

**BOARD OF REGENTS**  
**UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA**  
**Horn Theatre**  
**Community College of Southern Nevada**  
**3200 East Cheyenne Avenue, Las Vegas**  
**Wednesday-Thursday, October 9-10, 2002**

**Members Present:**

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

**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  
President Paul Killpatrick, GBC  
President Kerry Romesburg, NSC  
President Philip Ringle, TMCC  
President Carol Harter, UNLV  
President John Lilley, UNR  
President Carol Lucey, WNCC  
Chief Administrative Officer Suzanne Ernst

Also present were faculty senate chairs Dr. Joan McGee, CCSN; Ms. Lynn Fenstermaker, DRI; Mr. Pete Bagley, GBC; Mr. John Tully, System Administration; Dr. Eun-Woo Chang, TMCC; Dr. Bill Robinson, UNLV; Ms. Bourne Morris, UNR; and Ms. Winnie Kortemeier, WNCC. Student government leaders present included Ms. Kerri Hamrick, CCSN; Mr. Steve Houk, GBC; Mr. Kiyoshi "Teddy" Noda, TMCC; Ms. Monica Moradkhan, UNLV; Ms. Jocelina Santos, UNLV-GSA; Ms. Alicia Lerud, UNR; Ms. Marilou Woolm, UNR-GSA, and Ms. Michelle Badger, WNCC.

Chair Douglas Seastrand called the meeting to order at 12:40 p.m. on October 9, 2002 with all members present.

**1. Information Only-Personnel Session** – The Board held a closed personnel session.

**1.1 Approved-Closed Session** - In compliance with NRS 241.030, a closed session was held for purposes of discussion of the character, alleged misconduct, professional competence, or physical or mental health of certain executive employees of the UCCSN.

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

The meeting recessed at 12:44 p.m. and reconvened at 2:00 p.m. with all members present except Regents Derby and Howard.

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

**2. Introductions** – Regent Alden noted the passing of Mr. Oran Gragson, a four-term mayor of the City of Las Vegas. He said that Mr. Gragson was a visionary who epitomized what was right about the country, leadership and ethics. He requested a moment of silence for Mr. Gragson and his family.

President Wells introduced Dr. John Warwick, DRI's new Executive Director, Division of Hydrological Sciences. Dr. Warwick received his Ph.D. from Penn State in Environmental Engineering and taught at the University of Texas at Dallas in

Environmental Sciences. For eight years, Dr. Warwick ran UNR's Hydrological Sciences program before moving to Florida as Chairman of the Department of Environmental Engineering.

President Romesburg introduced NSC's faculty senate representative, Dr. Erika Beck, and student body representative, Ms. Annaleisa McDonald.

President Remington introduced Dr. Robert Palinchak, CCSN's Vice President for Academic Affairs and Dr. Joni Flowers, Interim Chief Technology Officer. Dr. Flowers, a former CCSN student, received her Ph.D. in Educational Technology from UNLV. He also introduced Ms. Diana Wilson, Interim Chief Development Officer.

President Lucey introduced Ms. Michon Mackedon, Chair, Division of Communications and Fine Arts-WNCC, adding that she was representing Academic Affairs at the meeting. Additionally, she announced the presence of four student senators: Mr. Ken Stanfield, Ms. Michelle Badger, Mr. Eamonn Embree, and Ms. Katie McDuffie.

Regents Derby and Howard entered the meeting.

Regent Sisolak stated that, while he had been inquisitive regarding NSC in the past, he was supportive of the administration there. He noted that it would be difficult for President Romesburg to fill former Interim President Chris Chairsell's shoes. He then presented President Romesburg with a pair of black pumps in Dr. Chairsell's size.

**3. Chair's Report** – Chair Seastrand welcomed everyone present and thanked President Remington and his staff for hosting the meeting. On behalf of the Board, he welcomed Dr. Kerry Romesburg, the new President of Nevada State College. He noted that as President of Utah Valley State College Dr. Romesburg demonstrated a remarkable entrepreneurial spirit in leading the college to better serve the community and the state of Utah. Chair Seastrand announced the opening of UCCSN's third professional school, the UNLV School of Dentistry. He congratulated President Harter and all those who made it possible. He noted that the William S. Boyd School of Law has a new permanent home, adding that many Board members had attended the opening. Chair Seastrand stated that the State of Nevada was experiencing tough economic times with Governor Guinn reporting a \$294 million statewide budget shortfall. He noted that the governor had asked all state-funded agencies to do their part to help resolve the crisis. He observed that hardship could foster ingenuity and efficiency not previously considered. He encouraged System employees to perceive this as a challenge to become even more valued partners in the community and to fine-tune operations. He said that the System must do everything possible to provide space for the increasing student population. He has asked the Chancellor and presidents to create an efficiency task force to develop methods for faculty, administration, staff, and students to offer ideas for cost saving measures. They will evaluate and implement those suggestions leading to greater efficiency. They will also determine commensurate means to reward those responsible for cost saving ideas. Additionally, he has asked the Chancellor and presidents to review UCCSN technology strategies, particularly in making the System more efficient and effective. They will also address UCCSN's overall technology needs and formulate an appropriate strategy to include economic development and assurance that UCCSN institutions will be competitive and lead the way. He also noted that CCSN-Charleston Campus recently renamed B building in honor of the late Donald F. Stone as the result of a \$2.2 million gift. Wise Foundation investments increased the gift to \$2.8 million. He congratulated members of the Cheyenne Campus Teachers Education Program, which recently formed a partnership with the Salvation Army of North Las Vegas to open a children's literacy center in a low income area.

#### **4. Chancellor's Report –**

- Faculty Awards - Chancellor Nichols reported that four UCCSN faculty were honored for their contributions in various categories of achievement at a recent Las Vegas Chamber of Commerce awards ceremony. CCSN professors David Charlet received an award in the Education category, Richard McGee was recognized in the Arts & Entertainment category, and Vivienne Sario received the Resorts and Gaming award. UNLV's Dean of the College of Urban Affairs, Martha Watson, was also a recipient in the Education category.
- NASH/Education Trust Project - Nevada has been selected by the National Association of System Heads and the Education Trust to be one of 6 states to participate in a pilot K-16 data project. It is hoped that this effort will eventually expand into a comprehensive project to support state-level analyses of critical issues in the K-16 pipeline. Nevada's partner states are Georgia, Kentucky, Louisiana, Tennessee, and Texas. Vice Chancellor Dick Curry will partner with the state Department of Public Instruction to provide direction for the compilation of Nevada's data.
- P-16 Council – Two additional appointments have been announced. An updated membership list was provided to Board members. The first meeting of the Council has been set for Tuesday, October 29, at the Las Vegas System Office. This will be an important milestone for public education in Nevada and the Board will receive periodic updates.
- Measuring Up – The 2002 Measuring Up report (using 1998 data) indicates that Nevada must show significant gains in the future on the performance indicators used in the report. The state's low high-school graduation rate, combined with its low college-going rate, will forever provide an unacceptable grade for Nevada in college participation if UCCSN does not seek joint solutions early in students' educational careers. It is hoped that future report cards will reflect the positive impact of Millennium Scholarship enrollments, which were not included in the 2002 report. Increased graduation requirements for a standard high school diploma should reveal further gains in student preparation when the 2003 high school class graduates. Institution presidents are working with the Chancellor's staff to establish a set

of meaningful performance indicators against which progress can be measured over time. The Chancellor will bring forward a proposal for Board consideration at a future meeting.

