

**BOARD OF REGENTS**  
**UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA**

Foundation Building, Events Room  
University of Nevada, Las Vegas  
4505 Maryland Parkway, Las Vegas  
Thursday-Friday, December 6-7, 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

Members Absent: Mr. Tom Wiesner {excused}

Others present: Chancellor Jane Nichols  
Vice Chancellor, Finance & Administration Dan Miles  
Vice Chancellor, Academic & Student Affairs Richard Curry  
General Counsel Tom Ray  
President Ron Remington, CCSN  
President Stephen Wells, DRI  
Interim President Carl Diekhans, GBC  
President Richard Moore, NSCH  
Interim President Rita Huneycutt, TMCC  
President Carol Harter, UNLV  
President John Lilley, UNR  
President Carol Lucey, WNCC  
Chief Administrative Officer Suzanne Ernst

Also present were faculty senate chairs Mr. Ruell Fiant, CCSN; Mr. William Albright, DRI; Mr. John Patrick Rice, GBC; Dr. Eun-Woo Chang, TMCC; Dr. Arthur Brotén, UCCSN; Dr. Stephen Carper, UNLV; Dr. Paul Neill, UNR; and Mr. Richard Kloes, WNCC. Student government leaders present included Mr. Calvin Hooks, CCSN; Ms. Elisa Goyeneche, GBC; Ms. Michelle Lacerda, TMCC; Mr. Paul Moradkhan,, UNLV; Ms. Rana Koran, UNLV-GSA; Mr. Matthew Wolden, UNR; Mr. Carlos Ledon, UNR-GSA; and Ms. Leslie Carlen, WNCC.

Chair Thalia Dondero called the meeting to order at 1:05 p.m. on December 6, 2001 with all members present except Regent Wiesner, who was excused due to illness.

1. Introductions – President Harter introduced Dr. Stuart Tennant, Assistant Vice President, Enrollment Management and Dean of Admissions-UNLV, and Mr. Thomas Hagge, Associate Vice

President, Facilities Management and Planning-UNLV. Chancellor Nichols introduced Mr. John Amen, Director of Capital Planning-System Administration.

1. Introductions – (Cont'd.)

Chancellor Nichols announced that Dr. John Filler, Special Education Professor-UNLV and former faculty senate chair, was on loan to the System Administration office on a part-time basis to work on K-16 and teacher education issues on behalf of UCCSN. She expressed appreciation to President Harter and UNLV for allowing System Administration to borrow him.

2. Chair's Report – Chair Dondero thanked President Harter and her staff for hosting the Board's meeting. She introduced Dr. Nancy O'Brien from the University of Nebraska Board of Regents. Chair Dondero noted that Nebraska's Regents were also elected to office. Dr. O'Brien also owns a management consulting and public speaking business. Chair Dondero announced the membership of the Periodic Evaluation Committee for Presidents Stephen Wells and Carol Lucey. Serving on President Wells' committee will be Regents Dorothy Gallagher and Steve Sisolak. Representatives from the DRI Foundation and community will include Bruce James and Sandy Miller. Serving on President Lucey's committee will be Regents Jill Derby and Thalia Dondero. Representatives from the WNCC Foundation and community will include Roger Sedway and Rick Lattin.
3. Chancellor's Report – Chancellor Nichols explained that the System Master Plan would be presented at the January 2002 Board meeting. A public forum in Reno has been scheduled for January 7, 2002 from 1:00-5:00 p.m. at Lawlor Events Center in order to collect important feedback from the community. Common themes from campus forums held in October and November included:
  - Addition of two new goal statements.
    - ✓ P-16 collaboration, including specific work needing to occur in this area.
    - ✓ Diversity strategies for increasing under-represented enrollments and services, including the needs of non-traditional students and returning students.
  - Move the access goal from the first position to avoid overwhelming readers with the huge demands of access needs in Nevada.
  - Direct the focus of the Master Plan less toward comparisons with other states and more toward Nevada's unique characteristics and demographics.
  - Directly address the needs for technology and information literacy over the next 10 years. Strongly emphasize internships, work-study, tutoring, and community service in connecting students' academic programs to the outside world.
    - Refine the mission differentiation statements.
    - Strengthen economic development and research strategies.
  - Clearly define the collaboration vs. competition concept in the plan, including advice for implementation and reward structures to encourage collaboration.

Chancellor Nichols related there was a lot of work to be done to produce a revised draft of the Master Plan. She was pleased with the thoughtful feedback received from the institutions, which looked beyond the interests of any one campus. She reported that faculty, staff, and students at each of the institutions do understand the larger picture, and share the Board's concern for building a better system of higher education. She then requested a report from UNLV President Carol Harter.

3. Chancellor's Report – (Cont'd.)

President Harter reported that within the past 18 months, there have been two significant events leading to national and international recognition for the Humanities and Arts at UNLV.

- A gift from Mr. Glenn Shaeffer created an endowed Chair of Creative Writing and the appointment of Nevada's first Noble Laureate, Dr. Wole Soyinka. The gift also led to the creation of the Institute of Modern Letters, which will bring some of the most significant writers in the world to UNLV to teach post-MFA students about the art of writing.
- In October, Professor David Hickey, Art Department-UNLV, was awarded a John D. and Catherine T. McArthur Foundation genius award for \$500,000 over a 5-year period in recognition of his work as an internationally renowned art critic. Mr. Hickey will also be based in the Institute of Modern Letters to increase the potential for international recognition.
- UNLV's College of Fine Arts includes programs in Theatre, Dance, Music, Film, and Architecture. Students have performed in a variety of settings including each summer at the international festival in Edinburgh, Scotland.
- Mr. Marc Burns, Art Department-UNLV, has received two National Endowment for the Arts Fellowships for his sculptures.
- UNLV Dance Department Chair, Mr. Louis Kavouras, is also a principal dancer in the Erick Hawkins Dance Company and a talented choreographer. He was featured on the front page of the *New York Times* Art Section.
- UNLV's Film Department has created a nationally recognized program in film writing and in directing. Led by Mr. Francisco Menendez and staffed by Hollywood TV writer Mr. Sean Clark, the program's enrollment has grown dramatically.
  - ✓ The department's Professional Crew Training Program has received significant recognition for work on films in Nevada and in California.
  - ✓ The department's film, *Medio Tiempo*, received national attention when aired on Showtime and was one of four films chosen by the Latino Filmmaker's Showcase, a yearly competition sponsored by Showtime Network and Si TV.
- The School of Architecture provides students valuable skills necessary to design buildings and communities for the 21<sup>st</sup> century. They also helped GBC with some design issues.
- The Hank Greenspun School of Communication, located in the College of Urban Affairs, shares facilities and training with the Film Department. The School produces many programs for educational television.
  - ✓ Ms. Laurel Fruth is the administrative manager and operations director of UNLV-TV, which produces a variety of programs to be broadcast on Cox Cable 70 and on PBS.
  - ✓ Assistant Professor Gary W. Larson teaches courses in television production and is the advisor for *Studio 70*, a student television magazine program.
  - ✓ Dr. Dolores Tanno, well known for her research on intercultural communication, particularly in the Latino/Chicano community, has served as a co-editor of the *International and Intercultural Communication Annual*. Dr. Tanno was the keynote speaker at the Nordic Intercultural Communication Conference in Copenhagen, Denmark in November.

3. Chancellor's Report – (Cont'd.)

- UNLV's College of Liberal Arts History Department faculty have produced fifteen major books in recent months. Faculty members and their publications include:
  - ✓ Mr. Andy Fry, *Dixie Looks Abroad: The South and U.S. Foreign Relations, 1789-1973.*
  - ✓ Mr. Eugene Moehring, *Resort City in the Sunbelt: Las Vegas 1930-2000.*
  - ✓ Mr. Colin Loader served as a coeditor of *Karl Manheim on Sociology as Political Education.*
  - ✓ Mr. Hal Rothman continues to publish books with the University of California Press and the Texas A & M Press.
  - ✓ Ms. Joanne Goodwin has done exciting work with the Women's Research Institute of Nevada and the Oral History Project on Nevada Women.
  - ✓ Mr. Andrew Bell recently published a book with the Oxford University Press.
  - ✓ Mr. Gregory Brown served as an associate editor on a project with Pennsylvania State University to create a CD-rom and website on the French Revolution.
  - ✓ Mr. Andrew Kirk published two recent books on environmental history.
  - ✓ Mr. David Wrobel co-edited a book on tourism in the west.

4. Information Only-Executive 2001-2002 Contract Terms - Chair Thalia Dondero presented a recommendation for a salary increase of \$4,160 for General Counsel Tom Ray.
5. Approved-2001-2002 Merit/Equity Increases for UCCSN Presidents and UCCSN Executive Officers - Chancellor Jane Nichols recommended approval of the 2001-2002 merit or equity salary increases for UCCSN Presidents and UCCSN Executive Officers. Per Board policy, the recommended increases were presented as information at the June 2001 Board meeting. (*Ref. A on file in the Board office*)

Chancellor Nichols related that the recommendations covered work completed prior to June 30, 2001. She recommended a \$4,160 merit increase for President Harter in addition to a \$2,439 equity adjustment to bring her salary in line with the other university president. A \$3,182 salary adjustment was recommended for Interim President Huneycutt, which equated to the amount of merit she would have received as a vice president. Chancellor Nichols reported that Presidents Lilley and Remington were not eligible for merit because they assumed their duties after July 1. President Moore requested no increase due to the uncertainty of his position. Chancellor Nichols also recommended a merit increase of \$4,160 for Presidents Lucey and Wells, and Vice Chancellor for Technology, Mr. Van Weddle. A \$2,110 merit increase was also recommended for University Press Director Mr. Ron Latimer.

Regent Hill moved approval of merit and equity increases for UCCSN Presidents and executive Officers for 2001-2002. Regent Howard seconded.

5. Approved-2001-2002 Merit/Equity Increases for UCCSN Presidents and UCCSN Executive Officers – (Cont'd.)

Regent Alden felt that they all deserved the recommended increases in spite of the fact that he would be voting in the negative. Regent Sisolak observed that the presidents and executive officers had received a COLA(*Cost of Living Adjustment*) on July 1. He agreed that the individuals were very deserving, but expressed concern for granting increases during these uncertain

economic times. He noted that other equally deserving individuals had not received an increase.

Regent Kirkpatrick asked whether the Chancellor had declined a salary increase. Chancellor Nichols replied that the Board recommendation was not to increase her salary based upon the current financial situation and recent increase received when promoted to Chancellor. She reported that the Presidents had not received a salary increase in 3 years. By moving into a new position she was advantaged in a manner they were not. Regent Kirkpatrick asked whether they received a COLA. The Chancellor replied that the presidents and faculty received the first COLA in three years. Regent Kirkpatrick observed that each of the UCCSN presidents, administrators, and faculty were underpaid, adding that it was a very competitive market. He expressed reservations relative to Nevada's economic situation and the Governor's request for UCCSN to reduce expenditures. Chancellor Nichols clarified that, in light of the economic situation, the presidents had agreed that their increases would not be retroactive to July 1 and would only become effective for only one-half year beginning January 1, 2002.

Regent Sisolak asked whether the salaries could be supplemented from other sources. Chancellor Nichols replied that some institutions use Foundation funds to supplement presidential salaries. She indicated that his Board had been strongly against the Foundations paying part of the presidential salaries or perquisites. Regent Derby commented that, under those circumstances, the presidents would be reporting to the Foundations as well as the Board.

Regent Gallagher felt it important to make clear that the presidents had not received a raise in a very long time. She observed that the Board would likely be severely criticized for approving the increases. Regent Howard agreed with Regent Gallagher, acknowledging that it had been quite a while since the presidents had received an increase. She expressed a desire to review each president's salary recommendation separately in the future, as the Board might feel that some were not worthy of an increase. She asked whether this was the traditional format, with Chair Dondero replying that it was.

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

6. Approved-Resolution 01-07, Sale of Bonds, UNLV – The Board approved President Carol Harter's request for authority to proceed with the sale of bonds totaling up to \$25

6. Approved-Resolution 01-07, Sale of Bonds, UNLV – (*Cont'd.*)

million toward the purchase of buildings for the Dental School and for expansion in other areas including Biotechnology and Biomedical related programs and research. The Dental School and certain other university facilities to be located at 1700 West Charleston Boulevard, Las Vegas, Nevada, were hereby included as part of the university Master Plan at the University of Nevada, Las Vegas. The officers and staff of the university were hereby directed to include the Dental School and the facilities located on the site of the Dental School in the university Master Plan at the University of Nevada, Las Vegas. (*Ref. B on file in the Board office*)

Vice President for Finance-UNLV, Mr. Tony Flores, reported that the bid opening occurred that

morning. Two bids were submitted. The award went to Solomon Smith Barney at a rate of 5.24%.

Regent Sisolak asked whether a revenue stream had been identified. Ms. Kendra Follett, Swendseid & Stern, replied that under the universities securities law, certain defined pledged revenues were deemed payable to the bonds. Internally, UNLV has allocated certain expected revenues to pay the bonds. Regent Sisolak asked her to elaborate on being restricted to certain pledged revenues. Ms. Follett replied that student fees could be used. Regent Sisolak asked about

the amount of student fees being pledged. Ms. Follett replied that, under the universities securities law, the Regents pledged capital improvement fees. Regent Sisolak asked for a dollar amount. Ms. Follett replied that no specific figure was indicated. The words under the statute included capital improvement fees, General Fund fees, and student union fees. Regent Sisolak asked about the specific dollar amount for the fees. Mr. Scott Nash, Johnson Consulting, replied that these bonds had been issued on parity with outstanding bonds. The same revenue sources were pledged for both with a promise that these revenues would be pledged in the future. He indicated a need to ensure debt service by a factor of 1½ times the maximum annual debt service. He related that investors were provided with a table depicting the various fees and amounts that were pledged. For example, UNR General Fund fees are \$15.8 million in the last fiscal year. UNLV General Fund fees are \$24.7 million. He noted there were various student and capital improvement fees pledged, as well as housing and dining revenues. Pledged revenues total \$64.2 million based upon 2001 information. Regent Sisolak asked about the total including the sale of bonds under discussion and what it was pledged against. Mr. Nash replied that it was pledged against all outstanding revenue bonds for both UNR and UNLV for a total of \$110 million in bond principal. Regent Sisolak expressed concern for only pledging \$64 million in revenue against \$110 million in bonds. Mr. Nash explained that the System's maximum annual debt service in the highest year (*including the bonds sold that morning*) was \$11.9 million. He related that the coverage factor was 5.4 times. Regent Sisolak expressed concern for decreased revenue. Ms. Follett replied that all outstanding bond resolutions were covered by a promise to use pledged student fees to pay the bonds, or increase them if necessary, and to use all revenue from all pledged facilities to pay the bonds (*as required under the universities securities law*). These were the only sources that could be pledged. Regent Sisolak asked whether that affected current student fees or potential new student fees. Ms. Follett replied that both were pledged. She indicated that, typically, student fees and capital improvement fees were used to pay bonds for student housing and dining. Regent Sisolak asked about

6. Approved-Resolution 01-07, Sale of Bonds, UNLV – (Cont'd.)

the likelihood of increasing UNLV student fees in 5 to 10 years in order to pay these bonds. Ms. Follett replied that it was a possibility if no other revenues were available to pay it. Regent Sisolak asked about a reserve. Mr. Nash replied that bonds do not have a reserve fund. He indicated that payments on bonds must be set aside before this payment due date.

Regent Hill moved approval of Resolution 01-07 for the sale of bonds for UNLV. Regent Rosenberg seconded.

Regent Gallagher asked whether the fees pledged were from the entire System. Mr. Nash replied that it only involved fees from UNR and UNLV. Regent Gallagher asked whether the System would be responsible for payment if there was a shortfall in revenue. Mr. Nash replied that these

bonds were specifically limited to UNR and UNLV, so the System would not be liable. Mr. Nash stated there were two classes of bonds (*Universities Lien for UNR and UNLV and a Community College Lien*). Institution bank loans have no lien and are technically payable from all available funds.

Regent Rosenberg requested clarification regarding selling bonds and pledging resources for the bonds. Mr. Nash replied that these bonds were issued on the same parity as other outstanding bonds, so they had to follow the same rules. Regent Rosenberg established that the Board decided which mix of fees comprised the revenue stream and asked whether they had the ability to change the revenue sources as well. Ms. Follett explained that, once a revenue stream was pledged, you could not take it away from the bondholders who were expecting that source of money. She related that the Board could add to the list and/or decide how to use those fees. Regent Rosenberg asked whether the Board could determine the percentage mix of the funds. Mr. Tony Flores, Vice President-UNLV, replied that UNLV has relied exclusively on UNLV revenue streams (*Capital Improvement Fees and Dental Practice revenues*). He related there was no intention of cross pledging revenues. He stated that, in the event of a down turn in the economy, protection was provided by the sale of that asset.

Regent Kirkpatrick asked whether General Counsel Ray had reviewed the Resolution language. He expressed concern for pledging student revenues for students not yet born. General Counsel Ray deferred to bond counsel. Ms. Follett replied that there were blanks in the Resolution because the bond sale only occurred that morning. She noted that Ms. Ernst had the corrected pages with the prices included. Regent Kirkpatrick again asked General Counsel for an opinion on the sale of these bonds. General Counsel Ray replied that he did not have the specialized expertise, adding that he was satisfied with bond counsel's recommendation.

