommendation. She reiterated that the Board should review this policy in the future.

Motion carried. Regent Rosenberg voted no. Regents Alden and Sisolak were absent.

Mr. Diekhans expressed his gratitude to the Board, noting that he had some large shoes to fill and requested their patience.

Mr. John Patrick Rice expressed the faculty's pleasure with the appointment. He noted that former President Remington had propelled GBC quite far during his 12 years of service. He reported that 12 years ago GBC offered very little for students to work toward. Now GBC offers a unified curriculum, certificates of achievement, associates degrees in a myriad of disciplines, as well as limited baccalaureate degrees. He related that 12 years ago GBC was a collection of dirt roads and dingy buildings and today was a beautiful campus with efficient buildings and a waterway through the center of the campus. He noted that Dr. Remington was responsible for that growth. He stated that he would advise the CCSN faculty to start thinking very creatively and they would be able to accomplish great things. He stated that GBC would be fine, adding that Carl Diekhans, Betty Elliott, and Lynn Mahlberg were a large part of the success that Dr. Remington brought to GBC. He noted that the GBC faculty was very capable and would not settle for anyone less motivated than Dr. Remington. Mr. Rice thanked Dr. Remington for his leadership and work.

Regent Derby left the meeting.

29. Approved-Architecture Task Force Report, NSCH – Chair Rosenberg reported The Nevada State College at Henderson Architecture Task Force met on June 6, 2001 and heard presentations from the two finalist architecture firms, RNL Design and Field Paoli. The Task Force chose Field Paoli as the winner of the Nevada State College at Henderson architectural competition. The Board approved the selection of the design submitted by Field Paoli as the winner of the competition. Regent Rosenberg stated that he had copies of the design, adding that the winning selection was organic and fit the landscape exceedingly well. He commended both firms for their hard work and for providing good information. He commended the Task Force, adding that everyone showed up and did their homework. He also commended Chair Dondero for putting the group together.

Regent Rosenberg moved approval of the design selection and acceptance of the report. Regent Gallagher seconded.

Regent Gallagher asked about State Public Works Board (SPWB) acceptance of the design. Chair Dondero noted that the SPWB director was present and had requested a meeting with the Chancellor and Board Chair. She related that his recommendations would be presented to the Board at a future date.

Regent Rosenberg also thanked Mr. Rick Kellogg of BMI, adding that he had been phenomenal, particularly when the land he was planning to donate was not accepted. Chair Dondero noted that he provided the \$100,000 for the competition.

Motion carried. Regents Alden and Sisolak were absent. Regent Howard abstained.

30. Information Only-Reapportionment Options – Discussion was held regarding Regents' reapportionment options being considered by the Nevada State Legislature.

Chancellor Nichols stated that the legislature had decided on 13 districts, including two open districts (one open Hispanic district in Clark County and one rural district in Clark County). The open seats become available for nomination and election on January 1, 2002. The new Regents will take office January 1, 2003.

Regent Gallagher asked about the length of terms and whether terms would be staggered. Chancellor Nichols replied that she had not seen the final draft. Mr. Rick Bennett related that the bill did specify the terms and which districts would be voted upon.

31. Public Comment – Mr. Rick Bennett reported this had been his 6th legislative session, adding that it had also been the most difficult session, with concerns for tax revenue and redistricting. He stated that the legislative relations team did the best they could. He thanked the other institution representatives and Dr. Crowley (aka 'the System guy'). He related that having Dr. Crowley's experience had been wonderful and made the legislative process easier to deal with. He commended Chancellor Nichols for surviving her first session, adding that she earned great respect from the legislators. He thanked her for allowing the legislative representatives to do their jobs well. Chair Dondero thanked Mr. Bennett and the rest of the legislative team for working so well together.

32. New Business – None.

The meeting adjourned at 12:10 p.m.

Suzanne Ernst
Chief Administrative Officer