- Nevada Student Incentive Grants – At the previous meeting, the Board discussed a request from the State Department of Education for an additional \$65,420 in matching funds for the Nevada Student Incentive Grant program. The Board elected not to use Estate Tax funds for this purpose and directed System staff to search for an alternative solution. Chancellor Nichols discussed the possibility of using student access dollars for the match with the campuses. Following Finance & Administration's analysis of the distribution of the total dollars that would be received as a result of the System's match, it was discovered that UCCSN would realize only a small portion (18%) of the federal matching dollars. Approximately 82% of the federal funds would go to Nevada's private schools because of the methodology by which the grant funds are administered. While the UCCSN would reap a small benefit in terms of additional federal financial aid dollars, they may not be substantial enough to warrant the temporary allocation of student access dollars to the State Department of Education in order to implement the federal match. Chancellor Nichols will provide further information as the matter is settled.

Chancellor Nichols then requested a report from DRI President, Dr. Stephen Wells.

President Wells displayed DRI's new business cards in the form of a CD-ROM containing a 9-minute video describing the Institute's worldwide research program. He noted that DRI plays a key role in contributing to Nevada's environmental needs. DRI's range of research also extends from the ice fields of Antarctica to the impoverished countryside of Africa. He highlighted a partnership between DRI, the Conrad N. Hilton Foundation, World Vision, USAID, UNICEF, and several other organizations in a \$40 million West Africa Water Initiative to provide reliable and safe water and sanitation to the rural communities of western Africa. The collaboration attracted the attention of Secretary of State Colin Powell. President Wells introduced Dr. John Tracy, Executive Director, Center for Watershed and Environmental Sustainability.

Dr. Tracy reported that the external mission of the Center is to create new approaches of developing a predictive understanding of the behavior of watersheds and place this understanding in a planning and management policy context. The internal function of the Center is to help develop cross-division interdisciplinary research teams that address issues of watershed management and restoration. Criteria for the research pursued include programs that have watershed-scale implications and programs that are one step from policy. The Center conducts research on a variety of watersheds including Lake Tahoe, the Walker River, and the Las Vegas Wash.

- Walker River Basin Projects - Using scientists from DRI and UNR, the projects provide technical support for the development and assessment of alternatives to stabilize the water level in Walker Lake, aid in negotiated water dispute settlements, and aid in the recovery of the Lahontan Cutthroat trout. The Walker River basin contains the State's most productive agricultural valleys. Additionally, Walker Lake, the river, and its headwater areas are highly valued for recreation. Even with the most optimistic estimates of the impacts of cloud seeding, groundwater importation, and river restoration, a significant amount of water rights would need to be purchased to stabilize Walker Lake. These purchases would negatively impact the agricultural sector of the basin's economy.
- Lake Tahoe Basin Projects – More than two dozen projects have been undertaken related to understanding the state of the air, water, biotic, and socioeconomic resources within the basin. Funding has come from state agencies, Nevada State Lands, local agencies, private entities, and the federal government. DRI has established collaborations with the Tahoe Research Group-U.C. Davis, University of Nevada, Reno, and the U.S. Geological Survey. One significant study examines the water quality on the near shore zone at Lake Tahoe to provide an assessment of the causes of spatial and temporal turbidity variation near Lake Tahoe's shore. It has been discovered that the water quality in Lake Tahoe is affected by a small portion of the watershed. Those areas have been identified for watershed restoration. A second study has used satellite imagery to analyze the impervious cover in the Lake Tahoe Basin for conservation of natural resources. New advances in technology have enabled the determination of ground cover using remotely sensed satellite images. The Tahoe Regional Planning Agency estimated the cost of the effort at \$5-6 million. The project will actually be completed by the end of 2002 for approximately \$350,000.
- Future Research Directions – The Center will conduct research regarding the regional impacts of climate change, environmental history, and ec hydrology (understanding hydrological sciences and its impact on the ecosystem).

**5. Public Comment** – Regent Howard said that she was very disappointed by the negative remarks about her in the press made by a fellow Regent. She said that she tried not to publicly discredit her fellow Regents, adding that she wants to work with all Board members. She said she was frustrated with the way that issues close to her heart had been handled, adding that her goal was to provide a voice for minorities on the lower socioeconomic end of the ladder. She felt that Regents should adhere to professional standards and decorum, act in good faith, refrain from media attention solely for publicity, provide leadership, serve students, faculty, staff and the people. She believed that Regents should promote higher education and be fiscally responsible. She felt the Regents should reach out to the underrepresented and answer to the people of the State of Nevada. She said that her position as an elected official was to serve her constituents well, meet their needs, and to enhance equal access to quality higher education. She challenged her colleagues to refrain from negativity and to focus on productivity.

**6. Approved Academic, Research & Student Affairs Committee Recommendations and Report** - Chair Jill Derby reported the Academic, Research & Student Affairs Committee met October 9, 2002 and heard reports on preliminary

findings of the Faculty Climate Survey and the recent review of existing academic and other programs at UCCSN institutions. Additionally, the Committee received information on the current policies and practices of alcohol use at each institution. Chair Derby requested Board action on the following Committee recommendations:

New Program Proposals:

- BA, Economics, NSC. (Ref. ARSA-2 on file in the Board office).
- MS, Management Information Systems, UNLV. (Ref. ARSA-4 on file in the Board office).

New Center Proposal:

- Great Basin Center for Geothermal Energy, UNR. (Ref. ARSA-3 on file in the Board office).

Elimination of Programs, TMCC: (Ref. ARSA-5 on file in the Board office).

- AAS, Computer & Office Technology-Legal Office Professional (AS-LOP).
- AAS, Computer & Office Technology-Business Applications (AS-CBA).
- AAS, Computer & Office Technology-Medical Office Specialist (AS-MSP).
- Certificate of Achievement, Computer & Office Technology-Legal Office Professional (CT-LOP).

New Policy Initiatives – The Committee considered new policy initiatives for the 2002-03 academic year.