Regent Hill asked whether unexpected sources of revenue could be used to pay the debt instead of using the sources sited. Ms. Follett replied that they could. Regent Hill asked about UCCSN's bond rating. Mr. Nash replied that, when selling bonds, a bond rating was received. These bonds are currently rated "AA-" by Standard and Poors, and "A1" by Moody's Investor Service. Regent Hill asked about the affect that a negative bond rating would have upon the interest rate. Mr. Nash replied that, the lower the bond rating,

#### 6. Approved-Resolution 01-07, Sale of Bonds, UNLV – (Cont'd.)

the higher the cost of borrowing (*interest rate*) due to the increased risk. Most bonds are sold with bond insurance. Bondholders are given a AAA rating with insurance, as in this case. Regent Hill asked about the cost for the insurance policy on this transaction. Mr. Nash replied the cost was \$91,000. This bond insurance was received as the result of a competitive bid process. The worse the bid rating, the higher the rate of insurance as well. He said it was difficult to predict a worst-case scenario.

Regent Gallagher asked whether the bonds could be sold or paid off at anytime with no penalty. Mr. Nash replied that bonds typically have a period when they are not callable. Paying them off earlier would result in a higher interest rate. After 10 years, these bonds can be redeemed. In the interim, money could be collected in a bank account to pay off the obligation. Regent Gallagher asked about refinancing bonds. Mr. Nash replied that one would typically borrow money at a favorable interest rate, buy securities that are placed in an escrow trust account that is used to call the bonds at a future date.

Regent Sisolak asked about changing the revenue stream for the dental school to rely more upon Medicaid and less upon the Culinary Union. Mr. Flores replied that UNLV has always relied upon the dental practice's revenue stream. As those revenues are built, there is less dependence on the Capital Improvement Fee fund. Regent Sisolak established that the practice revenue stream had been changed from the Culinary Union to Medicaid. Mr. Flores replied that UNLV had a combination of fee-for-service and Culinary Union revenues. Regent Sisolak asked whether the percentage or weighting of those sources had changed. Mr. Flores replied that fee-for-service had been the primary source. Regent Sisolak asked whether Fire Science Academy revenue had been pledged for the Fire Science Academy bonds. General Counsel Ray replied that no bonds were issued. The legal document was a lease/purchase agreement. Regent Sisolak asked whether the Board would be in the same position if the dental practice revenue failed to meet the bond obligation. Mr. Flores replied they would not due to the increased student population, which would create more Capital Improvement Fee funds. An additional \$2.00 fee will be collected starting July 1, 2002, which will cover approximately \$900,000. UNLV intends to split the debt between Capital Improvement Fee funds and dental practice revenue, with the hope that increased dental practice revenue will result in less reliance upon Capital Improvement Fee funds.

Regent Alden asked whether proceeds could be invested. Ms. Follett replied that one could not invest the proceeds at a higher yield. Any interest earned above the interest rate was rebated to the federal government. Mr. Flores stated that escrow would close on January 19<sup>th</sup>.

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

7. Approved-Handbook Revision, Admission Requirements, First-Time Freshmen, Universities – The Board approved Handbook revisions (*Title IV, Chapter 16, Sections E.3.3 and F.3.3*) to policies governing grade point average and high school course requirements for admission to universities for first-time freshman. (*Ref. C on file in the Board office*)
8. Approved-Handbook Revision, Admission Requirements, Transfer Students, Universities – The Board approved Handbook revisions (*Title IV, Chapter 14, Section 12.4.d and Title IV, Chapter 16, Section 2.1.c*) to policies governing grade point average and minimum credit requirements for admission to universities for transfer students. (*Ref. D on file in the Board office*)

Chancellor Nichols presented a report on the public hearing held in Las Vegas on November 27, 2001 regarding proposed admission requirements for the two universities. She expressed appreciation for valuable input from the community, students, and faculty. She stated that the Presidents were suggesting a new proposal (*not included with the packet*).

President Harter commended Vice Presidents Fain (*UNLV*) and Ellis (*UNR*) for their work on this issue. She related that she, President Lilley and Vice Presidents Fain and Ellis had really listened to the community. She said there were broad differences in the new proposal vs. the original.

First-Time Freshmen:

- Do not implement too rapidly. Today's eighth graders will be notified that a 2.75 GPA will be required for admission in 2006. The student will have their entire high school career to achieve that grade point average (*GPA*).
- Superintendent Garcia expressed concern for students padding their GPA's by taking easier courses. The new proposal employs the weighted GPA, which gives credit to students enrolled in advance placement or honor's level courses.
- The weighted GPA will be applied to the core curriculum. Giving credit to honors and AT classes.
- Increase the number of "alternate criteria for admission"; currently 6% increased to 10% pool. UNLV could have allowed 390 students entrance by alternate criteria.
  - Test score in combination with GPA.
  - Students who have overcome adverse conditions (*i.e. families, work, family or financial problems*). The number of alternate methods for admission has been increased.
- Universities should be accessible and inclusive of those students having the ability to succeed. Added: For students just below the standard (*i.e. 2.50*) another alternative allows simultaneous admission to the university and the community college, with university acceptance contingent upon successful completion of community college work.
- Yearly impact studies beginning in 2006. Search for adverse affects on any group of students. Be prepared to wait another 4 years(2010) to implement the 3.0-weighted GPA over the core curriculum.

President Harter reported that the transfer side was essentially parallel to the freshmen.

Transfer Students:

- 2006 - 2.3 GPA at the community college and 24 transferable credits.

7. Approved-Handbook Revision, Admission Requirements, First-Time Freshmen, Universities –  
(Cont'd.)

8. Approved-Handbook Revision, Admission Requirements, Transfer Students, Universities –  
(Cont'd.)

- 2010 – (*assuming impact study allows*) up to 2.5 GPA and 24 transferable credits or an associate's degree at any level.

Dr. Shannon Ellis, Vice President for Student Services-UNR, stated that all institutions commit to improving the college going rate in Nevada. One critical avenue is through strengthened partnerships and collaboration between the community colleges and universities as well as with K-12. She acknowledged there was more work to be accomplished. Current admission requirements for first-time freshmen include:

- Minimum un-weighted GPA of 2.5 on a 4.0 scale.
- Completion of high school course from an approved list.
- 6% of the previous fall semester's freshmen class enrollment may be considered for admission based on alternate admission criteria.

Dr. Juanita Fain, Vice President for Administration-UNLV, was heartened by the passion and concern expressed for the future of young people in Nevada.

Fall 2002:

- Eliminate the half credit of computer literacy requirement.
- Expand criteria for alternative admission process.

Fall 2006:

- 2.75 weighted GPA in required courses for admission.
- Increase the percentage of students eligible to be admitted by alternate criteria from 6% to 10%.

Spring 2008:

- Assessment: Conduct admissions policy impact study to determine affect on various constituencies.

Fall 2010:

- 3.0 weighted GPA in required courses for admission.

Dr. Ellis stated that simultaneous admission was important motivation for students to attend community college and the universities, as well as an effort to provide the psychological motivation necessary for students to maintain a course to graduation. Students whose high school GPA is 2.5 or above, but below the threshold required for admission in 2006 or 2010, will be granted admission to the universities contingent upon successful completion of a comprehensive transfer program or other specified criteria. Admission will be effective the semester following completion of the conditions.

Alternate Admission Policy – criteria to be considered:

- Combination of test score and GPA (*sliding scale adopted jointly by UNR and UNLV*).
  - Special talents (*music, art, athletics, etc.*).
  - Evidence of potential for success.
  - Improvement in high school record.
- Overcoming adversity, hardship (*documented by pastors, community letters, student appeals*).

7. Approved-Handbook Revision, Admission Requirements, First-Time Freshmen, Universities –  
(Cont'd.)

8. Approved-Handbook Revision, Admission Requirements, Transfer Students, Universities –  
(Cont'd.)

- Other special circumstances – for those circumstances that have not been considered.

Dr. Ellis affirmed that both universities will enhance partnerships with Pre-School-12 to ensure that all students take the courses required for university admission and that strong recruitment programs are developed to encourage all students to pursue postsecondary education.

Chair Dondero asked whether staff worked with the school district and State Board of Education. Dr. Ellis replied that quite a bit of work was conducted with the school districts as well as the State Board of Education. Dr. Fain stated they would be working even more closely to address remediation issues.

Dr. Fain stated that the Comprehensive Transfer Program reaffirms the universities' commitment to continue to partner and strengthen relationships with UCCSN community colleges, to enhance transfer programs that encourage students to gain the basic study skills and academic courses necessary for student success in pursuit of a baccalaureate degree. It particularly targets students with simultaneous admission to the universities.

Dr. Fain reported that current admission requirements include:

- Minimum of 12 transferable credits and a cumulative GPA of 2.0 on a 4.0 scale from a regionally accredited college or university.
- Applicant must be in good standing and eligible to return to the educational institution last attended.
- Transfer students with an associate of arts degree; associate of science degree; or an applied arts and science degree in nursing from an accredited institution will be automatically accepted to the universities.

Dr. Ellis reminded Board members that the proposal included:

- Fall 2006 – Minimum of 24 transferable credits and a cumulative GPA of 2.3 on a 4.0 scale from a regionally accredited college or university.
  - Assessment to begin after one year.
- Maintaining 24 transferable credits and cumulative GPA raised to a 2.5 on a 4.0 scale.

President Remington observed the System was in the process of developing a Master Plan for higher education in Nevada with a desire to differentiate each institution. He commended the two university presidents for listening to the concerns expressed by the education community and incorporating sound measures staged over a period of time. He endorsed the proposal. He cautioned that all institutions require adequate resources, adding that the community colleges would be impacted by the changes. He acknowledged the need for developing a state college to serve the southern valley. He noted that Regent Howard was a strong advocate for underrepresented groups.

7. Approved-Handbook Revision, Admission Requirements, First-Time Freshmen, Universities –  
*(Cont'd.)*
8. Approved-Handbook Revision, Admission Requirements, Transfer Students, Universities –  
*(Cont'd.)*

Regent Howard stated that she opposed the original proposal, adding that she believed a compromise had been reached. She reported that leaders from the African American and Latino communities had developed a compromise proposal in response to the recent university proposal. She introduced Mr. Andreas Ramirez, speaker for that group.

Mr. Andreas Ramirez said that the community believes a common goal exists. He clarified that leaders were not trying to hold back the minority community or reduce the quality of education, but wanted increased measures to ensure some measure of success for minority students. Items not included in the universities' proposal included:

- Universities to set aside a budget for retention, recruitment and increased diversity.
- Implement a national model comparable to the Educational Opportunity Program.

- System assistance for admitted students unable to pay for their education.
- Outreach or increased effort within the Millennium Scholarship program to ensure students know the requirements to receive and maintain the scholarship.
  - Require all UCCSN institutions develop and provide a Study and Survival Skills course. The course would be a graduation requirement administered in the first semester of all first year students.
  - Support legislation for K-16 curriculum alignment by adopting a resolution of support.
  - Allow school districts to administer university placement exams in English and Math to provide school districts an opportunity to assess the preparedness of a student's ability to perform at a university academic level, and allow students an opportunity to improve their academic preparedness.
- Establish a Citizen's Evaluation Committee to review enrollment and recruitment data and make annual recommendations compiled in a report to the UCCSN Board of Regents regarding procedures and standards.
  - Comprehensive Review for Admissions:
  - ✓ Add Hispanic and African American voting positions to the committee and allow the Academic Advancement Office to be a voting position.
  - ✓ Inform in writing all students denied admission of their right to appeal the decision to the Admissions Committee.

Regent Howard noted that she, a Clark County School District administrator, a School Board trustee, a university administrator, and community leaders reviewed the aforementioned plan and supported it. She felt the addition of these items would help establish measures of accountability for the System. She expressed her support for a motion that included these community concerns.

Regent Alden was pleased with the public forums held throughout the state regarding the proposed major change in policy. He observed that the community colleges would be affected and had been consulted. He felt that the state college would make the proposal

7. Approved-Handbook Revision, Admission Requirements, First-Time Freshmen, Universities –  
*(Cont'd.)*

8. Approved-Handbook Revision, Admission Requirements, Transfer Students, Universities –  
*(Cont'd.)*

easier to address. He stressed the importance of a strong partnership with K-12, particularly in Clark County.

Regent Alden moved approval of increased admission requirements for first-time freshmen for the universities as presented by the university presidents' and their handout. Regent Howard seconded.

Regent Hill asked that the proposal be presented to the Board in Handbook terminology at the next meeting. Regent Alden agreed.

Regent Kirkpatrick felt that Regent Alden's motion was in violation of the Open Meeting

Law (*OML*), because it did not comply with the agenda item and reference material as presented. General Counsel Ray stated that the recommendation from the university presidents was in conformance with the requirements of the *OML*. However, he felt that the alternative proposal contained additional matters broader than the scope of the agenda item. General Counsel Ray stated that the agenda language did not identify specific numbers. He noted the Board's ability to approve different numbers than were recommended. He related that they were not bound by specific numbers in the reference. Chair Dondero asked whether the item should return to the Board in proper Handbook form. General Counsel Ray replied that it would be good practice. Chancellor Nichols suggested the Board could act on the university recommendation that day, adding that it would return in January with proper Handbook language. She related that the alternate proposal from the community group included the university proposal with additional items. She felt that discussion regarding commitment to the principles was important. She suggested that four or five of the items formed the nucleus of a potential budget enhancement. She proposed developing a plan for the next meeting that addressed the potential budget implications. She said the Board could have a philosophical discussion and ask staff, the universities and community colleges to return with a more complete proposal.

Regent Hill seconded the motion. Regent Howard retracted her second for lack of including the community request.

The motion was re-read:

Regent Alden moved approval of the admission requirements for first-time freshmen for the universities as presented by the university presidents

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and their handout. Regent Howard seconded the motion and then retracted her second.

Regent Hill seconded the motion.

Regent Kirkpatrick clarified that a 2.75 GPA would be required in 2006 and a 3.0 GPA in 2010. Chair Dondero agreed. Regent Derby requested clarification of the motion. She was under the impression that the Board was voting on the university presidents' proposal and their handout, which she supported. She said that she liked the Chancellor's proposal for staff to work on the alternative proposal and budget enhancements. She felt that the community's proposal was worthy of consideration and wanted the Chancellor to return with recommendations for the Board.

Regent Gallagher requested clarification on simultaneous admission. She asked whether a student, with a low GPA due to a few subjects but very adept at math, could take university math classes. Dr. Fain replied that students could do that now classified as a non-admitted student.

Regent Rosenberg requested information on the Educational Opportunity Program for the next meeting. Regent Howard offered her backup material. He agreed that budget enhancements would need to be discussed. He noted that UNR has a first-year experience and new student orientation courses in place, adding that the alternate proposal would not be difficult to implement.

Regent Hill stated that some of the minority community suggestions caused him concern for excess bureaucracy. He observed that some of the suggestions could cost considerable money, adding that he needed more information. He recommended adopting the presidents' proposal that day and addressing other issues in the future.

Regent Seastrand observed that a month ago these groups were vastly opposed to one another. He was encouraged by the amount of common ground achieved and agreed with the Chancellor's recommendation. He also agreed with approving the presidents' proposal and addressing other issues in the future.

Regent Seastrand proposed a friendly amendment to include raising the GPA to 2.75 in Fall 2006 if the state college is opened with 1,000 FTE.

Regent Seastrand expressed a desire for having more than just the two baccalaureate granting institutions available as an alternative avenue for access. President Moore replied that it should not be an issue. President Lilley stated that with the requirement for 2006, it should be easier to accommodate Regent Seastrand's concern.

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Regent Howard stated that she was disappointed that the community recommendations would not be adopted that day. Chancellor Nichols stated that she would like the Board to adopt both of the proposals in principle, if legal counsel would allow it. She said there were logistical issues of when and how to pay for some of the proposals. She agreed wholeheartedly with the commitment for placement information for students in 10<sup>th</sup> grade, adding that it would take a little time to implement. She noted questions of where to place the Citizens' Evaluation Committee. She was very encouraged with the proposal's support for a true P-16 effort. She said it would be difficult to approve the community recommendations verbatim until the budgetary concerns were resolved. She asked the Board to philosophically support the recommendations, adding that they were fine recommendations. Regent Howard expressed concern for approving the universities' proposal without the detail outlined in alternate proposal. She feared those suggestions would be forgotten. She asked whether the presidents would mind waiting until one proposal with all recommendations could be developed.

Chair Dondero introduced Mr. David Griego, Chairman of the Hispanic Chamber of Commerce, in hopes that he could provide additional information. Mr. Griego stated that he could not, adding

that the Chamber supports the university presidents' proposal. He related that he had not had an opportunity to review the minority community's recommendations. The Chamber was heartened by the access provided to university administrators, Regents, and everyone involved with the process. He felt it was indicative of the level of concern felt for all children to have access to higher education. He thanked the Board for the opportunity to participate in the compromise, and agreed that Regent Howard's proposal also had merit.

Regent Howard stated that all Black elected officials in Nevada also endorsed the minority community proposal. Regent Sisolak noted a point of order. He stated that he was confused by the two proposals. Regent Howard clarified that she was referring to the minority community's proposal. She suggested that items from the proposal could be included in the System Master Plan. She expressed concern that the Board was rushing to judgment, as the proposal would affect many people. She hoped to work with the presidents to derive one proposal that suited everyone. Chair Dondero stated that General Counsel Ray informed her that the alternate proposal was not mentioned on the agenda for action. She explained that the Chancellor offered the suggestion of taking the additional concerns under consideration for the next agenda. Chancellor Nichols suggested returning with guidelines for implementation. She related there currently was no money for 100% financial aid for low-income students in Fall 2002, adding that a commitment to make that a top priority in future budgets would be good. Regent Howard again suggested adding the recommendations to the Master Plan.