- An examination of the possible need for greater investment in counseling services for students.
- Consideration of the establishment of a Regents' Master Teacher Award program, which might include instructional mentoring especially at the community colleges.
- Intellectual Property Rights, especially regarding the development and ownership of distance learning courses.
- Examination of possible policy adjustments on remedial education.
- Campus Climate Survey: Classified employees.
- Continued progress regarding several initiatives, including accountability, growing out of the implementation of the UCCSN Master Plan.

Regent Derby moved approval of the Committee recommendations and acceptance of the report. Regent Rosenberg seconded.

Regent Alden asked about the status of the RAND Study. Chancellor Nichols replied that the RAND Study was used as the foundation to build the Master Plan. The campuses and the Chancellor's staff are now working to establish the criteria for implementing the Master Plan. She related that the RAND Study was in its 3rd variation and was being implemented (including recommendations for program review). Regent Alden asked whether it also included common course numbering and about the status of common course numbering. Chancellor Nichols replied that common course numbering stood alone and was still underway. She related that terrific progress had been realized and that it was in place as a policy of the Board. Regent Alden asked whether other courses were being reviewed for possible duplication of effort. Chancellor Nichols replied that they were.

Chair Seastrand asked whether students had been negatively impacted by the elimination of the programs at TMCC. President Ringle replied that TMCC had made accommodations for any student in process to complete the degree program. Regent Sisolak asked whether any cost savings were realized. President Ringle replied that likely there were not because the faculty was still teaching other courses.

Motion carried.

**7. Approved-Audit Committee Recommendations and Report** - Chair Steve Sisolak reported the Audit Committee met October 9, 2002 and received follow-up responses for five internal audit reports that were presented at the April 2002 Audit Committee meeting. General Counsel Tom Ray reviewed current Board policy and Nevada Revised Statutes relating to an institution's ability to loan money to an external agency. The Committee directed Mr. Ray to develop a policy prohibiting loans to external agencies for consideration of the full Board. Mrs. Sandi Cardinal, Director of Internal Audit, reported that the institution bank reconciliations were up-to-date. Mr. Tom Judy, Associate Vice President for Business & Finance-UNR, reported on the status of the University of Nevada School of Medicine Practice Plan. The Practice Plan is reporting a net profit of \$600,000 for the first two months of the fiscal year. Ms. Denise Baclawski, Executive Director, Fire Science Academy-UNR, reported on the financial status of the FSA. She indicated the deficit is currently at \$5.9 million, which is \$170,000 less than had been projected in the Business Plan. The deficit including construction costs is \$7.5 million. FSA personnel continue to pursue off-site consulting services as a form of additional income. Mrs. Cardinal made a presentation on the changes to the UCCSN financial statements as a result of implementation of the Governmental Accounting Standards Board Statement #35. These changes have been implemented for the June 30, 2002 financial statements that will be presented at the Committee's December meeting. Action was deferred on the UNR Lake Tahoe Music Camp internal audit

report. Additional information was requested on the payment of student employees at the camp. Regent Sisolak requested Board action on the following Committee recommendation:

- Internal Audit Reports – The Committee reviewed the following Internal Audit reports: (Ref. A on file in the Board office).
- Security Administration, UNLV. (Ref. A-3 on file in the Board office).
- Dental Faculty Practice/Hygiene Clinic, CCSN (Ref. A-4 on file in the Board office).

Regent Sisolak moved approval of the Committee recommendations and acceptance of the report. Regent Alden seconded. Motion carried.

**8. Approved-Finance & Planning Committee Recommendations and Report** - Chair Douglas Roman Hill reported the Finance & Planning Committee met October 9, 2002 to review three budget reports for FY 2002 and 2003, approve accountability reports for FY 2002 and 2003, approve changes to the Board Handbook for construction and purchasing policies and to review the status of requested budget reductions from the governor. The Committee reviewed the FY 2001-02 State Operating Budget, Budget to Actual Report, the first quarterly FY2003 Self-Supporting Budget Revisions Report and the first quarterly FY 2003 Budget Transfers Report. Additionally, the Committee approved the FY 2002 Comparison of the Board of Regents Approved Budget to Actual Expenditures Accountability Report and the FY 2003 Reconciliation of the Legislative Approved Budget to the Board of Regents Approved Operating Budget Accountability Report. The Accountability Reports are a requirement of the legislature. Several recent internal audits have recommended that construction and purchasing policies in the Board Handbook be reviewed for clarity and consistency. An ad hoc committee of facility officers and purchasing directors have completed such a review and made recommendations for changes to written policies. The business officers and the Committee have reviewed the proposed changes and recommend approval. The Chancellor provided the Committee with an overview of the steps to be taken by the institutions to comply with the governor's request to reduce the FY 2003 budget to meet lower than anticipated state revenues. The governor has requested UCCSN and other state agencies to revert 3% of their FY 2003 appropriation. This amounts to \$11.1 million for UCCSN. Additionally, UCCSN must meet other reversions to the state that were previously requested and absorb unbudgeted costs for increased employee health insurance, utility expenses and property insurance. The total financial impact for UCCSN is approximately \$25 million this year. The Committee recommends that authority be granted to each campus for FY 2003 to redirect their General Improvement and Capital Improvement fees to meet this emergency. Regent Hill requested Board action on the following Committee recommendations:

- FY 2001–2002 Accountability Report–Board of Regents' Approved Budget to Actual – The Committee approved the fiscal year-end 2001–2002 Accountability Report. (Bound Report on file in the Board office).
- FY 2002–2003 Accountability Report–Legislative Approved to Board of Regents' Approved Budget – The Committee approved the fiscal year 2002-2003 Accountability Report. (Bound Report on file in the Board office).
- UCCSN Budget Update, Fiscal Year 2003 – The Committee heard an update on the status of the FY03 state-supported budget and proposed actions to comply with the Governor's request to reduce expenditures to meet lower than anticipated state revenues. Each campus was authorized, if necessary, to re-direct the use of General Improvement Fees and Capital Improvement Fees, for Fiscal Year 2003 only, to help meet this emergency. (Ref. FP-9 on file in the Board office).

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

Regent Alden asked to divide the motion into three separate groups with a roll call vote on the UCCSN Budget Update.

Regent Hill amended his motion for approval to include the FY 2001-2002 and 2002-2003 Accountability Reports, the Handbook amendment, and acceptance of the report. Regent Alden seconded.

Chair Seastrand indicated the Board would vote on the Handbook amendment separately.

Regent Hill moved approval of the FY 2001-2002 and 2002-2003 Accountability Reports. Regent Alden seconded. Motion carried.

**8.1 Approved-Handbook Amendment, Construction/Purchasing Policies** – The Committee approved changes to construction and purchasing policies in the Board Handbook (Title IV, Chapter 10, Sections 1 and 22). (Ref. FP-8 on file in the Board office).

Regent Hill moved approval of the Handbook amendment concerning construction and purchasing policies. Regent Alden seconded.

Regent Alden asked whether General Counsel Ray would bring forward one or two items for Board discussion regarding construction purchasing policies. General Counsel Ray replied that he would.

Regent Kirkpatrick asked whether the Handbook item would require a second appearance for approval. Chair Seastrand replied that it would not. Regent Hill stated that the Handbook revisions had been discussed by the Committee in great detail. The technical revisions concerned expenditures of less than \$5,000, between \$5,000-\$25,000, and expenditures over \$25,000. The policies were changed to be uniform and consistent throughout the purchasing process. Capital expenditures and general purchasing items were also clearly defined.

Motion carried.

Regent Alden moved acceptance of the report. Regent Gallagher seconded. Motion carried.

Regent Hill explained that the Committee voted 3-2 to approve the UCCSN Budget Update, Fiscal Year 2003, authorizing each campus to re-direct the use of General Improvement Fees and Capital Improvement Fees, for Fiscal Year 2003 only, to help meet the emergency if necessary. He indicated that Regents Alden and Howard had voted no.

Regent Hill moved approval of authorizing the campuses to redirect General Improvement Fees and Capital Improvement Fees for FY2003 only for fiscal emergencies. Regent Sisolak seconded.

Chancellor Nichols explained that each campus developed a plan in concert with their faculty and students to meet this shortfall. Two campuses have expressed a desire to use these particular funds in ways that do not exactly meet the Board Handbook requirement. She related that General Improvement Fees were being used for programs related to student services and that Capital Improvement Fees were used for initiatives that would require a delay in some capital efforts. She explained that the request entailed allowing the presidents the flexibility to do this so that classes would not be cancelled.

Regent Howard asked about the services that would be provided for students with these funds. President Harter replied that it equated to \$1.7 million for UNLV which was 800 courses taught by part-time faculty. She related that without those funds 800 courses or approximately 30 full-time faculty would need to be cut. Regent Howard asked about the number of courses taught by full-time faculty. President Harter replied that they mostly taught three classes, which was the policy. Fewer courses are allowed when faculty have administrative responsibilities or are conducting major research. Regent Howard asked why the Board increased student fees to help support student programs and now needed to move General Improvement Fees to help cover more costs. Chancellor Nichols replied that the fee increase was modest this year, with the larger increase coming in the following year. In general, the campuses have budgeted to provide services for students and had discussed the use of General Improvement Fees with the students. She said the institutions were facing difficult choices of which programs and services to offer, adding that it affected everyone. She related that UNLV and CCSN were facing the greatest problem and that this was one method they felt was workable.

Regent Kirkpatrick asked what the General Improvement Fees were allocated to do. He wanted to know what was being sacrificed in order for UNLV to hire the part-time faculty for the 800 courses. President Harter replied that UNLV was taking a \$9 million cut. She noted that UNLV also has the largest FTE enrollment growth at 9%. She related that UNLV has the largest number of additional expenses (i.e., \$1.8 million in unfunded utility costs). She referred to the budget material indicating a 9.36% cut in UNLV's budget. She said that the only way that UNLV could teach the additional students would be to move money around to provide classes. UNLV is requesting that, for one year only, they be allowed to use only the additional Capital Improvement Fees provided by those students (foregoing normal capital renovations) and General Improvement Fees (foregoing technology and library additions) to teach the additional 9% students.

Regent Sisolak asked whether these were the same kinds of fees that had been diverted at UNR for the Fire Science Academy. President Harter replied that they were the same fees but would be used for different purposes. Regent Sisolak asked how UNR would handle their additional students. President Lilley replied that UNR had no funds to divert. Regent Sisolak established that UNLV and CCSN were making the request. He asked whether student input had been sought. President Harter replied that discussion was held between Vice President Mills and the student government leadership. President Harter related that student leadership was aware of the institution's need and was supportive of this measure.

Regent Alden reiterated that the System's mission was to educate, be accountable, and provide access. He feared that student fees would be used to address one problem but would leave another one unaddressed. He suggested that those administrators earning \$100,000 could take a 7% salary cut to help solve the problem. He said the Board must take care of the students. He noted that with capped enrollments it would be difficult for the universities to honor the commitments to the students. He felt that the state college and community colleges could service the students at a lower cost. He indicated that he would not support the motion. He said that students and part-time faculty pay were his priorities.

Ms. Monica Moradkhan, Student Body President-UNLV, reported that the issue was discussed with student leadership, adding that the students fully endorsed it. She related that it would be a detriment to the student body if classes were cut.

Chair Seastrand asked whether special reporting would be provided on the use of these funds. Chancellor Nichols replied that it would come forward as part of the normal budget reporting process. No special reports were anticipated. Chair Seastrand supported the motion, adding that without this measure they would be turning students away. He related that most

presidential and administrative salaries were covered by contracts that the Board could not alter. He indicated that only individuals willing to volunteer their salary could be considered.

Regent Kirkpatrick clarified that this measure would divert money for only one year and asked why Regent Alden was opposed to it. Regent Alden replied that he wanted the savings taken from another source.

Regent Sisolak asked Regent Alden how his opposition would be supportive of the students if the courses could not be offered. Regent Alden felt there was an alternative measure that could be employed. He cautioned there would come a time when there might be no student fees or General Improvement Fees would be available to call upon. He felt that administrative costs should be reduced.

Regent Howard asked whether the measure applied to UNLV or all of the institutions. Chancellor Nichols clarified that this action would give all campuses the ability to do this if they had to. The only two requests thus far have come from CCSN and UNLV. She related there were many uncertainties in the future (i.e., legislative assistance with increased health care costs). She stated that it would be applicable to this year only should the need arise.

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

**9. Approved-Chancellor Evaluation Committee Recommendations and Report** - Chair Douglas Seastrand reported the ad hoc Chancellor Evaluation Committee met by videoconference on September 27, 2002. A lively discussion was held on the process used to evaluate the Chancellor. The Committee reviewed previous evaluation processes and determined that it was appropriate to hire a consultant for the periodic evaluation for the Chancellor as is done for presidential periodic evaluations. They also agreed that the evaluation should be completed by the end of January. The Chancellor has submitted her self-evaluation that will be utilized in her evaluation. Committee members asked that they be contacted by telephone to provide their views on the process and then a joint teleconference with the consultant will be held to review the consultant's recommendations. Chair Seastrand requested Board action on the following Committee recommendations:

- Hire a consultant to conduct the evaluation, not to exceed \$12,000 including expenses.
- Completion of the evaluation by the end of January.

Regent Alden moved approval of the Committee recommendations and Kirkpatrick seconded.