Regent Kirkpatrick related that he had agonized over this decision, adding that it would affect a great number of citizens for a long period of time. He expressed concern for doing the right thing. He observed that UNR and UNLV were not research institutions.

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He noted that their primary objectives were degree programs for Nevada citizens. He commended Regent Howard for the open forums she held. He said that data from both open forums was not what was proposed that day. He felt the Board required more time to consider the ramifications, adding that he was grateful for the data provided by the universities. He said the System should be more inclusive than exclusive. He felt the need to ensure that students with a 2.5 GPA have an opportunity to enter the universities, adding that it might not be Regent/System business to ensure their success or failure. He felt people learn more from their mistakes than from their successes. He felt that community college courses were equally rigorous as those provided at the university level. He was shocked at the number of Millennium Scholars enrolled in remedial courses. He agreed with Regent Howard that the Board was rushing to a decision. He noted that 8<sup>th</sup> graders were not thinking about college and elementary school students were not learning to read. He felt that staff should provide sufficient data before the Board made such a significant change, adding that he could not support the motion.

Regent Sisolak asked about the length of time they worked on the proposal with WCSD (*Washoe County School District*). Dr. Ellis replied approximately 6 months. Regent Sisolak asked why he

only heard about it at the Fallon meeting, adding there had not been much opportunity for input. Dr. Ellis replied they were open meetings, advertised in the newspapers and had not been secret. She said they were working hard to align different pieces for the Board. Regent Sisolak stated there had been limited opportunity for Regent input. Dr. Fain stated that UNLV held a retreat in Fall 2000 on this issue. She related that UNLV spoke openly with counselors and the school district. She suggested that the assumption was made that the Regents and community knew about it, adding that it was not intended to be secret. President Harter stated that it was discussed two years in a row at the State of the University address, adding that the Regents were always invited. She said that this had been a topic of concern for the past 1½ years. Regent Sisolak asked about the number of Regent meetings where it had been discussed. President Harter replied that it was presented at the last meeting in October as a formal proposal, but had been previously discussed in many different venues. Regent Sisolak stated that the financial impact on the community colleges would be astronomical, adding that he felt the financial impact should be reviewed. Chancellor Nichols stated that it was considered in development of the Master Plan (*developing multiple pathways of success for students*). She agreed that the community colleges would likely have more students, but those students would be more likely to successfully graduate. It was also based upon the premise of adequate funding. She related that the basic principle did not increase the total number of students enrolled, but was based upon the premise that the state college and community colleges would address the needs of the students. Regent Sisolak observed that neither the state college nor the community colleges had been represented at the public forums. President Harter replied that they were invited. She related that the Council of Presidents had discussed the matter extensively. Regent Sisolak established that none of the community college or state college presidents were present at the forums. Chancellor

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Nichols stated that she had not indicated that those presidents needed to be present, but had indicated that the university presidents did need to be present. She felt the focus was on the proposal from university faculty and presidents. She agreed that it did affect all institutions, adding that it had been handled as a System wide effort from the beginning. Regent Sisolak observed that remedial education was a big part of the equation. He asked whether they had heard from everyone.

Regent Derby was struck by the level of consensus on this issue. She noted that the presidents' policy clearly represented response to the concerns expressed, adding that it was a fine compromise. She agreed that Regent Howard's proposal also had merit, as well as several items of agreement. She trusted that the Chancellor and presidents would return with recommendations for incorporating Regent Howard's and the minority community's suggestions. She noted that, previously, she had not supported raising entrance requirements due to the lack of a middle tier, which would now be provided by the state college.

Mr. Carlos Ledon commented that it appeared that everyone agreed on the timeline and asked whether the Regents could stipulate that the presidents return with a timeline. He also asked how simultaneous admission would affect FTE between community colleges and

universities. Chancellor Nichols replied there was no FTE issue, because the students were enrolled in the community college until they enrolled in the university.

Regent Alden stated that he believed in this proposal.

Regent Alden declined to accept the friendly amendment.

Regent Alden urged the need to change the manner in which business was conducted, adding that he was encouraged by comments made that day.

Regent Kirkpatrick stated that a UNLV professor wanted to reduce the teaching load down to 2 credits upon hearing about the change, but Provost Alden declined it. He noted that Representative Shelley Berkley asked him not to change the GPA requirements.

Regent Howard commented that she felt badly the Board did not have an opportunity to review or discuss the proposal. She felt the Board was not in control of the System and that there was a lesson in that.

A discussion ensued regarding whether to vote upon the issue.

Regent Sisolak stated that he first became aware of the compromise proposal when a reporter called him for comment two days prior. He noted that he was not involved with the decision, and asked who had been. Chancellor Nichols replied that it had always been her position that it was essential that items before the Board have significant time for

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process from the campuses, faculty and students. This proposal came to the Board because the faulty spent a significant amount of time working on it. After the Fallon meeting, the Board decided there was insufficient community input, so public forums were held. She said that it had been a continual conversation of evolving recommendations. She noted that the Board had a recommendation supported by the university presidents and the Chancellor. She said they could change any part of it they desired. She was puzzled as to how the matter could have been brought before the Board more effectively. Regent Sisolak questioned whether the proposal had been prepared two days ago. Chancellor Nichols replied that it had not, adding that final decisions were only made that morning. Regent Sisolak asked who made the final decisions. Chancellor Nichols replied that she and the two university presidents decided in response to feedback from many people.

Chair Dondero noted that they were out of time due to the requirement of a time certain item on the agenda. General Counsel Ray asked whether anyone objected to ending the discussion. Regent Sisolak indicated that he did. General Counsel Ray indicated that the Board would then need to vote to cut off debate, which required a 2/3 vote. Regent Sisolak noted a point of order, stating that the Board had a time certain item for 4:00 p.m., adding that it was after 4:00

p.m. General Counsel Ray stated that they could be a little late. Chair Dondero noted that they could also hold the item over.

The Board agreed to hold the item over.

Regent Rosenberg stated that he felt it was a good proposal, presented by people who were hired to address these issues. He agreed that Regent Howard's recommendations also had merit. He encouraged the Board to trust the experts to do their job.

The full Board meeting recessed at 4:01 p.m. and convened as members of the corporation for the UCCSN institution Foundations reports.

9. Information Only-Foundation Reports – The Board reviewed presentations from the UNR, DRI, GBC, WNCC, UNLV, CCSN, and NSCH Foundations (*Minutes on file in the Board office*).

The full Board reconvened at 8:05 a.m. on Friday, December 7, 2001 with all members present except Regents Howard and Wiesner. Chair Dondero said that, according to *Robert's Rules of Order*, she wanted to limit speakers to one appearance. Regent Sisolak noted a point of order. He stated that a decision to limit discussion needed to be established at the start of the discussion. Chair Dondero stated that she was trying to move the meeting along. General Counsel Ray agreed with Regent Sisolak's assessment, adding that the Chair also had the prerogative to encourage moving the meeting along and eliminating redundancies. He noted that she could limit discussion on subsequent agenda items.

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Regent Sisolak asked about the number of electives allowed in Clark County high schools. Chancellor Nichols replied that it varies by school district. Regent Sisolak asked about Clark and Washoe counties. President Harter replied that it was between 18-22 credits. Chancellor Nichols stated that the number of credits were similar to the number required for graduation. The difference is that there is a list of courses (*developed by school district*)within those categories from which students can choose, in order to be eligible for university admission. Regent Sisolak asked about the number of electives that students can take. Dr. Fain replied that it was 7½ . Regent Sisolak asked whether the GPA was overall or core requirement. Dr. Fain replied that the universities recommended it be over the core requirements. Regent Sisolak established that the GPA under consideration would be tabulated solely on the five required categories, adding that the students were not advised of that GPA. Dr. Fain agreed that the universities would need to recalculate it. Regent Sisolak noted that students think they have an overall GPA not realizing that it was different from the core requirement GPA. Dr. Fain agreed they would need to notify the students. Regent Sisolak was concerned that it would not be reflected on their report cards. Dr. Fain replied that it would depend upon whether the school district was willing to calculate that way. President Harter stated that Superintendent Carlos Garcia was open to discussion on this. She noted that he supports the GPA over the required core as well as the weighted GPA. The school district is open to being clearer on what prepares the students for university entry. Regent Sisolak said that his main area of concern was that the students would be misled. President Harter offered

to raise that issue with Mr. Garcia. Dr. Fain said that, if they were unable to do it, the universities could address that issue.

Regent Kirkpatrick noted that, with the 22-credit graduation requirement, students would be in real trouble if they failed a course.

Regent Rosenberg stated that advisory boards at the universities teach students how to figure overall and weighted core GPA. Regent Sisolak replied that it had not been discussed that way in the forums

Regent Howard entered the meeting.

Regent Hill said that he felt it was a good proposal, adding that it did not go far enough. He would like to see the universities, community colleges and state college return with joint marketing strategies and work together with the school districts. He felt the Board required an outline of how this would work, including Regent Howard's proposal. He suggested it be returned to the January meeting in actual Code language. He felt the Board might need to address enrollment caps if the System experienced reduced funding. He also felt the Board should address making institutions more student-friendly and that faculty should be available for students. He recommended voting on the matter.

Mr. Paul Moradkhan and Ms. Rana Koran reported that students were approached by administration 6 months ago about this issue, adding that students supported it (*65% agree*

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*that the university needs to move up to a higher GPA forum).* They also believed that raising the GPA would increase retention. Ms. Koran indicated unanimous support of original proposal, adding that the students had not seen the one under discussion.

Regent Alden said that one missing piece included listening to and working with those affected by the change. He urged Chancellor Nichols to get busy with K-16. He recommended holding K-16 public forums in three major locations (*Las Vegas, Reno and the rural areas*), with Regents, school board representatives, State Board of Education, and one representative each from the community colleges, state college and universities. He felt the Board did not communicate effectively with these other groups.

Chair Dondero suggested, that after hearing from Regent Howard, the Board listen to a visiting Regent from Nebraska.

Regent Howard said that she wanted to listen to UNR's students. Mr. Matthew Wolden reported that UNR students initially resisted the plan, but were happier with the plan to implement in 2006. He related that the majority of undergraduates supported the proposal. Regent Howard expressed concern that Nevada's institutions and students rated so low nationally, adding that the

Board had the opportunity to do something about that. She felt that increasing in admission standards would not solve the problems. She said that the minority communities had indicated a desire to work toward a solution to address retention and graduation. She requested the Board consider an amendment to the alternate proposal that would address concerns about costs, athlete access and budget requirements.

Regent Howard moved approval of tabling the issue to the next meeting. Regent Kirkpatrick seconded. Upon a roll call vote the motion failed. Regents Alden, Derby, Dondero, Gallagher, Hill, Rosenberg, Seastrand, and Sisolak voted no. Regents Howard and Kirkpatrick voted yes. Regent Wiesner was absent.

Regent Howard moved approval of amending the motion on the floor to include the recommendations from the alternate proposal.

Regent Rosenberg asked whether the Board was asked to approve the exact language from the previous day's proposal. Regent Howard replied that the proposal had been amended to quell concerns relating to costs, athlete access. Regent Sisolak noted a point of order, stating that he understood General Counsel to have ruled that as a violation of the Open Meeting Law (*OML*). General Counsel Ray explained that the OML required the agenda noticed to the public had to identify possible action and the area of the subject matter. The agenda item was specific in the intent to amend specific portions of the Handbook relating

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to admission requirements. He said that many items contained in the alternate proposal were outside that specific area and had not been properly noticed. Regent Howard stated that she was requesting an amendment to the presidents' proposal. General Counsel stated that the content of the alternate proposal was different from what was noticed. He noted that the alternate proposal included revisions of different sections of the Handbook, adopting budgetary issues, which were outside of the notice provided. Regent Howard asked why it could not be included at that point. General Counsel Ray replied that it was not on the agenda and the OML requires that action by a public body must be on the agenda. Regent Howard said that the presidents' proposed changes were not on the agenda. General Counsel Ray read the agenda language, noting the specific sections of the Handbook affected. He explained that the alternate proposal had nothing to do with that section. Chancellor Nichols reiterated her commitment to bring this matter back to the Board for a vote with a plan to implement the fine suggestions. She said that, without those suggestions, the increased admissions would not work. She expressed her and her staff's commitment to follow through and support the needs Regent Howard identified. Regent Howard felt that commitments made for diversity were never implemented. President Harter reiterated her commitment to help with the effort to rework the proposal for Board approval.

General Counsel Ray noted an open motion on the floor that required a second. Regent Sisolak made several attempts to note a point of order. General Counsel Ray explained that a motion was made to amend the original motion and that the Board needed to determine whether or not there was a second for that motion. Regent Sisolak noted his point of order. Regent Sisolak stated that he thought the motion to amend was out of order because it was a violation of the OML. General Counsel Ray stated that he had offered his opinion, adding that the Board could have a different opinion if they wanted to pursue the motion.

Motion died for lack of second.

Regent Hill agreed with Regent Sisolak's assessment. He cautioned that voting on the amendment would indeed be a violation of the OML. He encouraged the Chair to rule the motion to amend out of order. Chair Dondero noted the Board had the attorney's opinion that it was out of order.

Regent Alden encouraged Regent Howard to work with the Chancellor and university presidents to derive a proposal for the next meeting. He wanted a commitment that her proposal would be heard.

Regent Howard questioned whether elimination of the computer literacy requirement had been on the previous presidents' proposal. General Counsel Ray replied that it had been included as part of the admission requirements. Chancellor Nichols explained that Regent Howard's proposal was not admission requirements.

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Ms. Leslie Carlen stated that the WNCC student body voted unanimously to support the original proposal. She noted that no open forum was held in northern Nevada. She indicated her support for K-16 forums in the three major areas of the state. She said she did not fully understand simultaneous admission, but the students supported the measure and believed it would increase the quality of higher education.

Ms. Michele Lacerda stated that she did not initially support the changes, adding that students had changed their mind. She felt that requiring a higher GPA would push everyone to a higher level and that later implementation would provide students 10 years to prepare. She said the students would like to ensure that community college class sizes don't become too large as a result. She urged the Board to move forward.

Nebraska Regent, Dr. Nancy O'Brien, reported that 8 years ago the University of Nebraska System changed from open admissions to standards similar to what was proposed. They too had the same concerns and discussion. The key concern was retention rates between the freshman and sophomore years (*56% carry over*). After two years it improved to 78% of freshman carry over, and has improved slightly as they have moved forward. She reported that Nebraska has a tiered system with slightly different entrance requirements between campuses. She agreed that K-16 initiatives are very important. Regent Alden asked whether they received increased funds from the

legislature. Dr. O'Brien replied they had not. When the policy was implemented, enrollments actually went down for two years. They are now in discussion with the legislature regarding the state's lack of sufficient funding. Regent Kirkpatrick observed that Nebraska also had state colleges. Dr. O'Brien stated that Nebraska had state colleges and community colleges. She said the state college admission standards were similar to one of their undergraduate campuses. Admission requires two of the following:

➤ A certain SAT or ACT score.

➤ A 2.75 GPA.

➤ Be in the top 10% of one's class.

The only other major difference in UCCSN's proposal was that Nebraska allows 25% admission via alternative means. Regent Howard asked whether Dr. O'Brien had been invited to appear. Dr.

O'Brien replied that Nebraska's Board committed to furthering their development by visiting different states to see how they operate. Regent Howard asked about the number of institutions in Nebraska. Dr. O'Brien replied that Nebraska's System consisted of four campuses: University of Nebraska, Lincoln (*Research I, land-grant*), University of Nebraska, Omaha (*urban campus*), University of Nebraska, Carney (*undergraduate teaching/residential campus*), the Medical Center in Omaha and three small state colleges in the rural areas. Additionally, there is an independent community college system with 6 community college districts on 36 campuses. They have local elected Boards with property tax leveraging. She related there were private universities in 5 locations. Regent Howard observed that students had more options than Nevada provided. She asked whether a 2.75 GPA was required statewide. Dr. O'Brien replied that it was for the university system.

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President Moore spoke in support of the proposal before the Board. He also spoke in support of 2.0-2.99 GPA students, adding that he was looking forward to serving them. He believed it was a good policy.

Dr. Lucey clarified that the faculty was committed to serving their students in the best possible way, adding that WNCC faculty post a minimum of 5 office hours per week. She felt that students at the community college receive a good education; the best that the state can provide with personal attention, small classes, generous office hours and people committed to teaching. Students graduating with an associate's degree had no obstacles to overcome with university admission. She asked the Board not to lose sight of the importance of community college degrees, critical to student success. Chair Dondero agreed that the community colleges offer much to students.

Regent Rosenberg noted the tendency to equate a 3.3 GPA with being a better person than one with a 2.2, adding that it was not the case. He related that it was simply a predictor. He did not want anyone to be shut out, but rather to be able to succeed, adding that he did not like losing students. He found a direct correlation between the two. Regent Howard felt the need for studies or something credible. Regent Dondero called for the vote. Ms. Ernst restated the motion:

Regent Alden moved approval of the university presidents' proposal. Regent Hill seconded.

Regent Kirkpatrick asked whether increasing to special admits to 10% was included, adding that it had not been discussed. Regent Howard felt those items were important and should be discussed by the Board, adding that it had not been done. Regent Alden stated there should be more discussion. Regent Dondero stated that this would come back to the Board and again called for a roll call vote. Regent Sisolak noted a point of order, asking whether calling the question required a vote. General Counsel Ray replied that objection had been raised to calling the question, adding that they now required a motion and second to end the debate, which required a two-thirds vote.