Regent Alden asked about using a two-step process where the consultant finalizes a report and meets with Board members only, and in a separate meeting meets with the person being evaluated. Chair Seastrand agreed that it had been discussed, adding that Board approval was sought for the ability to hire a consultant. Regent Alden implored the Committee to consider the two-step process.

Regent Derby commended the Committee for choosing to hire a consultant. She related that it was an important process and feedback opportunity which needs to be managed carefully and appropriately. She felt that a skilled professional was required for this process. She asked why the Committee chose to complete the process by the end of January, adding that the new Regents arriving in January would participate in the vote without spending any time with the Chancellor. She said that the Board had never used a two-step evaluation process before and questioned the value of that process. She noted that it would depart from past practices and the practices of other boards. Chair Seastrand replied that January was selected when the Committee realized there would be an early December Board meeting and AGB indicated that the consultant would require more time. He said that he would take Regent Derby's comments regarding the two-step process back to the Committee for discussion.

Regent Hill recalled that the two-step process had been discussed but no final decision was made. Chair Seastrand stated that the Committee had not finalized the process because they wanted to wait for the consultant's input.

Motion carried.

**10. Approved-Board Orientation Committee Recommendations and Report** - Chair Howard Rosenberg reported the Board Orientation Committee met October 3, 2002 to discuss orientation possibilities for the new Regents who will be joining the Board in January 2003. Among the items discussed were a review of the existing practices and materials, such as the orientation manual, which has been used in such orientations in the past. In reviewing the present manual, Committee members determined that three new sections should be added: a section on ethics, a section containing information on each of the eight institutions comprising the UCCSN, and a section on Board resources such as the Handbook, office library materials, and the website. The Committee also discussed the role of a Regent and agreed to contact each of the Regent candidates asking them to hold November 20th from 9:00 a.m. through 3:00 p.m. for an orientation meeting should he/she be elected. It was agreed that all Regents would be invited to attend, but are particularly asked to arrange their schedules to enable them to have lunch with their new colleagues. The Committee is also requesting institution presidents to work together in scheduling campus visits for the newly elected Regents. It was further decided to plan a dinner meeting for March 27, 2003 in conjunction with the March Board of Regents' meeting, which would be a follow-up opportunity for new Regents

to develop a shared understanding of the role of Regent, particularly since they will have had the opportunity to develop a context for discussion. Regent Rosenberg requested Board action on the following Committee recommendations:

- An updating and expansion of the orientation manual.
- An orientation workshop to be held in the Las Vegas System office on November 20, 2002.
- A Regent dinner on March 27, 2003 in conjunction with the March Board of Regents' meeting.

Regent Rosenberg moved approval of the Committee recommendations and acceptance of the report. Regent Howard seconded.

Regent Alden asked whether the submission of proper documentation for travel or host expenses was discussed. Regent Rosenberg replied that it had been discussed.

Regent Sisolak felt that meeting with Chief Administrative Officer Suzanne Ernst would be most productive for new people. He asked whether the lunch and dinner gatherings would be considered a meeting with a quorum of Regents present. General Counsel Ray replied that it would depend upon what was discussed. A social function is permitted by the Open Meeting Law, but Regents could not discuss business or matters that would come before the Board for action. Chair Seastrand observed they could discuss the role and responsibilities of a Regent. Regent Sisolak stated that he did not want it to appear that the Board was holding a secret meeting.

Motion carried.

**11. Approved-Committee on Distinguished Nevadan Awards Recommendations and Report** - Chair Jill Derby reported the ad hoc Committee on Distinguished Nevadan Awards met October 8, 2002. Committee members reviewed the present procedures and guidelines for the Distinguished Nevadan awards. Comments from various Regents and presidents were shared. She thanked those who submitted ideas for consideration. The Committee discussed the work done previously by a similar committee in 1998. A lengthy discussion followed with several options being discussed, including an attempt to amend the Open Meeting Law. The Committee decided that major changes were not necessary but a paper clarifying guidelines and procedures should be prepared. Nominations are required by December 31st. Regent Derby requested Board action on the following Committee recommendation:

Institute a Statement of Principles concerning the Distinguished Nevadan awards.

Regent Derby moved approval of the Committee recommendation and acceptance of the report. Regent Gallagher seconded.

Regent Kirkpatrick asked about desired changes prevented by the Open Meeting Law and other legal constraints. Regent Derby replied that one of the concerns expressed was the embarrassing situation created when nominees are notified but not selected as successful recipients. The Committee even considered limiting the number of nominations. She noted that Regent Hobbs observed that being nominated for this prestigious award was an honor in itself. It was decided that it was not possible to amend the law and that any attempts would be disadvantageous for the System. The Committee agreed to remain with the process in place, where the Board carefully deliberates to select the most deserving nominees. Regent Derby said that the Committee was unable to find answers to all of the concerns raised. The award is usually presented at commencement, providing the appearance that it is an institutional award rather than a Regents' award. The Committee decided to institute a Statement of Principles clarifying and supporting the process within the existing constraints.

Motion carried.

**12. Accepted-CCSN Organizational Advisory Committee Report** - Regent Thalia Dondero, chair of the CCSN Organizational Advisory Committee, and Chancellor Jane Nichols presented the final report of the Advisory Committee. The Board was asked to approve the report for transmittal to the Nevada Legislature in compliance with AB454. (Ref. B on file in the Board office).

Regent Dondero thanked Committee participants for their input, adding that their diligent efforts were gratefully appreciated.

Chancellor Nichols reported that the Nevada Legislature passed AB454 during the 2001 session, requiring community colleges of a specific size to review their administrative structure. The question of whether to divide CCSN into separate colleges was also reviewed. Former Board Chair Thalia Dondero appointed a 17-member citizens' advisory group in August 2001. The Committee met from September 2001 through June 2002 and reviewed extensive CCSN campus data and national data on community colleges and selected an external consultant to assist with the study. The consultant visited CCSN campuses monthly between January and April 2002 to conduct field interviews and focus groups with a wide variety of constituents. The consultant collected and analyzed institutional data and researched eleven comprehensive community districts. The consultant also analyzed market competition, enrollment and demographic projections, academic programs, and workforce growth patterns and conducted cost-benefit analyses. The preliminary report was presented to the citizens' advisory committee in April 2002 with the final report released in June 2002.



## Summary of Consultant's Findings:

- CCSN should remain intact as one institution, with the issue revisited in 7-8 years.
- CCSN needs a uniform organizational and management structure college-wide.
- Strong, unified leadership at each campus is needed.
- On site Chief Campus Administrator on each campus.
- Major realignment of senior staff positions is recommended. Most critical new positions needed:
- Chief Operating Officer.
- Vice President for Information Technology.
- Vice President for Development.
- Create a College Services Division to administer a broad range of service functions, reporting to the Chief Operating Officer.
- Amend title and responsibilities of the Vice President for Academic Affairs.
- Develop consistent job descriptions, titles, and responsibilities for all positions.
- Review Dean-Department Chair model for consistency and efficiencies.
- Review size of academic departments for consistency and efficiencies.
- Review advising and orientation functions.
- Improve faculty input into academic policy-making.
- Study course scheduling, advising, and space allocation among CCSN's three campuses.