The meeting recessed at 9:00 a.m. and reconvened at 9:10 a.m. with all members present except Regent Wiesner.

General Counsel Ray explained that calling for the question was intended to end debate. With no objection, it required a two-thirds vote. He cited *Robert's Rules of Order*. Chair Dondero requested a roll call vote to end debate. Regent Alden urged the Board not to cut off discussion.

Motion to end debate died for lack of second.

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Regent Howard asked about increasing special admits to 10% and about student athletes. She asked whether this was being used to admit student athletes. President Lilley replied that students with special skills could be admitted using alternative criteria. He noted that some athletes were also honor students. He felt it important to include students who were fine artists, athletes or musicians. He said they were trying to be responsive to the community comments. Moving from 6-10% would ensure proper access was maintained. Regent Howard asked why 10% was sufficient, noting that Nebraska admitted 25%. President Harter said that, currently with 6% special admits, the universities did not utilize the full 6% because not that many students required it. If the universities discover more room is necessary, they could expand. Studies will be conducted after the new criteria are implemented. Regent Howard asked whether the students were informed they had the right to appeal for admission. President Harter replied that they were. Since this is a different route for alternate appeals, students are notified that they can apply via alternative methods (*i.e. overcome adverse circumstances*). Regent Howard asked whether the admission committee was a diverse committee. Dr. Stephen Carper replied that the committee was elected from the faculty. They meet on a regular basis to consider students using this alternate procedure (*6% or 200 students at UNLV*). Currently, 30 students have been accepted as special admits (*8 athletes*). Regent Howard asked how many students were declined. Dr. Carper replied approximately 50%. Regent Howard noted that the committee included only one foreign national and asked how that was fair to underrepresented groups. Dr. Carper replied that the Handbook contained no requirements for the committee to contain certain ethnic diversities. He related that faculty volunteer to serve on the committee and work during the summer for no compensation.

Regent Kirkpatrick asked how low a GPA UNLV would accept under special admit. President

Harter replied that it depended upon what talents the student possessed. For example, a 2.1 GPA with a good ACT score, overcoming adversity like a parent death, combinations of those things. She said that UNLV was very liberal in their interpretation in order to admit a student who appeared to have the tools for success. Regent Kirkpatrick said that the application form indicates a 2.5 GPA, adding that students with a lower GPA would not apply. He felt that diverse populations had more potential not to pursue a special admit, and that it equated to screening out minorities. He listened to professors speak in favor of increasing the GPA. He asked why allow any exceptions if a 3.0 GPA was a good measure for success in college. President Harter replied that it was not the only criteria, adding that alternative routes were created for that reason. Regent Kirkpatrick said that he did not want impediments for minorities to go to school. He did not believe the admissions committee was as fair as it could be with the lack of diversity.

Regent Rosenberg noted that color did not matter. He related that every faculty member was dedicated to getting students into college and through to graduation. He noted that the institutions were paid for the students. He felt that students need to learn survival skills provided by competition. He assured Regent Howard that he would support the addenda

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she proposed. Regent Sisolak noted a point of order, saying that obligating support for a motion not under consideration was a violation.

Mr. Calvin Hooks agreed with Regent Kirkpatrick about not allowing any exceptions.

President Harter reported that in 2001, UNLV admitted 65 under special admit criteria: 25 minorities (*8-Hispanic; 10-African Americans; 6-Asian American; 1-Native American*), 4 unknown, 36 white.

Regent Howard asked whether UNR had a mission statement. President Lilley replied they did. She asked to review it. She felt the mission statements reflected many things under discussion. President Harter agreed to bring the mission statements to the next meeting.

Regent Alden requested commitment for bringing Regent Howard's proposal back with the proper Handbook language, including budget considerations, and that K-16 forums would be held as soon as possible in Las Vegas, Reno, and the rural areas. He asked that Board members, local school board members, State Department of Education and UCCSN institution presidents be included.

Upon a roll call vote, the motion to approve as presented by the university presidents carried. Regents Alden, Derby, Dondero, Gallagher, Hill, Rosenberg, Seastrand, and Sisolak voted yes. Regents Howard and Kirkpatrick voted no. Regent Wiesner was absent.

10. Information Only-Handbook Revision, UCCSN Code Amendment, Confidential Records - This was the first reading of a proposed amendment to the UCCSN Code (*Title II, Chapter 5, Section 5.6*) to

add a provision making personnel and payroll records of professional staff confidential, and specifying who has access to the records and what information is deemed to be public. If the Code provision is adopted, then (*Title IV, Chapter 2, Section 4*) may be deleted. (Ref. E on file in the Board office)

General Counsel Ray related that the amendment attempted to clarify that professional staff personnel records are confidential. He explained that, periodically, the court issued subpoenas to produce faculty records. Should a faculty member resist, UCCSN resists those subpoenas in court. Case law provides that the Board's Code is analogous to the State Administrative Code, and therefore, enforceable by law. The courts have not found that the Bylaws are enforceable. He recommended moving the confidentiality provision from the Bylaws into the Code. The amendment also includes a recommendation from the faculty senate chairs for language providing access to confidential institution committees (*i.e. tenure and grievance*).

10. Information Only-Handbook Revision, UCCSN Code Amendment, Confidential Records –  
(*Cont'd.*)

Regent Seastrand asked whether the amendment involved any change to what was currently made available to the public. General Counsel Ray replied there was not.

11. Information Only-Handbook Revision, Bylaws, Telephonic Hookup - This was the first reading of a proposed amendment to the Board of Regents' Bylaws (*Title I, Article V, Section 13*) to address the issue of Regents participating in a meeting by telephonic hookup. (Ref. F on file in the Board office)

General Counsel Ray reported that he intended to introduce the item and not to provide any recommendation. Board practice has allowed telephonic hookup for regular Board meetings. It was requested this item be placed on the agenda for discussion. He related that the basic options included: continue the practice, eliminate the practice entirely, or find a middle ground. He indicated that alternatives were presented in bold in Ref. F.

Regent Derby noted a great deal of frustration at the last meeting, but was hesitant to lock the Board into a rigid position for never allowing telephonic hookup. She preferred that the Chair allow members with extraordinary circumstances to still participate in the meeting. She suggested some flexibility when limiting participation.

Regent Alden felt that any restriction of an elected official to communicate, by whatever means, to participate in a meeting was a violation of the Open Meeting Law. He suggested having videoconference sites in Reno and Las Vegas, adding that UCCSN should pursue sharing information with other state agencies. He felt that higher education should take the leadership role. He recommended not meeting in the smaller communities because the heavily populated areas were in Reno and Las Vegas. He felt the Board was very low tech.

Regent Hill stated that he would support a proposal where telephonic hookup for regular Board meetings was voted upon by a majority of Board members. He was not opposed to telephonic hookup for special Board meetings.

12. Approved-Handbook Revision, Distribution of Student Fees, CCSN - The Board considered

changing the distribution of student fee revenues at CCSN to correspond to the allocation of student fees at other community colleges. Currently, \$2 of the per credit hour fee at CCSN is allocated to the student association. At TMCC and WNCC, \$0.50 per credit hour is provided to the student association, and at GBC \$1 per credit hour will be allocated next year. If reduced, the reallocated funds would be added to the General Improvement Fund at CCSN (*Title IV, Chapter 10, Section 12.4.c.*). (Ref. G and Ref. J on file in the Board office)

Regent Kirkpatrick noted the differences in the amount of student fees distributed at the colleges and asked about Board review of a CCSN student association budget. President Remington replied that the students had developed a budget, adding that it had not been finalized and approved by student government.

Regent Hill requested further explanation for justifying the difference in student fees distributed at CCSN as compared with the other community colleges. He did not want to

12. Approved-Handbook Revision, Distribution of Student Fees, CCSN –(Cont'd.) negatively impact committed expenditures. He wondered whether a reduction in student fees proposed for January 2002 would impact current expenditures or the current budget.

Regent Hill moved approval of reducing student fees at CCSN to \$0.50 beginning July 1, 2002. Regent Kirkpatrick seconded.

Chancellor Nichols clarified that the portion allocated to the student association would be reduced from \$2.00 to \$0.50. Regent Hill agreed. Chancellor Nichols stated that, if the motion passed at the next meeting, President Remington would need to recommend where the remainder of the money (\$1.50) would go (*i.e. general improvement fund or capital improvement fund*).

Regent Seastrand asked why GBC has \$1/credit hour. President Diekhans replied that the student body has certain fixed costs (*i.e. fee waivers for senators, travel*). Last year the amount distributed to the student association was \$0.50, which generated approximately \$18,000. For the past several years, GBC administration had to contribute an additional \$6,000/year(*from book store sales*) so students could travel to Regent meetings and allow fee waivers for senators. GBC requested an increase to \$0.75 this year and \$1.00 next year so the association could be somewhat self-supporting. He related that if it were reduced to \$0.50 they could not participate in the activities sited. Regent Seastrand noted that travel was a real issue for GBC. He suggested more telephonic conferencing throughout the state.

Mr. Calvin Hooks stated that the students actually have \$1.30 for operating while \$0.70 is dedicated to childcare, tutorial, services, and the lecture series. He acknowledged the Board was seeking equity in comparison with other institutions. He felt that smaller institutions had less funds and should probably be increased. He noted there are many institutions across the country receiving considerably more for their student governments. The College of Southern Idaho (*6,500 students*) charges \$64/full time student and allocates \$16/part-time student and \$20/full-time student to their student government. They receive \$1.25 for the student newspaper there, where CCSN pays for their own newspaper. Students have allocated \$151,000 to finance the Coyote Press, leadership training, clubs, and events for the Latin American Students Association, Phi

Beta Kappa, English Honor Society; Black History club, and fundraising events. He related that \$60,000 was set aside for the retention program and \$22,500 for the Boys and Girls Club. He said they had used the money for good purposes. He noted \$83,000 allocated for organizations and clubs serving the 32,000 CCSN students. He said the reduction to \$0.50/credit with a projected increase in FTE would severely affect the services that could be provided. He acknowledged the difference in the CCSN student government allocation, adding there was also a difference in the services available to students. He believed the issue arose from the lack of accountability from previous student governments. He related they had implemented many checks and balances to prevent prior bad behavior, increase accountability, and to benefit the greater student population. Chair Dondero asked whether the amount included the three main campuses as well as the satellite campuses. Mr. Hooks replied that it did. He said they required the current level of funding. He acknowledged that it might not have been used properly in the past, but the students were

12. Approved-Handbook Revision, Distribution of Student Fees, CCSN –(Cont'd.)  
doing the best they could. They are changing their constitution and bylaws to assure the Board that student government has the proper checks and balances. He expressed a desire to represent the students honorably and with integrity, adding that a student fee reduction would not accommodate that. He related the students have also discussed promotion of Coyote sport teams with the CCSN Foundation because students need, want, and were requesting intramural sports.

Regent Rosenberg asked whether worthy programs could be funded through the general fund. CCSN Budget Manager, Ms. Patty Charlton, and Associate Vice President, Finance & Administration-CCSN, Mr. Dan Morris, stated that items could be funded through general improvement fee funds, but would not address the student clubs. Transportation initiatives, athletics, women's issues, and childcare could all be funded through general improvement fee funds.

CCSN student, Ms. Maria Kattan, explained that a committee of students was working on a student government budget. She noted that, originally, the college provided shuttle buses between campuses. When the college determined it was not cost effective the program was eliminated. Student government would like to provide that service. She related that the student body voted for the increase in fees to \$2 when the cost per credit was \$38. Those fees have now increased to \$48/credit with no additional allocation to student government. She related that student government wants to offer foreign films and help build the college telemedia department, adding that students have expressed interest in those issues. She agreed that some programs could have been covered by general fund fees, but were not and had since been abandoned. She stated that students want the ability to offer these services. She urged retention of the current funding level, or increasing it due to the expected enrollment increases.

Regent Kirkpatrick was not surprised the students wanted to maintain the level of funding. He related that the \$1.50 taken from student government would not be lost to student government, adding that it could be reallocated from general improvement funds. He asked Mr. Hooks to ascertain with President Remington those services the students want covered. He felt the Board should consider reviewing a percentage increase in student fees based upon per credit fees, so the student fee portion would increase when tuition does. Mr. Hooks replied that it would not affect his term of office. He related that it was an issue of students having control over their funds. He

said that student government was formed to teach students how to participate in the democratic process as future leaders. He felt that part of that training should include proper handling of funding and budgets. If the funding were cut, it would remove an important aspect of student government. He agreed that it required proper oversight, but asked that the students be afforded the opportunity to maintain control over their budgets and decisions.

Regent Kirkpatrick asked why a budget had not been submitted to President Remington. Mr. Hooks replied that he had been unaware of the process, but has since learned a few things. He related that students required timely and accurate information from their advisors. He explained that budgets were not submitted due to ignorance and a lack of communication. He assured him it had not been intentional.

#### 12. Approved-Handbook Revision, Distribution of Student Fees, CCSN –(Cont'd.)

Regent Derby felt that Mr. Hooks made a compelling case for what student government supports (*i.e. childcare, Boys & Girls Club*) as well as for student management. She noted a lack of accountability in the past and asked about the accountability structure currently in place. She felt it would be parental to take money away from student control. She asked what President Remington supported. President Remington clarified the issue, saying that they were not questioning the integrity or intentions of student government. He stated that the Board was considering whether the practice of having more money going to CCSN student government should be maintained. He told student leaders that they would need to convince the Board that CCSN required more financial support than the other community colleges. He praised Mr. Hooks' and Ms. Kattan's integrity, adding that they were struggling with the negative report the college received regarding student government. He stated that the Board should focus on whether it was appropriate for CCSN to have four times the amount of money going to student government than at other institutions. He noted that the Board holds him accountable for everything that happens at the college, adding that he would rather be held accountable for things over which he had direct control. Regent Derby agreed that CCSN was clearly much larger than the other institutions. She found it acceptable for CCSN to have a larger amount to work with, adding that the students made a compelling case.

Chancellor Nichols clarified that the discussion regarded the amount per student and not the amount per college. She reported the following anticipated budgets for community college student governments for next year under the current plan:

➤ CCSN	\$823,000
➤ GBC	\$30,000
➤ TMCC	\$70,000
➤ WNCC	\$25,000

Regent Alden felt the Board was out of control, adding that student government was not a policy making body and did not run the community college. He urged the Board to pass the motion. He felt the institution presidents should make decisions regarding needs of the campuses. He said that student government was not intended as a pork barrel for special programs.

Mr. Ruell Fiant, CCSN Faculty Senate Chair, stated that this student government was very conscientious, but he urged a change was required. He reported that CCSN administration did not

have that level of funding available, and encouraged the Board to pass the motion. He noted that, if CCSN doubled in size in the next 10 years, students would have a \$2 million budget.

Mr. Hooks asked the Board to remember that the average age of a community college student was 30-35 years, adding that they were not children. Mr. Carlos Ledon agreed there should be equity, but not by taking away from the institution with the most. He felt the Board should increase allocations for those institutions with fewer funds available. He felt that student government should have money to work with since students put their money into their colleges. He agreed with increasing student government allocations as tuition and fees were increased. He noted that UNR's ASUN had not received an increase

12. Approved-Handbook Revision, Distribution of Student Fees, CCSN –(Cont'd.)

in 5 years, even though the cost of business had increased. UNR's GSA had not received an increase in 10 years. A percentage basis would ensure that every time student fees and tuition were increased, student government would benefit as well. He noted that student government required administrative staff in order to work, and those funds financed such efforts. He also noted that he was speaking for all students, adding that the Board realized the cost of doing business was increasing. He related that CCSN would need a \$2 million budget in order to service the number of students anticipated in the future. Regent Kirkpatrick asked that the Board consider percentage increases for student fees at a future meeting. Chancellor Nichols related that the distribution of fees was set in the Spring when tuition and fee recommendations were heard for the new biennium, adding that the Board would review it at that time. She related that any decision made would only affect one year, since it would be reexamined for subsequent biennium. Mr. Ledon related that the students voiced strong disapproval of the motion, adding that services should be expanded.

Chair Dondero moved the Board forward to a time certain item, with the promise that discussion on this issue would continue afterwards.

13. Approved-Boys & Girls Club of Las Vegas, UNLV – The Board approved allowing the Boys & Girls Club of Las Vegas to build up to a 10,711-sq. ft. building as the permanent home for the University Boys & Girls Club on UCCSN property on the UNLV campus. The proposed site is in the parking lot east of Paradise Elementary School. Once completed, the Boys & Girls Club of Las Vegas will donate the building to UCCSN on behalf of UNLV and enter into a 49-year lease with UCCSN for the sum of \$1.00 per year for use of the facility. The cost of construction will be approximately \$1,600,000 to be raised by the Board of Directors of the Boys & Girls Club of Las Vegas. If approved, construction will begin by the second quarter of 2002 and completed for occupancy during the first quarter of 2003. (*Reference insert on file in the Board office*)

President Harter reported that the Boys & Girls Club currently had temporary quarters in the Methodist Church and had requested a space on campus. She noted that the Boys & Girls Club watched many of UNLV's staff's children as well. She said they worked closely to find an appropriate location on campus, very close to the Paradise Elementary School already on campus. The Boys & Girls Club would build the building, raise all the funds, and donate the building after 49 years.

Ms. Debbie Burgess, Executive Director of the Boys and Girls Club, and Mr. Steve Hill, President

of Silver State Materials, noted that Regent Wiesner has been a major supporter of the Boys and Girls Club in that area, adding that his thoughts and prayers were with Regent Wiesner. He explained they proposed to locate a 10,000-sq. ft. building in the parking lot of Paradise Elementary School, adding that the school district was also in favor of the proposal. He felt it would be a good, efficient use of the property, adding that it would displace 35 parking places. Efforts are underway to relocate that parking in an appropriate spot. He said it would be a beautiful building and a source of pride. Funding for ongoing maintenance has already been secured. He felt there were many

13. Approved-Boys & Girls Club of Las Vegas, UNLV – (Cont'd.)

reasons to locate the club on campus: programs and services are available to UNLV students, staff, and faculty; provision of childcare is one of the major obstacles for getting higher education; two clubs already exist on CCSN campuses; and internships provided are beneficial for the students. He felt it would be an appropriate use for a small piece of property. Ms. Debbie Burgess acknowledged Mr. Mel Wolzinger for a significant donation to the project. She also noted that Mr. Jackie Gaughan was donating money to build the building if they were successful in getting the land. Mr. Gaughan was at the meeting and acknowledged his donation for the building.

Regent Sisolak moved approval of building a Boys and Girls Club on the UNLV campus. Regent Alden seconded.

Regent Sisolak noted that, unlike the previously proposed motor pool, this would service UNLV students, faculty, and employees. He noted that the lease specified it had to be a Boys and Girls Club. Mr. Hill agreed. Regent Hill asked whether the lease also specified Board approval for a change in use. General Counsel Ray replied that the Board was voting on a proposed agreement to enter into a transaction to provide for construction of the building. They have not yet entered into a lease agreement, which would reflect Regent Hill's comments.

Regent Gallagher stated that the good work of Boys and Girls Clubs in other areas was good testament to what could be done at UNLV, adding that she supported the motion. She thanked Mr. Gaughan for his contribution.

Regent Seastrand noted that land was very precious. President Harter replied that the Boys and Girls Club would help with the costs for relocating the parking lost in the building. She noted that the parking next to the Paradise School was not fully accessible or desirable to many UNLV students, staff and faculty. She said the elementary school personnel used it more. Conversations are underway for identifying replacement parking in a more suitable location. Regent Seastrand asked about plans for the property. President Harter replied that they did not have a plan for that particular location, adding that it was not critical to the master plan.

Regent Kirkpatrick asked about parking for Paradise Elementary School staff. Dr. Juanita Fain replied that, currently, 62 spaces were designated for Clark County School District. Regent Sisolak thanked the Boys and Girls Club board for their efforts to serve the children of Clark County, adding more partnerships like this were required.

Motion carried. Regent Wiesner was absent.

12. Approved-Handbook Revision, Distribution of Student Fees, CCSN –(Cont'd.)

Regent Seastrand asked whether reallocating \$1.50 to the general improvement fund would provide for student travel. President Remington replied that GBC found money to supplement student dollars in the past. He observed that \$0.50/student at CCSN generated over \$200,000. Regent Seastrand noted quite a disparity between the institutions. He asked whether it made sense to make it equal for all institutions.

12. Approved-Handbook Revision, Distribution of Student Fees, CCSN –(Cont'd.)

President Diekhans replied that the only restrictions were that the funds be used for the benefit of students. He related it had been used to supplement student travel and other student activities. Regent Seastrand asked whether decreasing GBC's student government allotment to \$0.50 would damage GBC in any manner. President Diekhans said that he would need a commitment from System Administration that he would be able to commit \$0.50 of the general improvement fee for to assist GBC students. Regent Seastrand expressed a desire for having the amount identical at each institution.

Regent Seastrand offered a friendly amendment to make all student fees equal at \$0.50.

General Counsel Ray stated that the friendly amendment was out of the scope of the agenda item as no notice was provided to amend the other institutions.

Regent Seastrand withdrew his friendly amendment.

Regent Howard commended CCSN students Mr. Hooks and Ms. Kattan for their presentation. She expressed a preference for capping fees or increasing fees at the other institutions. She felt the Board should not take action on this item and asked them to consider Mr. Ledon's proposal because she felt it made a lot of sense.

Regent Derby commended the students, adding that the Board enjoyed hearing from them. She indicated two concerns. She felt it was a very negative precedent to take money away from student government control and she hoped the Board would consider percentage changes as proposed by Mr. Ledon. She felt it was important to reach equity, but not by taking money away from one institution. She was not supportive of the motion, adding that she would prefer the Board consider the students proposal for percentage increases.

Regent Sisolak asked whether the change would become effective in Fall 2002. Chancellor Nichols replied that was so. She indicated the Board would consider fees for the next biennium at the April meeting. Regent Sisolak asked about the affect it would have on UNR. President Lilley replied that the percentage proposal had a lot of merit and should be considered. Chancellor Nichols clarified that the motion did not apply to the two universities. Regent Howard asked whether the universities could be included. Chancellor Nichols replied that they could not at this meeting under the Open Meeting Law. She related that when the Board reviewed fees again, they would also review the amounts allocated to each student government association. She clarified that the motion only addressed this biennium for next year.

Regent Sisolak asked what caused the student government allocation to be at \$2.00. President

Diekhans replied that, many years ago, all institutions were at the \$0.50 level. After a fee increase, he indicated that the System office decided that money could be placed in the general improvement fee and used for student-related activities. When other community colleges went with \$2.25 to the general improvement fee fund, CCSN put \$1.50 into student fees and left their general improvement fee fund at a lower value.

12. Approved-Handbook Revision, Distribution of Student Fees, CCSN –(Cont'd.)

Regent Sisolak asked what general improvement fees were used for. President Diekhans replied that those funds were like a capital improvement fee, but was restricted to use for student benefit. Regent Sisolak asked about the difference. President Diekhans replied that the difference was in who controlled the money. Regent Kirkpatrick stated that one of the major purposes for increasing the funds at CCSN was to allow student government to build their own building.

Regent Hill repeated his motion to reduce the CCSN student fee portion to \$0.50/credit hour effective July 1, 2002. Upon a roll call vote the motion carried. Regents Alden, Gallagher, Hill, Kirkpatrick, Seastrand, and Sisolak voted yes. Regents Derby, Dondero, Howard, and Rosenberg, voted no. Regent Wiesner was absent.

14. Approved-Handbook Revision, Student Association Finances – The Board approved a Handbook addition (*Title IV, Chapter 20, Section 2*) to require an annual report to the Board regarding the financial activities of the student associations including revenues and expenditures. (*Ref. J on file in the Board office.*)

Regent Alden moved approval of the Handbook revision regarding an annual reporting of student association finances. Regent Kirkpatrick seconded. Motion carried. Regent Wiesner was absent.

Mr. Ledon stated that this was an example of accountability provided by students for the Board.

15. Tabled-Handbook Revision, Naming of Buildings - The Board tabled action on a possible amendment to the Board's policy on naming of buildings (*Title IV, Chapter 10, Section 21.3*). (*Ref. H on file in the Board office*)

Chancellor Nichols reported that the change was twofold:

- No buildings named for a sitting, elected official.
- No more than one building at the same institution named for a single individual.

President Harter asked whether it would apply to donors because UNLV already had two or three buildings named for donors. Chancellor Nichols replied that, as it was currently written, it would prohibit that. She noted it would require additional language providing exception to donors. President Lilley requested that the language be adjusted, because the institutions would become more dependent upon private philanthropy.

Regent Hill did not agree with limiting the number of buildings named after the same person. He

understood the provision for not naming buildings for sitting, elected state officials. He felt it should be different for federal representatives.

15. Tabled-Handbook Revision, Naming of Buildings – (Cont'd.)

Regent Sisolak agreed with points made by Presidents Harter and Lilley for excluding the names of foundations or donors. Regent Sisolak expressed concern that some presidents had buildings planned with potential naming opportunities.

Regent Gallagher moved approval of the building naming policy with the exception of donors and foundations. Regent Derby seconded.

Regent Gallagher felt it would be a good policy, adding that she supported allowing donors and foundations.

Regent Hill proposed a friendly amendment to include state officials. Regent Gallagher declined the friendly amendment.

Regent Kirkpatrick proposed a friendly amendment to include the proposals from “b.” and “c.” in Ref. H. Regents Gallagher and Derby accepted the friendly amendment.

President Wells noted that he philosophically agreed with the proposal, adding that it would restrict some campuses. President Harter agreed.

Regent Hill asked what sort of moratorium would be acceptable for the presidents to accommodate current discussion. President Harter replied that one-year would be helpful.

Regent Hill proposed a friendly amendment making the proposed change effective one year from now.

Regent Gallagher asked about the number of negotiations underway at that time. Presidents Harter and Wells replied that they each had one building under discussion. Regent Hill suggested allowing DRI and UNLV one exception each. President Lucey indicated that she also had one opportunity.

Regent Hill moved approval of amending the motion to allow each institution to name one building or facility for a sitting state official in the next year. Regent Gallagher seconded.

Regent Seastrand said he was having second thoughts, as it appeared there were more exceptions than policy. He was unsure the policy was ready for endorsement.

Regent Seastrand moved approval of tabling the item to the next meeting. Regent Kirkpatrick seconded. Motion

carried. Regent Alden voted no. Regent Wiesner was absent.

The meeting recessed at 11:15 a.m. and reconvened at 11:36 a.m. with all members present except Regent Wiesner.

16. Approved-BLM Land Proposal, NSCH – The Board approved President Richard Moore’s request for revisions to the draft concept plan and text to accompany a revised application to be submitted to the BLM by the City of Henderson on behalf of the UCCSN for the site of the Nevada State College at Henderson. (Ref. W on file in the Board office)

Regent Alden moved approval of the BLM land proposal for NSCH. Regent Hill seconded.

President Moore reported that the changes directly reflect the changes proposed at the hearing in Henderson. He noted that the BLM wanted a 25-year build out instead of 50 years. He introduced Ms. Bonnie Rinaldi, Assistant City Manager, City of Henderson.

Ms. Rinaldi reported that the proposed college site was moved a little further south and away from concerned neighbors. They intend to submit this change to BLM in addition to the build out time requested. She related that it was an ongoing process because the college site was large and would take many years to develop. She indicated that more revisions were likely once the Master Plan was developed and again for the first phase of development.

Chair Dondero indicated that she sits on the BLM board, adding that this item would not affect any of her duties on the BLM board.

Regent Sisolak asked about the amount of state funds for the 25-year build out. Ms. Rinaldi replied that it was unknown at this time. They have prepared an estimate based upon colleges of this type (*i.e. square footage, price of square footage*) to determine conceptual costs. The rate at which it will build out and the source of funds were yet to be determined. He asked whether the Board was representing such a build out to BLM. Ms. Rinaldi replied that they were representing the college concept with a general intention of what they would like to do, dependent upon funding sources.

Regent Sisolak asked about the repercussions if UCCSN was unable to meet the mandate. Ms. Rinaldi replied that BLM could grant less land than was requested or could revise the lease. She indicated that they were familiar with working with large properties with evolving budgets and levels of detail. Regent Sisolak asked whether UCCSN was representing that they would spend \$725 million in 25 years, and asked about the repercussions in 10 years if only two buildings were developed. He asked whether BLM would take the land back. Ms. Rinaldi replied they would not take the land back, adding that they might take back undeveloped land or land not projected for development in the near-term future. Regent Sisolak asked about the timetable for getting 525 acres. Ms. Rinaldi replied that they anticipate the land to be granted in multiple phases. The first phase expected is 200 acres within 4-6 months. They expect the remainder of the property to come at a later time. She related that the City of Henderson has land (*adjacent to this land*) on reserve in case BLM does not grant the second phase of land. Regent Sisolak asked her to identify the section on the map provided and Ms. Rinaldi did so. She related that the second portion of land would require congressional action and would entail 12-18 months. Regent Sisolak asked about repercussions if, in 15-20 years, the BLM was unhappy with

the amount of money spent to develop the property. Ms. Rinaldi replied that BLM did not care about the amount of

16. Approved-BLM Land Proposal, NSCH – (Cont'd.)

money spent but that it was developed for the purpose intended. She related that BLM could take part of the undeveloped land back if they believed it would not be used. She indicated that, as long as they maintained the original intent, there should be no problem.

Regent Sisolak asked whether BLM required UCCSN to report the \$725 million expense. Ms. Rinaldi replied that BLM required a budget be submitted indicating that UCCSN was ready to move ahead and had submitted a thoughtful budget for the project. Regent Sisolak expressed concern for having donor-driven restrictions on the property. He asked whether there was any chance the BLM could misinterpret what was being conveyed in the budget proposal. Ms. Rinaldi replied there was no rationale to use the application as a commitment for Board funding. She related that the application clearly stated the project would be a combination of public and private funding.

Regent Rosenberg asked whether BLM could take the buildings and land back if the UCCSN did not complete the build out. Ms. Rinaldi replied they could not. Regent Rosenberg asked about disclosing plans for 50 years. Ms. Rinaldi replied that they originally proposed a 50-year build out in May. The BLM was not as comfortable with that and wanted commitment for a sooner build out. She related that they were trying to satisfy BLM regulations. Regent Rosenberg asked whether UCCSN had some flexibility for what was developed on the land. Ms. Rinaldi replied that they did.

Regent Alden stated that Las Vegas was the fastest growing community, adding that the land would be used. He noted the need to educate Nevada students and asked where the process was. Ms. Rinaldi replied that the process had been in BLM's control since May. One of the first steps is to conduct a variety of environmental studies. She related that it was a 6-month process. BLM has reviewed the application and requested the specifics indicated today. She indicated that the BLM was aware of Senator Reid's interest in the project. President Moore related that NSCH was also exploring details of the vitamin building.

Regent Gallagher recalled that the Charleston Campus was previously BLM land. She noted that the System requested and received the property quite a while before it was developed.

Regent Seastrand asked about the status of classroom facilities. Ms. Rinaldi related they were working to develop remodeling plans to accommodate administrative offices as well as classroom space.

Regent Kirkpatrick was concerned about misleading BLM. He asked about reducing the figure projected for building the project out. Ms. Rinaldi explained that the number was determined by reviewing other universities in the southwest (*including Nevada*). Often 20% of the land is covered with buildings with the remainder available for parking and open space. They determined the square footage and multiplied it by \$150/sq. ft. (*estimated construction cost*) to arrive at the estimated \$725 million.

Motion carried. Regent Wiesner was absent.

17. Approved-Handbook Revision, Bylaws, Order of Business – The Board approved the second reading of a request for approval of a Handbook Bylaws amendment (*Title I, Chapter I, Article V, Section 12*) to eliminate the recommended order of business at each regular Board meeting. (Ref. I on file in the Board office)

Chancellor Nichols reported the change was intended to reflect current practice in the Bylaws.

Regent Seastrand moved approval of the Bylaw revision regarding the order of business. Regent Gallagher seconded. Motion carried. Regent Wiesner was absent.

18. Accepted-CCSN Organizational Advisory Committee Report - Chair Thalia Dondero reported the CCSN Organizational Advisory Committee met on October 24, November 15, and December 5, 2001. At the October meeting, Vice Chancellor Miles provided an overview of CCSN's budget relative to other UCCSN institutional budgets and reviewed comparative data on enrollments and budgets from other large community colleges in the U.S. CCSN Interim Associate Vice President Patty Charlton also provided an overview of the organizational structure and the role and responsibilities of CCSN's Finance and Administrative Division.

At the November meeting, CCSN Interim Vice President for Academic Affairs Theo Byrns presented an overview of the current organizational structure of CCSN's Academic Affairs division. As a result of the discussion, several additional pieces of data were requested for presentation at the December 5 meeting. The Committee also reviewed CCSN's enrollments and budgets for each of the three main campuses.

At the December meeting, the Committee was provided with an overview of the current organizational structure of CCSN's Student Services division by Dr. Pat Miltenberger, who had been asked by President Remington to review this area before the Advisory Committee was established. Dr. Miltenberger also shared her recommendations for a possible restructuring of the division and for uniform titles and position descriptions across the three campuses. Finally, the Committee was provided with the additional data on faculty and enrollments for each of CCSN's instructional sites throughout its service area. She requested Board action on the following Committee recommendations:

- The Committee invited two consulting firms (*The Education Alliance and Pappas Consulting Group*) to make a presentation at the December 5, 2001 meeting.
- The Committee considered hiring a consulting firm to assist the Committee with its work and authorized the Board Chair and Chancellor to negotiate with The Education Alliance to hire the firm at a cost not to exceed \$55,000 for the project, with completion of a final report by April 2002. The consulting expenses will be shared equally by the System office and CCSN.

Regent Dondero moved approval of the Committee recommendations and acceptance of the report. Regent Alden seconded.

18. Accepted-CCSN Organizational Advisory Committee Report – (Cont'd.)

Regent Alden commended Chair Dondero and other members of the Advisory Committee for their work. Chair Dondero thanked Regent Seastrand for handling the previous meeting in her absence.

Motion carried. Regent Wiesner was absent.

19. Approved-Consent Agenda – The Board approved the Consent Agenda with the exception of item #5 (*Handbook Revision, Bylaws, Nevada Student Alliance*), which was discussed separately:

- (1) Approved-Minutes – The Board approved the minutes from the meeting held October 18-19, 2001.