Chancellor Nichols reported that, simultaneously, President Remington appointed four internal faculty and staff committees to review organizational and communication structures in each major administrative unit: Academic Affairs, Student Services, Finance & Administration, and Instructional Technology. Those committees met from January to May 2002 and provided broad input from all CCSN constituencies. They presented a report to the president in June 2002. The findings of the internal committees were consistent with the external consultants' recommendations:

- The area of technology needs immediate attention.
- Job descriptions, titles, and responsibilities need to be made consistent college-wide.
- Hiring and promotion policies must be consistent and enforced.
- Communication needs improvement.
- On-going strategic planning efforts need to be initiated.
- Faculty and staff need to be kept informed of organizational changes and timeline.
- Changes must be accomplished with consistency across all units and campuses.

Chancellor Nichols reported that the citizens' advisory committee reviewed and discussed the consultant's report and agreed to include a summary of the internal committees' findings in its report along with the consultant's findings. They agreed upon the final recommendations to bring forward to the Board and determined that the recommendations should be implemented over time.

## Citizens' Advisory Committee Recommendations:

- The committee endorsed the finding that CCSN should remain intact at this time.
- The committee endorsed organizational and staffing changes in every administrative area. Specific changes should be left to the president's discretion. First priority should be a Chief Technology Officer and a Vice President for Development.
- The committee recommended and endorsed the internal reorganization efforts and recommended that they continue.
- The committee recommended that the college prioritize the consultant's findings and determine a general timeline for implementation.
- The committee encouraged reorganization by means of efficiencies and savings rather than simply creating new structures.
- The committee endorsed a System-wide study of Business Center South and Business Center North to look at present structure, services, and future efficiencies.
- The committee endorsed a strong system of community advisory boards for CCSN. These boards should be visible and active in their respective communities.

Chancellor Nichols stated that she was aware of issues related to BCS and BCN and their service to the institutions, adding that System Administration would undertake a study. She related that the budget request would significantly enhance BCS' budget in particular in light of the tremendous growth in students, employment, and the services provided by the Business Centers.

## Follow-Up Work:

- The college should prepare an implementation plan by Spring 2003, including costs associated with taking actions incrementally.

- President Remington should bring to the Board of Regents by Spring 2003 a plan for revising CCSN's organizational structure.

Chancellor Nichols stated that Board action was requested on the following items:

- Approved the advisory committee's final report for transmittal to the Nevada Legislature as required by AB454.
- Endorse the recommendations of the citizens' advisory committee.
- Direct CCSN and President Remington to complete the recommended follow-up work.

Regent Dondero moved approval of following those instructions and transmitting the report to the Nevada State Legislature. Regent Alden seconded.

Regent Alden complimented the faculty and support staff at CCSN for the incredible job they have done. He observed that the cost-per-student was one of the lowest in the System. He stated that CCSN's budget was really stressed.

President Remington thanked the Regents who participated in the review. He particularly enjoyed their comments regarding CCSN's efficiency regarding dollars-per-student and the funding compared with other institutions across the nation. He was delighted that the internal committees' and consultant's recommendations were so similar. He said that he has interim appointments in place while searches are conducted to fill the key positions. He said that it would be difficult for the college to complete the tasks given the budget constraints. He observed that CCSN has basically the same management structure as the other System community colleges in the state. He noted that CCSN has three different campuses, with three different cultures serving different communities in the valley. He said that management was hard-pressed, adding that CCSN has very fine people doing a very good job.

Chair Seastrand thanked Regent Dondero and Chancellor Nichols for a good report.

Motion carried.

**13. Approved-Consent Agenda** – The Board approved the Consent Agenda with the exception of items #3 (Trade-Out Policy, TMCC), #5 (Grant of Easement, Water Meter Service, UNR), and #11 (P-16 Council Membership) which were approved separately.

(1) Approved-Minutes – The Board approved the minutes from the regular meeting held August 15-16, 2002.

(2) Approved-Handbook Amendment, ASUN Constitution, UNR – The Board approved revisions to the UNR ASUN Constitution. (Ref. C-2 on file in the Board office).

(4) Approved-Public Access and Slope Easement, DRI – The Board approved President Stephen Wells' request for a Grant of Public Access and Slope Easement for the City of Reno. This easement was requested in connection with the construction of the Washoe County Public Safety Training Facility. (Ref. C-4 on file in the Board office).

(6) Approved-Grant of Easement, Utility Facilities, UNR – The Board approved President John Lilley's request for a Grant of Easement for utility facilities between the Board of Regents of the University and Community College System of Nevada (Grantor), and Sierra Pacific Power Company (Grantee) at the following locations in Reno, Nevada:

11th Street and North Sierra Street. (Ref. C-6a on file in the Board office).

17th Street and North Virginia Street. (Ref. C-6b on file in the Board office).

(7) Approved-Appointment With Tenure, UNLV – The Board approved President Carol Harter's recommendation for tenure upon hire for Dr. Michael Kroelinger, Full Professor and Director of the School of Architecture in the College of Fine Arts, effective January 1, 2003. The faculty of the School of Architecture unanimously recommended the appointment with tenure. (Ref. C-7 on file in the Board office).

(8) Approved-Rehire of P.E.R.S. Retiree, UNLV – Due to the finding of a critical labor shortage in a particular job position, the Board approved President Carol Harter's request to rehire Marjorie K. Meckes-Conner to work on a grant awarded to the UNLV Department of Curriculum & Instruction. Ms. Meckes-Conner was named for this position in the original grant proposal. (Ref. C-8 on file in the Board office).

(9) Approved-Honorary Doctorates, UNLV – The Board approved President Carol Harter's request to bestow the following honorary doctorates at its 2002 Winter Commencement ceremony:

- The posthumous honorary Doctor of Laws upon former UNLV president Roman Joseph Zorn. (Ref. C-9a on file in the Board office).
- The honorary Doctor of Humane Letters upon writer John Irving. UNLV requests permission to bestow the degree at the conclusion of his Barrick Lecture on November 2, 2002. (Ref. C-9b on file in the Board office).

(10) Approved-Naming of Buildings, GBC – The Board approved President Paul Killpatrick’s request to name the following buildings in honor of individuals who have shown extraordinary support to Great Basin College (Title IV, Chapter 10, Section 22(3)). (Ref. C-10 on file in the Board office).