- (2) Approved-Capital Improvement Fee Funds, CCSN – The Board approved the use of Capital Improvement Fee funds for the following projects at CCSN:

➤ Alternate Fuel Station ( <i>Cheyenne Campus</i> )	\$30,100
➤ Removal of Storage Tanks ( <i>Cheyenne Campus</i> )	85,000
➤ Swimming Pool Tile & Deck Repair ( <i>Charleston Campus</i> )	20,000
➤ Asphalt Paving ( <i>Pahrump Valley Center</i> )	41,000
➤ Asphalt Paving ( <i>Henderson Campus</i> )	62,000
➤ Remodel & Furniture Requirements ( <i>Four Sites</i> )	<u>156,350</u>
<b>TOTAL:</b>	<b><u>\$394,450</u></b>

- (3) Approved-Capital Improvement Fee Funds, WNCC – The Board approved seeking bids for the acquisition and installation of an electronic card access system for the Carson City campus facilities using student capital improvement fees. The electronic card access system will cost approximately \$50,000. A five-year projected revenue and expense schedule for the student capital improvement fee fund was provided. (*Ref. C-3 on file in the Board office*).

- (4) Approved-Handbook Revision, Dormitory and Food Service Fees, GBC – The Board approved the fee schedule for dormitories and food service at Great Basin College for Spring Semester 2002 (*Title IV, Chapter 17, Section 19*). (*Ref. C-4 on file in the Board office*)

- (6) Approved-Handbook Revision, GSA Constitution Revisions, UNLV – The Board approved proposed revisions to the GSA (*Graduate Student Association*) constitution: (*Ref. C-6 on file in the Board office*)

- Article I, Sections 2, 3, 5, 6.
- Article II, Sections 2, 4, 5, 7, 8.
  - Article III, Sections 1, 3.
- Article IV, Sections 1, 2, 3, 4, 5, 6.
  - Article V, Section 2.
  - Article VI, Section 1.

- (7) Approved-Access Easement, WCSD and TMCC – The Board approved an indenture agreement of easement and rights-of-way between Truckee Meadows Community College (*TMCC*) and Washoe County School District (*WCSD*) on Edison Way in Reno, Nevada. (*Ref. C-7 on file in the Board office*)

19. Approved-Consent Agenda – (Cont'd.)

Regent Alden moved approval of the Consent Agenda with the exception of item #5 (*Handbook Revision, Bylaws, Nevada Student Alliance*), which was discussed separately. Regent Kirkpatrick seconded. Motion carried. Regent Wiesner was absent.

- (5) Approved-Handbook Revision, Bylaws, Nevada Student Alliance – The Board approved a Nevada Student Alliance Bylaw amendment (*Title V, Chapter 21, Sections 300.21, 300.22, 300.41, and 300.42*) to extend the term of office for the chair and vice chair from six months to one year and to change the term dates to begin on June 1 and end May 31. The Nevada Student Alliance approved the change at the October 18, 2001 meeting. (*Ref. C-5 on file in the Board office*)

Regent Howard asked what the Nevada Student Alliance was. Mr. Ledon replied that it was an alliance of the System student body presidents and was an advisory board for student issues to the Board of Regents.

Regent Howard moved approval of the Handbook revision. Regent Kirkpatrick seconded. Motion carried. Regent Wiesner was absent.

20. Information Only-Military Visit, School of Law, UNLV – The Board discussed the recent controversy surrounding a visit by military personnel to the Boyd Law School. (*Ref. M on file in the Board office*)

President Harter stated that, if the facts were as they have been described, inappropriate and uncivil activities occurred that cannot and will not be tolerated in the future. She related that she had confidence that Dean Morgan recognized the problem immediately and moved swiftly to ensure no future such activities will recur, and consulted with faculty and students to establish processes to ensure such activities will not recur. She noted there had been two subsequent visits by military recruiters with no similar occurrences.

Dean Richard Morgan apologized personally and on behalf of the law school to the Board of Regents, the Marine Corps., the military, and the community for the treatment of the marine visitors. He indicated that he had also apologized to Captain Rodriguez, the lead marine recruiter that day. He acknowledged that he was responsible for the well being of recruiters and visitors to the law school. He assured the Board there would be no recurrence, adding that they had taken steps to ensure military visitors will be treated appropriately in the future. He indicated that he was looking forward to achieving full accreditation from the American Bar Association and to joining the Association of American Law Schools(*AALS*). He felt those two steps were important benchmarks for the law school. He said that UNLV could and would accommodate the educational/amelioration requirements of the AALS with professional and courteous treatment of military personnel. He apologized for the difficulties.

20. Information Only-Military Visit, School of Law, UNLV – (Cont'd.)

Regent Kirkpatrick noted that it was the 60<sup>th</sup> anniversary of the bombing of Pearl Harbor. He urged the need to respect those serving in the armed services as well as those at home who supported the war effort. He recalled that gas was rationed to 4 gallons/week, adding that major sacrifices were made. He thanked newspaper columnist Ken Ward for making this subject known to the general public. He related that he spoke with President Harter the day he read the article and she ignored his complaint. She felt the law school staff had acted appropriately. He indicated that Dean Morgan attempted to explain ameliorative measures and how important the AALS was. Regent Kirkpatrick indicated that, if either individual had indicated that something might have been wrong, this item would not have been on the agenda. He noted that he met with Captain Felix Rodriguez to discuss what happened, adding that he wanted the Board to know what happened. Captain Rodriguez had an appointment to make a presentation. He began to setup for a PowerPoint presentation and noticed another TV receiver in the same room. He went over to thank them for setting up the additional receiver. It was established that the TV was intended for another presentation simultaneous with his. He spoke with the associate dean and the assistant dean entered the room. It was a somewhat contentious discussion. At first, Captain Rodriguez considered leaving, but then decided to give the presentation anyway. As the presentation started, law school faculty and staff turned on their video equipment in the same room. The video depicted mistreatment of gays and lesbians in the military. Law school personnel increased the volume of the video and were talking and laughing out loud. Captain Rodriguez then attempted to speak with the individual students presents. Five or six apologized to him for what happened. Regent Kirkpatrick felt that law school personnel insulted and discredited the law school, UNLV, UCCSN, the citizens of Nevada, and most importantly, military personnel. He noted that they did this less than a week after battle in Afghanistan began. He reported that the American Association of Law Schools was formed in the early 1900's, adding that it costs money to belong to the organization. He agreed it was important for schools to belong to professional organizations. He indicated that he would insist that UNLV not belong to the AALS if law school personnel were going to conduct themselves as they had in the past. He suggested that law school personnel try to ameliorate military personnel by replacing military personnel in Afghanistan. Regent Kirkpatrick introduced Mr. Daniel McNutt, a recent law school graduate, who spoke very highly of Dean Morgan and his tremendous reputation.

Dean Morgan stated that it was a very bad mistake and it would never happen again. He felt that UNLV could accomplish the goal of joining the Association of American Law School with reasonable treatment of military visitors. Regent Kirkpatrick replied that both of Dean Morgan's memos tried to avoid addressing the problem. Dean Morgan replied that, subsequent to the incident, there have been student forums and visits with faculty to ascertain what happened. He noted markedly different perspectives on what happened. What is not disputed is that the law school should not have had the faculty table and the marine presentation in the same room. He acknowledged the mistake, adding that it would not happen again.

Mr. Dan McNutt stated that he was interested in seeing the Boyd School of Law succeed. He provided a bit of his background. He left a dairy farm in Pennsylvania and spent 10

20. Information Only-Military Visit, School of Law, UNLV – (Cont'd.)

years in the Marine Corps. He came to the Boyd School of Law out of respect for Dean Morgan. In fact, Dean Morgan reminded Mr. McNutt of his leaders in the Marine Corps. He felt

that Dean Morgan was a classic example of taking responsibility for what went wrong. He explained that the AALS believes that the presence of military on campus can have a negative effect, which is why they believe amelioration is necessary. He did not agree with that position, and felt that a military presence could only enhance the learning environment. He felt that the AALS' position was neither proper nor necessary. He felt that UNLV provided a very hospitable environment, even by the standards set by the AALS. He urged the Board not to let a seemingly benign policy for amelioration be approved that could later be abused. He felt the need to ensure unfettered access for the military to students.

Regent Sisolak commended Mr. McNutt as a proud example for the quality of the Boyd School of Law.

Regent Hill appreciated Dean Morgan taking responsibility for his employees. He noted that the issue was not military policy regarding homosexuals, or freedom of speech, or academic freedom, but rather an issue of etiquette and manners. He hoped the faculty appreciated what the Board stands for; that UCCSN institutions are marketplaces for ideas. He was concerned that this conduct was not reflective of the type of conduct desired, adding that society has become uncivil. He felt that everyone should recommit themselves to the civil and respectful treatment of others. Dean Morgan replied that one of his visions in founding the law school was to foster a civil and respectful environment. He chose not to adjudicate right and wrong, adding that he should not have put the marines in the same room as faculty.

Regent Derby stated that she was confident the Boyd School of Law would learn from its mistakes and acknowledged the manner in which Dean Morgan responded. She asked members to remember the importance of civility among people who disagree. She noted that Dean Morgan set a tone for what would not be accepted in the future and felt it was important for UNLV to aspire to AALS membership.

Regent Seastrand thanked Regent Kirkpatrick for bringing this matter to the Board's attention. He asked whether Dean Morgan was familiar with the philosophical statement the Board adopted at the October meeting regarding discrimination. He was not. Regent Seastrand explained that the Board had no tolerance for any bias or discrimination against anyone. He asked whether visitors would be treated differently. Dean Morgan replied they would not, with the exception of posting the law school's non-discrimination policy as well as statement revealing that military practices do not comply. He related that a committee was reviewing the issue of how to ameliorate military visits and ways in which the military will be welcomed to the UNLV campus. Regent Seastrand stated that justice and treatment of people must be blindly administered. He felt it unusual to select anyone out with a poster, especially at a law school.

Regent Kirkpatrick stated that he heard the dean's apology, but was disturbed by Professor LaFrance's comments to Mr. McNutt. Dean Morgan replied that Professor LaFrance clearly understands the rules of the law school and that military personnel will be respected and welcomed on campus. Regent Kirkpatrick stated that he would be

20. Information Only-Military Visit, School of Law, UNLV – (Cont'd.)  
disturbed if the two faculty involved would later receive merit. He asked President Harter the following:

- To conduct a factual overview of the October 22<sup>nd</sup> recruiting effort.
- What policies does President Harter plan to implement to prevent such recurrences.
  - How President Harter plans to monitor those policies.
- How President Harter plans to allow the Boyd School of Law to join the AALS and not use ameliorative measures, when military personnel visit the campus.
- Does President Harter plan on taking any personnel action.

He felt that she should send a letter of apology to Captain Rodriguez's supervisor.

21. Tabled-Resolution 01-08, Fire Science Academy, UNR – The Board tabled action on the following items to be moved to a special meeting held January 16, 2002: (*Ref. Non file in the Board office*)

- Issuing about \$31 million of bonds, 30-year payback, to be financed through an emergency surcharge student fee. The bond proceeds will be used to purchase the Fire Science Academy (FSA) at Carlin, Nevada from GMAC per the October 2001 settlement agreement.
- Seeking a bank loan in the amount of \$8.5 million to be financed through an emergency surcharge student fee. The proceeds from the bank loan will be used for start-up costs and to address operating deficits from the initial opening in March 1999 through June 2004.
- Designating the Fire Science Academy at Carlin, Nevada as part of the University of Nevada, Reno's Master Plan.

President Lilley outlined the intended order of his presentation. He noted that the backup material had been prepared prior to recent consultation with the Chancellor, her staff, various Regents and others. He indicated that he also had a substitute proposal for the Board's consideration. He thanked everyone for their assistance and advice.

President Lilley reported there were substantial challenges resulting from the legal settlement, adding that all lawsuits had been dropped. The contractor is responsible for \$4.6 million in repairs and upgrades. Payments of \$3.8 million to All-Star were removed and \$4 million in penalties to GMAC were also removed. The settlement included a cash payment of \$150,000 to the university. The total estimated savings is worth \$12 million to the university. UNR must reopen the FSA after repairs and upgrades are completed. UNR must also purchase the FSA from GMAC for approximately \$30 million by May 1, 2002. He related that UNR has developed a draft business plan, including a more realistic estimate of enrollment (*based upon past experience and independent auditor, PricewaterhouseCoopers*). UNR has attempted to present realistic operating costs, with no immediate income from fundraising expected. They are focused on recovery of their primary clientele (*Western States Petroleum Association*). Deficits and startup costs of \$8.5 million have accumulated, including projected startup costs of \$4.5 million. The \$31 million bond request is intended to cover a property debt of \$30 million. He repeated that the FSA must be purchased by May 1, 2002 and UNR must identify a guaranteed source of income to sell bonds and make a bank loan. He related that UNR explored many

21. Tabled-Resolution 01-08, Fire Science Academy, UNR – (*Cont'd.*) financial solutions. He said they were discouraged from using Estate Tax funds. Very few University endowment funds are available and they have also explored the sale of university properties. He related that the FSA would also bring in some revenue. They have also pursued

reallocation of funds in university accounts. He has also requested 10% budget reductions from every university dean and director during a time of under funded growth. They also considered private fundraising. He noted that as long as the FSA was closed, it would not be easy to seek private funds. UNR also considered revenue bonds (*which require an identified source of funding*) as well as a bank loan. He stated that the accumulated deficit and the startup costs could not be covered by revenue bonds. Revenue bonds would require action from this meeting, in addition to the next two meetings in order to meet the deadline. He noted that UNR required the Board's approval of the bond issue and designating the FSA to UNR in order to move forward. He reported that a 30-year bond at 5.4% requires \$2.15 million/year in debt service. The \$8.5 million bank loan is intended to address UNR's deficit account, which is prohibited by Board guidelines.

**Revenue Streams** - President Lilley reported that state appropriated funds were ineligible, as are research grants and contracts. Many restrictions are placed upon university endowment income. Some revenues are obligated for institutional infrastructure (*i.e. sales and rentals, dormitory rentals*). Indirect cost recovery for research is also ineligible. Interest income is all fully budgeted to ongoing University operation. President Lilley stated that, although he was opposed to the use of these funds, student fees appeared to be the only revenue stream that could be used to save the University from serious damage. Currently, the cost is \$80.50/credit hour (*\$56.25 to general fund; \$24.25 obligated for institutional needs*). He estimated that an increase of \$1/credit hour would bring in approximately \$300,000. The bonds and the bank loan would require \$2.8 million/year in debt service. He stated that UNR tried to minimize the student burden this biennium (*hoping to find other revenue sources for long-term debt service*). Since the fees for the library bonds (*\$22 million-state; \$22 million private funds; \$22 million-student funds*) have not been (*nor will be*) spent this biennium, nor have the private funds been raised, he proposed that the \$1, formerly dedicated to the library, be redirected to the FSA for 2001-2002. In 2002, an additional \$1/credit (*already approved*) would be redirected from the library to the FSA. In 2003-2004, the student fees would be redirected to the library with an additional \$2/credit hour dedicated to the FSA. In 2004-2005 a \$3/credit hour student fee would be directed to the FSA (*\$2 + \$2 + \$3*).

President Lilley asked the Board to approve the issuance of \$31 million in bonds (*30-yr. payback*), in addition to an \$8.5 million bank loan, both to be financed by an emergency surcharge fee. Bonding requires the FSA to be designated as part of UNR's Master Plan. He stressed the importance of honoring public commitments to the court, the people of Elko County and industrial facility users. Closure or sale of the FSA would not relieve UNR or UCCSN from the financial obligation. If a sale were possible, UNR would still have a substantial financial obligation. The settlement requires UNR to pay GMAC. If UNR fails to honor this obligation, the System would endure a \$35.6 million judgment and \$5.5 million in accumulated deficits. Failure to meet the financial obligation to GMAC would have severe impact on UCCSN, the bond rating and ability to borrow money in the future.

21. **Tabled-Resolution 01-08, Fire Science Academy, UNR – (Cont'd.)**

President Lilley presented a series of choices and provided an alternative proposal:

- Separate the request for \$31 million in bonds from the \$8.5 million bank loan. The \$4.0 million deficit could continue to be carried (*prohibited by Board guidelines*).
- Funding the \$31 million could be accomplished by various methods (*i.e. selling property, further budget cuts, limited Foundation funds, or student fees*). He acknowledged that no one at UNR was

happy about using student fees, but he felt it would do the least damage to UNR (*short- and long-term*). He reminded the Board of their desire to take UNR to the “next level”. Many

UNR buildings are quite old. As many as one-third are below code and do not meet current standards. He recalled projections that the System will double in 10 years (*14,000-28,000 students at UNR*). UNR is landlocked and will need to buy 1,000 parcels in the next few years. He acknowledged that the Board could strip away UNR’s assets, but cautioned that it would weaken the university and prevent movement to the “next level”.

- Issue approximately \$31 million in bonds (*30-yr. payback*), to be financed through regular student fees, to pay off GMAC by May 1, 2002. Interest would be paid only until other bonds are paid off in 2005. The bond proceeds would be used to purchase the FSA at Carlin, NV and UNR could avoid the emergency student fees (*\$1 + \$1 + \$1*), making a huge difference in student fees.

Regent Sisolak noted a point of order, stating that the latest proposal was a direct violation of Nevada’s Open Meeting Law (*OML*) and paralleled similar action by Regent Howard earlier in the meeting. He felt the new proposal was clearly intended to circumvent the OML. He noted that the Board did not have the opportunity to review the proposal prior to the meeting, adding that he would have brought other material if he had known of this proposal. Regent Alden indicated his support for Regent Sisolak’s point. Chair Dondero requested an opinion from General Counsel. General Counsel Ray stated that he felt the proposal was in full conformance with the OML. He related that the law requires a list of topics to be discussed and whether action is to be taken. The Board’s practice has been to provide additional information on the agenda for the Board’s information and benefit. He felt that the only difference was the elimination of the student surcharge fees and was in full compliance with the law.

Regent Kirkpatrick asked how this situation differed from Regent Howard’s earlier request. General Counsel Ray replied that they were entirely different topics. Regent Howard disagreed. General Counsel Ray replied that the agenda item had been changing admission requirements, whereas Regent Howard’s proposal included items related to financial aid, increased funding, and formation of additional committees. Regent Sisolak disagreed, adding that he intended to pursue this as a violation.

Regent Alden stated that the Board oversaw higher education and believed in fairness, adding his support for Regent Sisolak’s point.

The meeting recessed at 1:15 p.m. and reconvened at 1:25 p.m. with all members present except Regent Wiesner.

## 21. Tabled-Resolution 01-08, Fire Science Academy, UNR – (Cont’d.)

Chair Dondero observed that it appeared this item would be lengthy. She proposed setting a special meeting for this item on January 16, 2002 in Las Vegas. Regent Hill observed that legal counsel had ruled that it was not a violation and felt the Board should proceed. Regent Gallagher observed that a judgment would be issued against the entire System if the Board did not allow the bond process to begin for UNR to pay GMAC by May 1<sup>st</sup>. She felt that great effort had been made to keep this a UNR problem, but the Board was heading in a direction that would make it a System debt. She asked General Counsel to elaborate on the

consequences of not paying the debt on time. General Counsel Ray felt it important to stress that all lawsuits had been dismissed and there were no judgments against the System, which avoided

many negative consequences. The agreement entails purchase of the facility by May 1<sup>st</sup> for approximately \$29.7 million. Hypothetically, on May 2<sup>nd</sup>, the debt increases to \$36 million and would continue to accrue interest at \$225,000/month. This judgment would be against the entire

System and, potentially, all System assets. Additionally, it would become a state problem. He was not aware of many cases surrounding a state agency not honoring a judgment. It would then be presented to the Board of Examiners, and then to the Legislature. If the recommendation were for payment and the Legislature agreed, the Legislature would owe approximately \$40 million. If payment were denied, it would become more complicated with issues of sovereign immunity and execution of state assets. The System and the Board would be in contempt of court and the court could issue orders against the Board for payment of the debt.

Regent Hill commented that, no one had been irresponsible enough to allow a judgment of this magnitude to be entered against a governmental body since 1864. He noted that the Board agreed to the terms of this judgment, adding that GMAC lawyers would demand a \$36 million judgment on May 2<sup>nd</sup>. He felt the Legislature and Governor would not cover the debt and would be very angry. He observed that the Governor might even restructure the Board with responsible people willing to acknowledge their fiduciary duty. He felt the Board, as elected officials, should obey Nevada law, including the payment of debts owed. He felt that every Board member should care equally about each of the institutions. He cautioned that decisions made that day could build or destroy the future of Nevada. Chair Dondero felt a special meeting was necessary for the Board to discuss the issue properly.

Regent Hill moved approval of the proposal as presented by  
President Lilley. Regent Rosenberg seconded.

Chair Dondero requested clarification of the proposal. Regent Hill showed Chair Dondero the proposal handed out by President Lilley.

Regent Alden felt there were other alternatives besides bonds and that it was not imperative to act on the issue that day. Regent Rosenberg observed that the matter entailed \$30 million and involved students' lives. He asked about a means of getting the bonds ready, even if they were not used for payment, without the Board determining the exact revenue stream. Vice Chancellor Miles replied that there was. He explained that a negotiated bond sale (*similar to DRI bond sale in Las Vegas*) would be used. An underwriter

21. Tabled-Resolution 01-08, Fire Science Academy, UNR – (Cont'd.)

would be selected to develop the program, market it, and have the understanding to answer potential investor questions. That kind of bond sale normally requires 3 meetings. He had envisioned acquiring Board authority that day to initiate the process, Board authority for an underwriter in January, and Board approval of the sale of bonds at the March meeting. He related that the closing process entailed 2-3 weeks prior to the issuance of cash (*due May 1<sup>st</sup>*). Regent Rosenberg asked whether another revenue source could be used after the bond process was initiated. Vice Chancellor Miles replied affirmatively. Regent Rosenberg asked the Board to take responsibility for the debt and avoid \$10 million in increased penalties. He suggested the bond

process be initiated in order to meet the May 1 deadline.

Chancellor Nichols stated that, if Regents were not comfortable voting on the new proposal or interested in the old proposal, they could authorize staff to start the bond process with no specified source of revenue. Full discussion of any of the proposals could occur at the January meeting and the bond process could be stopped at that time. She realized that the Board was frustrated by the receipt of two last-minute proposals. She suggested that this proposal was the best to follow and asked that the Board authorize moving forward with the bond process. Regent Alden refused.

Regent Derby acknowledged Regent Hill's moral call-to-arms, as well as the Board's enormous responsibility to each of the institutions, and asked the Board to act responsibly. She appreciated the Board's frustration with the issuance of new material and the time required to fully discuss it. She expressed her support of the Chancellor's suggestion and requested clarification of the time required. Mr. Scott Nash, Johnson Consulting Group, replied that it was a 3-step process:

- 1) Board approval for seeking proposals from underwriters.
- 2) Select an underwriter.
- 3) Bond resolution with final terms and conditions of the bonds.

He noted that the RFP could stipulate no penalties or fees should the bond process stop in the future. He noted this would not be true at the very end of the transaction, but no underwriting costs would be incurred between now and mid-February. He said it was a matter of providing sufficient time to get the information out and returned. He said they would work as quickly as they could to speed up the process. Any delay in the process would involve additional meetings. Regent Alden felt the Board should not be rushed to judgment.

Chair Dondero asked whether the Board could consider the item in sections. General Counsel Ray replied that they could, including just the initiation of the bond process.

Regent Seastrand asked whether the Board could initiate the process that day and identify a revenue source at a later date. Chair Dondero replied that they could. Regent Seastrand expressed his support of that proposal.

Regent Sisolak related that he had a lengthy presentation. Regent Alden stated that he also had material to present. Regent Sisolak related that, at the Board's December 1, 1999 meeting, he noticed an exception to a Management Letter in the Audit Committee

#### 21. Tabled-Resolution 01-08, Fire Science Academy, UNR – (Cont'd.)

report (\$250,000 monthly deficit). Prior to that point, he had been completely unaware of the FSA. Dr. Crowley assured Board members that this had not been discussed earlier because it involved personnel matters. He was optimistic for a turnaround at that point. He acknowledged there were severe problems that had all been corrected. New markets and new marketing sources had been identified and donors had been located. Dr. Crowley still felt that it was the finest facility in the world. Dr. Crowley indicated that further discussion could negatively impact ongoing negotiations. Chair Dondero asked whether Regent Sisolak was addressing Regent Hill's motion. Regent Sisolak assured her that he was. Regent Sisolak continued his presentation, noting that the Board authorized engaging the services of a knowledgeable, professional consultant to review the FSA status at the January 13-14, 2000 Board meeting. Expenses were

not to exceed \$10,000. At the next meeting, February 10, 2000, former Chancellor Anderes identified two potential consultants. He stated that the FSA was next discussed at the Board's June 22-23, 2000 meeting in Elko. He recalled a dinner and presentation at the FSA. PricewaterhouseCoopers provided their evaluation of the Academy. One of the findings: Even after hiring a new Executive Director, the organizational structure was insufficient at the Academy to support the daily operational activities and responsibilities. It was also reported that the FSA's strengths far outweighed its weaknesses. At that time, Regent Sisolak asked about research conducted on environmental concerns and was told that it was outside the scope of the consultant's work. He spoke with Dr. Crowley extensively about this issue. Dr. Crowley reported a goal of 3,100 students/year for the Academy, which is less than the projection under the new proposal. UNR was in discussion with 46 petroleum companies seeking gifts of \$50,000-\$5 million each. According to Dr. Crowley, UNR had no intention of closing or selling the Academy and the staff had done a magnificent job of turning the Academy around despite the desperate situation. Former Regent Phillips asked about the Academy's ability to earn a profit, whether money could be saved by closing the Academy, the cost of keeping the Academy open, and money saved by selling it. Dr. Crowley responded that significant recovery had been realized and new markets had been identified for potential expanded revenues. He expressed confidence that enrollment projections would be met the following year. In 1999, 400 were enrolled. In 2000, 2,900 were projected, with 5,000 projected for 2001. It was noted that it would take 4-5 years to reach a profit status.

Regent Hill noted a point of order. He felt that the information was irrelevant to the motion on the floor and that reciting a history of events did not address the issuance of bonds or the increased student fees. Regent Alden felt that it did. Regent Howard felt that it was all related. Regent Hill disagreed and requested a ruling on the point of order. General Counsel Ray stated that it was the Chair's decision. She asked Regent Hill to repeat his motion. Regent Hill clarified that he proposed passing the first two parts of UNR's proposal and amending his motion accordingly. He felt that Regent Sisolak intended a filibuster. Regent Sisolak disagreed. Regent Hill felt that Regent Sisolak's recitation of history was a waste of Board time and was unrelated to the items under consideration that day. He observed that Regent Sisolak had not yet addressed the bonds, student fees, or designating the FSA as part of UNR's Master Plan. Regent Dondero stated that she was requesting clarification of Regent Hill's motion, adding that she had asked Regent Sisolak to stay on point.

21. Tabled-Resolution 01-08, Fire Science Academy, UNR – (Cont'd.)

Regent Hill restated the motion. He moved approval of issuing approximately \$31 million in bonds (*30-yr. payback, financed with regular student fees*); bond proceeds to be used to purchase the FSA in Carlin, Nevada from GMAC per the October 2001 settlement agreement, and designating the FSA as part of UNR's Master Plan. He indicated his desire to eliminate redirection of the \$1/credit hour student fee (*FY 02*) and the additional \$1/credit hour student fee (*FY 03; total of \$2/credit hour*) previously approved for financing UNR's new library and redirected to the FSA. He requested approval of the FSA's use of increased

regular student fees, retained by the University of \$1/credit hour (*FY04, FY05, and FY06*).

He again stated that Regent Sisolak had failed to address any of those items during his presentation. Chair Dondero asked Regent Sisolak how his presentation pertained to the motion. Regent Sisolak replied that he would tie it in at the end of his presentation. Regent Alden noted a point of order. Chair Dondero again requested that he relate his presentation to the motion. Regent Sisolak replied that he was attempting to do so, adding that he was opposed to the motion. Chair Dondero asked how reading past minutes pertained to this issue. Regent Sisolak replied that he was calling attention to items that specifically addressed administrative decisions that impacted the motion on the floor. He felt that a Board decision required full knowledge of the facts. He felt that the rush to judgment in 1997 resulted in the current status and was similar to that proposed that day. He felt that more information should be presented. He argued that this was not a filibuster attempt, but had direct impact on the decision to be made. Chair Dondero commented that a special meeting had been scheduled for discussion and encouraged him to consider the amount of time available to make this decision. Regent Alden requested clarification from General Counsel. He thought that Dr. Lilley's original proposal had been tabled and that

Regent Hill's motion only addressed authorizing the bond process. He felt that considering UNR's alternative proposal was a violation of the OML since it was different from what appeared on the agenda. General Counsel Ray replied that he felt the motion being proposed included the first part of Dr. Lilley's proposal (*authorization of the bond process*). Regent Hill agreed that was so. Regent Rosenberg restated the motion:

To approve issuing approximately \$31 million of bonds (*30-year payback; financed through regular student fees*); bond proceeds will be used to purchase the Fire Science Academy at Carlin,

Nevada from GMAC per the October 2001 settlement agreement; designating the Fire Science Academy at Carlin, Nevada as part of the University of Nevada, Reno's Master Plan.

21. Tabled-Resolution 01-08, Fire Science Academy, UNR – (Cont'd.)

Regents Alden and Howard disagreed.

Regent Seastrand moved approval of tabling the item to the scheduled special meeting. Regent Sisolak seconded. Upon a roll call vote the motion carried. Regents Alden, Derby, Dondero, Gallagher, Howard, Kirkpatrick, Rosenberg, Seastrand, and Sisolak voted yes. Regent Hill voted no. Regent Wiesner was absent.

Regent Derby asked to make a motion regarding initiation of the bonding process. Regent Sisolak noted a point of order. Chair Dondero replied that the motion would be inappropriate.

Regent Hill requested a legal interpretation of Regent Derby's request. General Counsel Ray replied that this agenda item had been tabled, and in his opinion, it would be inappropriate to

make a motion on something relating to that item.

Chancellor Nichols asked that Ms. Ernst be notified of the Regents' ability to attend the special meeting scheduled for January 16<sup>th</sup>.

Regent Sisolak requested the following for the next meeting:

- Appraisal or approximate value of numerous properties requested by Regent Sisolak, including unrestricted properties, restricted properties held in the College of Agriculture for the specific use of the College of Agriculture including:
  - ✓ Gund Ranch-10,500 acres.
  - ✓ J. Dow Sr. Wetland Ranch-1,300 acres.
  - ✓ Kapo Mines.
  - ✓ Lincoln/White Pine County restricted parcels-40-200 acres.

President Lilley asked that Regent Sisolak indicate which properties from a list of properties faxed to him earlier. Regent Sisolak agreed to provide the list. Regent Sisolak also requested copies of the minutes when the Academy was approved in 1997. Ms. Ernst stated that minutes were available on the Regents' web page. Regents Alden and Sisolak indicated that they were unable to locate them. It was agreed to provide the information.

22. Approved-Land Purchase, Fallon Campus, WNCC – The Board approved permission for President Carol Lucey to begin negotiations for the possible purchase of a total of 30 acres in Fallon, Nevada. This land would provide room for needed expansion and improved access at the Fallon Campus. Twenty-five (25) acres, located immediately north of the Fallon Campus, is currently owned by Louis Venturacci; and five (5) acres, located immediately west of the Fallon Campus, is currently owned by Jack N. Tedford, Jr. If the negotiations are successful, the college anticipates paying a significant portion of the cost from a charitable lead trust that generates approximately \$35,000 per year and is specifically allocated for expansion of the Fallon Campus. The income from this trust should total about \$350,000 during the life of the trust, and this money, along with \$50,000, which was previously received, would be used in the purchase. The college is

22. Approved-Land Purchase, Fallon Campus, WNCC – (*Cont'd.*)  
also proposing to use capital improvement dollars to pay costs above the amount generated by the trust. (*Ref. O on file in the Board office*)

Regent Kirkpatrick moved approval of the land purchase negotiations for the WNCC Fallon Campus. Regent Derby seconded.

Regent Kirkpatrick urged prudence on the part of President Lucey. President Lucey replied that she would get the best possible price, which was why a different plot of land was now under consideration.

Regent Seastrand requested clarification for payments from the charitable lead trust. President Lucey replied that the Carl Dodge fund was dedicated to expansion of the Fallon campus. That fund will cover part of the purchase, supplemented with Capital Improvement Fee funds. WNCC's request will include maintaining the water rights and leasing the land back to the

farmer while the land is not under construction. Regent Seastrand asked whether the land would be used as part of an academic program. President Lucey replied that WNCC was re-evaluating programs in the rural part of its service area. She felt there were some important, technology-based agriculture programs that the state requires. She related that a needs assessment would need to be conducted.

Regent Sisolak asked whether the new property would become part of WNCC's Master Plan. President Lucey replied that it would become part of the Fallon campus Master Plan once acquired.

Motion carried. Regent Wiesner was absent.

23. Approved-Resolution 01-08, Southern Nevada Science Center Phase II Bank Loan, DRI – The Board approved selection of a lender for the Southern Nevada Science Center (*SNSC*) Phase II. At its October meeting, the Board of Regents approved DRI's request to solicit bids for securing a bank loan to cover a portion of the costs associated with the SNSC Phase II project. Requests for Proposals were submitted November 2, 2001. President Stephen G. Wells provided the Board with the recommendations of a committee comprised of DRI and System officials, along with the financial consultant, regarding the selection of a lender for the bank loan. (*Ref. P on file in the Board office*)

Regent Seastrand moved approval of Resolution 01-08 for DRI. Regent Gallagher seconded. Motion carried. Regent Wiesner was absent.

24. Approved-Resolution 01-09, Refinance GBERL Loan, DRI – The Board approved exploring the refinancing of DRI's existing GBERL (*Great Basin Environmental Research Laboratory*) loan. Because of the recent decline in interest rates, DRI requested proposals from banks to refinance its outstanding 1996 GBERL loan. The 1996 GBERL loan documents contain a provision allowing DRI to refinance the loan if interest rates drop or for any other reason. If proposals from banks allow DRI to achieve interest savings, then DRI would proceed with a refinancing transaction, subject to Board approval. Requests

24. Approved-Resolution 01-09, Refinance GBERL Loan, DRI – (*Cont'd.*)  
for bids were distributed to banks on November 2, 2001 and were due on November 30, 2001. (*Ref. Q on file in the Board office*)

Regent Alden moved approval of Resolution 01-09 for DRI. Regent Howard seconded. Motion carried. Regent Wiesner was absent.