- Elizabeth “Beth” Griswold Hall – 701 Walnut.
- Newmont Mining Corporation Newmont Hall – 12-unit apartment building on College Avenue.
- Placer Dome Cortez Hall – 6-unit building on Walnut Street (married student housing).
- Theodore Laibly Hall – 6-unit building on Walnut Street (married student housing).

Regent Dondero moved approval of the Consent Agenda with the exception of items #3 (Trade-Out Policy, TMCC), #5 (Grant of Easement, Water Meter Service, UNR), and #11 (P-16 Council Membership). Regent Gallagher seconded. Motion carried. Regent Rosenberg abstained.

(3) Approved-Trade-Out Policy, TMCC - In accordance with the provisions of the new UCCSN trade-out policy, which was approved at the August Board meeting, the Board approved President Philip Ringle’s request for an institutional trade-out policy for Truckee Meadows Community College. The policy had been reviewed by UCCSN legal counsel. (Ref. C-3 on file in the Board office).

President Ringle stated that the wrong Internal Revenue Service code had been referenced and asked that it be deleted from item #13 of Reference C-3. General Counsel Ray stated that it was a typographical error and recommended that the IRS code be eliminated.

Regent Kirkpatrick moved approval of the trade-out policy for TMCC as amended. Regent Hill seconded. Motion carried. Regent Rosenberg abstained.

(5) Approved-Grant of Easement, Water Meter Service, UNR – The Board approved President John Lilley’s request for a Grant of Easement between the Board of Regents of the University and Community College System of Nevada (Grantor) and Truckee Meadows Water Authority (Grantee) for a permanent and non-exclusive easement of approximately 7.5 feet for a water meter. (Ref. C-5 on file in the Board office).

Regent Sisolak asked why the easement was non-exclusive. Mr. Ron Zurek, Special Assistant to the President for Business and Finance-UNR, replied that the request concerned a water meter being installed at the south end of the campus. He explained there were several utilities: the power company and the water authority. The request was to grant access to several parties instead of just one exclusively. Regent Sisolak thought that a non-exclusive agreement meant that it was exclusive to everyone. Regent Hill disagreed. General Counsel Ray replied that it would only extend to the parties named in the agreement. General Counsel Ray deferred to Regent Hill. Regent Hill explained that the agreement would allow multiple parties to have access to the property. Regent Sisolak asked whether a subsequent easement would require Board approval. Regent Hill replied that it would. Regent Sisolak expressed concern for another party using the property for a billboard with no payment for the campus. General Counsel Ray stated that the easement only applied to the contracting parties.

Regent Gallagher moved approval of the grant of easement for water service for UNR. Regent Hill seconded. Motion carried. Regent Rosenberg abstained.

(11) Approved-P-16 Council Membership – The Board confirmed the final membership categories for the statewide P-16 Council previously considered by the Board at its August 2002 meeting. This request was a follow-up to action taken by the State Board of Education to add one representative from a local school board. (Ref. C-11 on file in the board office).

Chancellor Nichols reported additional names that were not part of the original packet mailed. An updated membership list was provided for Board members. Only one name was missing to complete the Council membership. NSEA member Terry Hickman was added at the request of the State Board of Education, representing teachers in K-12. Curt Chapman was added at the request of the Nevada Association of School Board Members. UCCSN students requested the addition of Ms. Alicia Lerud.

Regent Alden moved approval of the P-16 Council membership. Regent Hobbs seconded. Motion carried. Regent Rosenberg abstained.

The meeting recessed at 3:50 p.m. and reconvened at 4:05 p.m. with all members present.

**14. Approved-Handbook Amendment, Regents’ Bylaws, Election of Officers** – The Board approved the second hearing of a request to adopt an amendment to the Board of Regents’ Bylaws (Title I, Article V, Section 2) regarding the election of officers. (Ref. C on file in the Board office).

General Counsel Ray reported that this section should have been amended when the terms for Board officers were changed from two years to one.

Regent Kirkpatrick moved approval of the Handbook amendment concerning election of officers. Regent Gallagher seconded. Motion carried.

**15. Approved-Handbook Amendment, Regents' Bylaws, Standing Committees** – The Board approved the second hearing of a request to approve an amendment to the Board of Regents' Bylaws (Title I, Article VI, Section 3a, c, and e) to eliminate the Campus Environment Committee and to distribute the duties to other standing committees and to the full Board. (Ref. D on file in the Board office).

Chair Seastrand reported that this amendment would eliminate the Campus Environment Committee and reassign the Committee's duties to other standing committees.

Regent Gallagher moved approval of the Handbook amendment concerning standing committees. Regent Derby seconded.

Regent Howard asked why the Committee was being eliminated, adding that she was most interested in diversity and women's issues. She asked which duties were moved to which Committee. Chair Seastrand explained that the reference material itemized those duties. He recalled Regent Derby's statement from the previous meeting, adding that important pieces of work were transferred to the other committees. He agreed that the Board did not want to lose sight of those items. He asked Regent Derby to revisit her comments. Regent Howard said that she did not want to hear the history, but simply which committees would address those issues. Chair Seastrand replied that those issues had been moved to the Academic, Research and Student Affairs Committee. He related that each charge of the Campus Environment Committee had been moved to another committee or would be brought before the full Board.

Regent Derby stated that the Campus Environment Committee was established to address concerns regarding diversity, ethnic minorities, and women due to assessment results at the time indicating that the UCCSN did not measure up. She related that the institutions made great progress, adding that the Committee received a yearly diversity report that had been very useful. She felt that it was important to not lose the focus and strong commitment to that effort. She has asked that the ARSA Committee have more time to address these important issues. She suggested trying it to see how it works. She said that it had always been important for her that the Board not lose its commitment to advancement in those areas.

Regent Dondero expressed concern that ARSA agendas were already so full that women's issues and diversity might be overlooked. Regent Derby assured her that the Committee would address those items while she was chair of that committee. Chair Seastrand related that the Board was attempting to reduce the number of committees in an attempt to be more efficient, adding that the current scenario allowed all Regents to attend the Finance & Planning Committee meetings.

Regent Rosenberg noted that the campuses viewed the CEC as very important, providing their voice. If it were found that it was too much material for the ARSA Committee to address, he asked that the CEC be reestablished.

Regent Kirkpatrick observed a disadvantage with the Board's committee structure. When a Regent does not participate on a particular committee, they often do not have any idea of what is going on, which could be detrimental to the Regent. Chair Seastrand said that his reasoning for eliminating the Committee was to provide additional time for Regents to attend the Finance & Planning Committee meetings.

Regent Alden suggested maintaining a standing item on the ARSA agenda for continued follow-up on those issues.