25. Approved-SNSC Phase II, Bond Underwriter Selection, DRI – The Board approved proceeding with the selection of a bond underwriter for SNSC Phase II. At the October 19, 2001 meeting, the Board approved a resolution authorizing DRI to proceed with the sale of lease revenue bonds. The bonds will be repaid with revenues from a 20-year lease to the General Services Administration acting on behalf of the Department of Energy. Because of certain unique characteristics of the DRI bond offering (*taxable interest, pledge of lease rental revenues, and the need for*

*underwriting flexibility), the bonds will be sold via the “negotiated” sale process. With a negotiated sale, an underwriter is selected in advance of the bond pricing. Selecting the underwriter in advance will enable them to become familiar with certain nuances of the transaction. On November 2, 2001, Request for Proposals were sent to municipal bond underwriters who are active in Nevada. Also, an ad inviting proposals was placed in an industry newspaper. Proposals were due on November 20, 2001. A committee comprised of DRI and System officials, along with the financial consultant, evaluated the proposals, and President Stephen G. Wells made a recommendation to the Board. It is anticipated that final Board action to adopt the Bond Resolution will occur in January 2002.* (Ref. R on file in the Board office)

Regent Alden moved approval of bond underwriter selection  
for DRI’s SNSC Phase II. Regent Sisolak  
seconded. Motion carried. Regent Wiesner was absent.

26. Approved-Property Acquisition, UNR – The Board approved purchasing property within the UNR Master Plan to accommodate the relocation of the University U.S. Post Office (*presently on land leased to the U.S.P.O. by UNR*). This relocation would permit the construction of Phase II of the residence hall. The purchase price for this property is \$190,000. This price is approximately 30% over the appraised value of \$145,000. This property needs to be purchased over the appraised value due to the critical need for the university to relocate the post office immediately. This action would permit the construction of student housing on a timely basis. The justification for the student housing appeared in a separate agenda item for this meeting. (Ref. S on file in the Board office)

Regent Hill moved approval of the property acquisition for  
UNR. Regent Rosenberg seconded.

Regent Sisolak was troubled that the purchase price was 30% above the appraised value. He also felt that no further property should be purchased by UNR until the Fire Science Academy issue was resolved. President Lilley explained that UNR had been working closely with the Western University Neighborhood Association. They were eager to keep the post office in this area (*UNR had proposed moving it quite a bit further north*). This was the only available property nearby for this purpose. The owner understands that the

26. Approved-Property Acquisition, UNR – (*Cont’d.*)

university needs this location. He indicated that they negotiated the best deal that they could, adding that UNR needs the property now in order to build Phase II of the residence hall. Regent Sisolak asked about the funding source for the \$190,000. President Lilley replied that it would be part of the entire housing project (*revenue from student rental of the rooms*). Mr. Buzz Nelson, Assistant Vice President for Facilities-UNR, replied that money for the land purchase would come from the property acquisition account. Funding to relocate the post office would come from the project account for the residence hall. Regent Sisolak noted that money received from the Stead property was deposited to the property acquisition account in hopes of retiring other liabilities. He noted that taking this money would deplete the property acquisition account. Mr. Nelson replied that the original agreement on the Stead funding was to use it specifically for property acquisition. Regent Sisolak observed that the Fire Science Academy property could also be acquired using that fund. Mr. Nelson replied that the money was intended to be used to acquire property for the main

campus because it is landlocked. Regent Sisolak disagreed.

Regent Seastrand noted that the timing on this item was not good for UNR. He requested further discussion to justify the purchase. President Lilley stated that if UNR did not add additional housing in a timely fashion, they would only be able to accommodate freshmen students. He related that 40% of UNR's dormitory residents were from Clark County.

Regent Alden felt that money from the sale of land at Stead should be used to retire the Fire Science Academy debt and that this money should be raised from private funds.

Chair Dondero stated that UNR was in desperate need for student housing.

Regent Derby felt it important not to cripple the university in its ability to move forward in spite of the Fire Science Academy. She felt the need for this residence hall was critical, adding that the proposal was reasonable.

Regent Sisolak stated that \$200,000 was a lot of money. He asked about a state statute regarding payment for property over the appraised value. General Counsel Ray replied that he was not familiar with that statute. He noted that if the Board approved the motion, they had the authority to purchase the property as proposed. Regent Sisolak recalled a meeting where payment of property over the appraised value with state dollars was discussed. General Counsel apologized that he did not recall. Regent Sisolak asked whether the Board could approve the item contingent upon General Counsel researching the legal authority to do this. General Counsel Ray replied that they were not using state appropriated general fund dollars for this project. Regent Sisolak asked General Counsel to research the matter and General Counsel Ray agreed to do so.

Motion carried. Regents Alden and Howard voted no. Regent Wiesner was absent.

27. Approved-Resolution 01-10, Sale of Bonds, UNR – The Board approved permission for the sale of bonds in the amount of \$20 million. Receipts from the sale of bonds will be used for the construction of Phase II of a new residence hall and a new residential dining facility to be opened in 2003. (*Ref. To on file in the Board office*)

27. Approved-Resolution 01-10, Sale of Bonds, UNR – (*Cont'd.*)

Regent Rosenberg moved approval of Resolution 01-10, Sale of Bonds for UNR. Regent Sisolak seconded. Motion carried. Regent Wiesner was absent.

Regent Alden left the meeting.

28. Approved-Sale of Property, UNR – The Board approved selling the 2.39-acre parcel of vacant land located at 1550 Eli Drive in south Reno. Mr. Ginocchio, who passed away in 1998, bequeathed the property to UNR. The Regents authorized UNR to put the property up for public sale at the April 19-20, 2001 meeting. Bids were opened at 2:00 p.m. on November 1, 2001. One bid was received in the amount of \$143,100. A cashier's check for 10% of the bid amount accompanied the bid. The balance is due at the close of escrow. The property appraised for \$140,000 in February, 2001. A "Notice of Public Sale" appeared twice in the *Reno Gazette*

*Journal* newspaper. Proceeds from the sale are directed to the School of Nursing for the establishment of a scholarship program at the request of the donor. (Ref. U on file in the Board office)

Regent Hill moved approval of the property sale for UNR. Regent Kirkpatrick seconded.

Regent Sisolak asked whether the owner had specified the property be used for the School of Nursing. President Lilley replied that it was.

Motion carried. Regents Alden and Wiesner were absent.

29. Approved-Eller Media Softball Stadium, UNLV – The Board approved President Carol Harter's request that the Board of Regents accept ownership of the Eller Media Softball Stadium on behalf of UNLV. The new stadium was constructed with Board approval on UCCSN property by the UNLV Foundation using private funds. The 775-seat stadium was completed during November 2001 and is ready for use by UNLV Softball. The project will be dedicated during the annual alumni game scheduled for Saturday, February 2, 2002.

Regent Seastrand moved approval of accepting ownership of the Eller Media Softball Stadium on behalf of UNLV. Regent Sisolak seconded. Motion carried. Regents Alden and Wiesner were absent.

30. Approved-FAA Lease, UNLV – The Board approved entering into a 2-year lease with the Federal Aviation Administration (*FAA*) for the continued location of an FAA low-level wind shear tower on an 18' x 7' (126 sq. ft.) plot of land on a site previously owned by the Boy Scouts of America. The FAA tower has been located at this site for approximately 20 years. The lease will be for the amount of \$1,000 per year paid annually. A long-term lease expired on September 30, 2001 and is currently in effect on a month-to-month basis following the UCCSN purchase of the property from the Boulder Dam Area Council of

30. Approved-FAA Lease, UNLV – (Cont'd.)  
the Boy Scouts of America. The site is on the southeastern perimeter of the UNLV campus adjacent to the Paul Sogg Architecture Building.

Regent Rosenberg moved approval of the FAA lease for UNLV. Regent Sisolak seconded.

Regent Seastrand asked whether President Harter was aware of any future concerns with locating this tower. President Harter replied that they were not. She noted that UNLV may need to reconsider the request at a future date should UNLV develop that property.

Regent Sisolak clarified that the wind shear structure was already there. President Harter agreed.

Motion carried.

Regent Howard left the meeting.

31. Accepted-Academic, Research & Student Affairs Committee Report - Chair Jill Derby reported the Academic, Research & Student Affairs Committee met December 6, 2001. The Committee heard a report from Dr. James Coleman, Vice President, Research-DRI. The American Association for the Advancement of Science organized a National Science Advisory Committee to conduct a comprehensive review of DRI. Dr. Coleman reported on the issues the review team brought forward, which were particularly faculty retention issues, given that DRI's faculty are non-tenured and funded on soft money. Other issues included the single principal investigator profile, and DRI was encouraged to do more collaborative work among themselves, and strategic planning. DRI has begun implementing the committee recommendations. The Committee also heard a report from Dr. Lee Weber, Biology Chair-UNR, and Dr. Paul Ferguson, Dean, Graduate College-UNLV, providing information on the Nevada National Institute of Health Biomedical Research Infrastructure Network (*BRIN*). BRIN is a collaborative project funded by the National Institute for Health. She reported that Vice Chancellor Curry provided an update on the discussion from the Academic Affairs Council regarding planning for the resumption of new programs to be approved. The Committee intends to establish guidelines for campuses to follow when submitting new programs for approval.

Regent Derby moved acceptance of the report. Regent Rosenberg seconded. Motion carried. Regents Alden, Howard, and Wiesner were absent.

32. Approved-Audit Committee Report - Chair Steve Sisolak reported the Audit Committee met December 6, 2001 and received a follow-up response for one internal audit report presented at the June 2001 meeting. He indicated that 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. A consolidated financial statement, including the School of Medicine and Practice Plan accounts for the

32. Approved-Audit Committee Report – (*Cont'd.*)  
year ended June 30, 2001, was reviewed. He requested Board action on the following Committee recommendations:

- External Audit Reports – The Committee reviewed the following External Audit reports and Management Letters presented by PricewaterhouseCoopers: (*Ref. X on file in the Board office*)
  - ✓ Consolidated Financial Statements, UCCSN (*Ref. A-2 on file in the Board office*).
    - ✓ Financial Statements, UNR (*Ref. A-3 on file in the Board office*).
    - ✓ Management Letter, UNR (*Ref. A-4 on file in the Board office*).
    - ✓ Financial Statements, UNLV (*Ref. A-5 on file in the Board office*).
    - ✓ Management Letter, UNLV (*Ref. A-6 on file in the Board office*).
  - ✓ Financial Statements, System Administration (*Ref. A-7 on file in the Board office*).
    - ✓ Financial Statements, DRI (*Ref. A-8 on file in the Board office*).
    - ✓ Financial Statements, TMCC (*Ref. A-9 on file in the Board office*).
    - ✓ Financial Statements, CCSN (*Ref. A-10 on file in the Board office*).
    - ✓ Financial Statements, WNCC (*Ref. A-11 on file in the Board office*).
    - ✓ Financial Statements, GBC (*Ref. A-12 on file in the Board office*).

- ✓ Office of Management and Budget (*OMB*) Circular A-133 Report (*Ref. A-13 on file in the Board office*).
- Internal Audit Reports – The Committee reviewed the following Internal Audit Reports:
  - ✓ Financial Review, NSCH (*Ref. A-14 on file in the Board office*).
  - ✓ Security Administration, CCSN (*Ref. A-15 on file in the Board office*).
  - ✓ Admissions & Records Department, UNR (*Ref. A-16 on file in the Board office*).

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

33. Approved-Campus Environment Committee Report - Chair Doug Hill reported the Campus Environment Committee met December 6, 2001 and requested Board action on the following Committee recommendations:
  - Work to be Accomplished – Associate Vice Chancellor Chris Chairsell presented a prioritized list of work for the Committee to accomplish for the 2001-2002 year. (*Ref. CEC-2 on file in the Board office*)
  - Diversity Report – Dr. Chairsell presented a report on System and institutional 1995-2000 diversity goals. The Committee suggested future reports containing executive summaries and issues regarding weighted information. (*Ref. CEC-3 on file in the Board office*)

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

34. Approved-Finance & Planning Committee Report - Chair Tom Kirkpatrick reported the Finance & Planning Committee met December 6, 2001 to review information it had previously requested and three budget reports. The Committee reviewed reports from UNLV and UNR, which detailed the share of state support in the athletic budget of each of the state supported schools within each institution's respective conference. The Committee reviewed the 1<sup>st</sup> Quarter All Funds Report, an un-audited statement of the current operating funds revenues and expenditures for the quarter ending September 30, 2001. Total revenues collected in this period System wide total some \$258.6 million, up 12.8% over the same quarter last year. Total expenditures and transfers of \$219.5 million for the quarter were up 12.5% over the same quarter last year. The Committee also reviewed the 1<sup>st</sup> Quarter Fiscal Exceptions Report, which is used to provide quarterly updates on self-supporting budgets to identify those with deficits or negative cash balances. The Fire Science Academy at UNR is the only account reporting a deficit at this time. The Committee also reviewed the Fiscal year 2000-2001 Self-Supporting Budget to Actual Comparison, which compares the budget for self-supporting accounts to actual revenues and expenditures for FY 2000-2001. The report indicated total self-supporting revenues of \$188 million and total expenditures of \$191 million for fiscal 2000-2001, resulting in a net decrease in fund balance from operations of \$2.8 million for the year. The Committee also discussed the actions taken by the Governor related to the state of Nevada's economy and state general fund revenues. The Governor has not announced any further actions to this point. The Governor had earlier asked all

agencies to observe a vacant position freeze, except for critical positions, and has been reviewing one-time appropriations for possible reversion. The System had potential one-time appropriations of \$2.2 million this year and \$0.6 million next year that could be in jeopardy. These funds are intended for replacement equipment System wide and hardware and software for System Computing Services. He indicated that no action items were approved by the Committee.

Regent Kirkpatrick moved acceptance of the report. Regent Sisolak seconded. Motion carried. Regents Alden, Howard, and Wiesner were absent.

35. Approved-Investment Committee Report – Regent Sisolak reported the Investment Committee met November 13, and 28, 2001. Mr. Lindsay Van Voorhis, Cambridge Associates, reviewed the profiles of several mid-cap managers for Committee consideration. The Committee decided to interview TCW Group and Wellington Management Company, LLP at their next meeting. Mr. Lindsay Van Voorhis reviewed the asset allocation and performance for the pooled endowment and pooled operating funds of the UCCSN for the month ended October 31, 2001. Endowment investments returned 1.3% for the month, compared to its benchmark of 2.2%, and -5.5% for the fiscal year, compared to its benchmark of -7.0%. The total return for the pooled operating funds was .9% for the month, compared to its benchmark of 1.3%, and -0.3% for the fiscal year, compared to its benchmark of -1.0%. The Committee heard reports from two mid-cap managers (*TCW Group and Wellington Management Company, LLP*). The Committee decided to hire both managers to replace Cadence Capital Management. The Committee reviewed policies governing the endowment fund and the operating fund. He requested Board action on the following Committee recommendations:

35. Approved-Investment Committee Report – (Cont'd.)

- Changes to the Endowment Strategic Asset Allocation and Changes to the Handbook – The Committee changed the asset allocation for Non-U.S. Equity from 20% to 13%, for Absolute Return from 8% to 12%, and for Fixed Income from 20% to 23%.
- Changes to the Operating Fund Payout and Changes to the Handbook – The Committee changed the payout rate to 4% of the average cash balance, the allocation to the institutions to 72.5%, and the allocation to the Chancellor's Office to 27.5%.
- Workers Compensation Trust Agreement – The Committee reviewed the Workers Compensation Trust Agreement and decided to invest the trust in a money market.

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

Regent Kirkpatrick asked why the manager had been replaced. Regent Sisolak replied there was a lack of satisfaction with the performance return from Cadence Capital Management.

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

36. Approved-Health Care Education Committee Report - Chair Doug Seastrand reported the Health Care Education Committee met November 14, 2001 and discussed ideas for doubling the capacity

of the UCCSN Nursing Programs, as required by AB 378. The plan will be a separately identifiable component of the proposed biennial budget and will include estimates for expenditures. The Chancellor appointed a task force to begin to shape the development of the plan and to present the plan to the Committee and the Board as it is developed. The Committee reviewed a draft survey for data collection, discussed it, and offered recommendations for modifying the instrument. The Committee also discussed potential topics that will be considered in the future by the Committee. The topics consisted of:

- The Academic Medical Center.
- Analysis of issues related to retention of nurses.
- The medical School Practice Plan.

Regent Seastrand reported the Committee had identified a tentative meeting date and requested Board action on the following Committee recommendations:

➤ Doubling UCCSN Nursing Students – The Committee recommended the following schedule for the creation of the plan to double the number of students in UCCSN Nursing Programs.

1. The Chancellor, with recommendations from the presidents, will appoint a task force to include faculty, System, staff, and a Nevada Hospital Association representative (*10/22/01*).
2. Regent's Health Care Education Committee will provide input to the task force (*by 11/14/01*).

36. Approved-Health Care Education Committee Report – (Cont'd.)

3. The task force will develop a survey instrument to collect information about the projected additional personnel, facilities, equipment, supplies, etc. and related costs; ideas for dramatically increasing the pool of qualified applicants; ideas for addressing the issue of recruiting qualified faculty, etc. (*by 11/16/01*).
4. Distribute survey instrument to campuses (*11/27/01*).
5. Staff begins to tabulate and summarize results of survey (*12/21/01*).
6. Staff prepares draft plan and gives to task force for feedback (*1/17/02*).
7. Distribute draft plan to hospital representatives and appropriate legislators for review and comment (*2/4/02*).
8. Revise plan and submit to Chancellor (*by 2/20/02*).
9. Distribute to Regents' Health Care Education Committee for review and action (*3/15/02*).
10. Present to Regents for action at April Board meeting (*4/18-19/02*).

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

37. Public Comment – None.

38. New Business – None.

The meeting adjourned at 2:50 p.m.

Suzanne Ernst  
Chief Administrative Officer to the Board