Regent Howard said that she feared that those two issues would be lost by including them on a committee already overloaded with issues. She expressed a desire for considering other options. She said that she would prefer allowing those issues to be discussed in other committees. Chair Seastrand said that those issues could also be brought before the full Board, adding that staff did a good job deciding which items were assigned to which committee.

Regent Dondero asked which committee would discuss safety issues. Chancellor Nichols replied that it was going to the Finance & Planning Committee.

Motion carried.

**16. Approved-Handbook Amendment, Nepotism Policy** - General Counsel Tom Ray presented a summary of Nevada law and regulations on nepotism. The Board approved his request for an amendment to the Board Handbook (Title IV, Chapter 3, Section 5) to establish a UCCSN nepotism policy. This included a discussion of examples of current employment practices at the UCCSN institutions. (Ref. E on file in the Board office).

General Counsel Ray explained that this item originated in a recent Audit Committee meeting. He reported that nepotism was governed by two separate issues:

- What does the law provide in this area?
- Are there any regulatory or policy constraints on nepotism?

Nevada Revised Statute 281.210 provides that the appointing authority of a public entity cannot hire a relative within the 3rd degree of consanguinity. Appointing authorities (i.e., presidents or Chancellor) could not hire a relative at their institution or the System office. Violations constitute a gross misdemeanor. The statute does not address circumstances where persons other than the appointing authority could hire or work with a relative within the same chain of supervision within an institution. The law does not prohibit such action, but it is addressed in the Nevada Administrative Code, which applies to classified employees. It is also addressed in the Board Handbook. Under the NAC, a classified employee could not be hired in a position where there is a direct line of supervision with a relative. The NAC allows for an exception. Written approval is required from the agency head coupled with appropriate documentation for addressing and minimizing any potential conflicts in the supervisory chain. Current Board policy does not provide for any constraints upon nepotism at this time. The proposed policy would adopt the NAC and apply it to professional staff, which would prohibit relatives from supervising relatives. It would also provide an exception similar to the NAC's. The president could approve a circumstance in writing with written documentation setting forth steps taken to minimize any potential conflicts of interest. This matter was brought to the Board's attention when discussing coaches' contracts. In response to Regent Hill's questions, it was shown that the employment relationship was structured in a manner to address these issues. State law was inapplicable because the coaches were not relatives of the institution president. The NAC did not apply because they were not classified employees and current Board policy allowed the employment relationship. Due to these concerns, the contracts specifically structured the employment relationship to make it clear that all personnel decisions (i.e., promotions, merit, salary, discipline, hiring, firing, etc.) must follow a specific chain of command:

- The Assistant Athletic Director.
- The Athletic Director.
- The President.

General Counsel Ray related that policy could not eliminate one coach telling an assistant coach what to do, but they would have no input to personnel-related decisions. He noted that one aspect of the proposed policy regarded the employment of a Regent's relative, which would require Board approval. The new policy would not apply to existing employees.

Regent Kirkpatrick moved approval of the Handbook amendment concerning a nepotism policy. Regent Rosenberg seconded.

Regent Gallagher was glad to see this issue clarified, adding that many applications were received from professional couples. She felt that such employment was appropriate so long as one partner did not directly report to the other.

Regent Derby commended the staff for good work. She expressed concern regarding Board approval of the hiring of Regent relatives. She said that it seemed odd that other factors, besides a person's fit for the position, would be considered.

Regent Gallagher observed that bringing such items before the Board would address the public perception that an employee had been hired because they were related to a Board member.

Regent Kirkpatrick said that he appreciated the effort and felt it had long been needed. He felt it would protect Board members and presidents. He felt that it was necessary to include the provision regarding Regents' relatives so no one would pressure the presidents to hire someone.

Regent Alden stated that a fair and adequate hiring process was necessary regardless of the relationship of the intended employee.

Regent Hill felt it was a good policy, adding that he agreed with requiring Board approval for the hiring of a Regent's relative. He was troubled that the System stance was that the head coach does not hire the assistant coaches and defied the spirit of the law. He said that he was more concerned about the proposed policy's applicability to existing faculty members. He observed that issues regarding faculty hiring, evaluations, and disciplinary matters in an academic area could be handled in a different manner from a coaching context. He indicated his support for the policy, adding that he still had great concerns about the reality of the situation.

General Counsel Ray observed that Deputy to the Chancellor, Ms. Nancy Flagg, helped develop the policy as well.

Regent Sisolak observed that the requirement for Board approval of hiring a Regent's relative removed the presidents from potential difficult situations. He asked whether nepotism was presently a problem (i.e., relatives of regents). General Counsel Ray replied that he did not know. If there are presently, the new policy would not affect them.

President Romesburg stated that inclusion of the requirement (Board approval of Regent relatives) would necessitate a revision to existing employment documents. A question will need to be added asking each individual whether they are related to a Regent with an explanation of the relationship.

Chair Seastrand asked whether current applications included that question. The presidents replied that the forms would need to be modified.

Motion carried.

**17. Approved-Handbook Amendment, Classified Staff** – The Board approved the UCCSN Human Resource Advisory Committee's recommendation for a Handbook amendment (Title IV, Chapter 6) regarding classified staff. In accordance with a recommendation from the state Department of Personnel that the UCCSN should have a written policy permitting monetary awards for recognition of outstanding service by UCCSN classified staff. Such awards have routinely been provided by the institutions to members of the classified staff but have not been governed by formal policy. (Ref. F on file in the Board office)

Deputy to the Chancellor, Ms. Nancy Flagg, reported that the amendment represented a cleanup of the Regents' Handbook which was prompted by an internal inquiry regarding the policy governing monetary awards for classified staff. She indicated that the Nevada Administrative Code was silent on this issue. Staff recommended language permitting monetary awards as long as state appropriated funds were not used. Historically, these kinds of awards are presented to classified staff for outstanding service. Ms. Flagg related that Handbook language had been clarified with the process.

Regent Rosenberg moved approval of the Handbook amendment concerning classified staff. Regent Kirkpatrick seconded. Motion carried.

**18. Denied-Handbook Amendment, Student Directory Information** – The Board denied Chancellor Jane Nichols' request for an amendment to the Board Handbook (Title IV, Chapter 1, Section 22.3) regarding disclosure of student directory information. (Ref. G on file in the Board office).

Chancellor Nichols reported that, when the Board passed policy on this issue, questions were raised about allowing students to opt-out for commercial purposes only. The proposed policy would allow students two options:

- Opt-out of everything.
- Opt-out only for commercial purposes as defined by the proposed policy.  
The use of directory information by a person, corporation, or business outside of the UCCSN to solicit or provide facilities, goods, or services in exchange for payment of a purchase price, fee, contribution, donation, or other object having value.

Chancellor Nichols recalled there were questions raised about the Student Information System's ability to support two options. She related that it appeared the SIS could handle it, though it would require significant work by the campuses to introduce a new data element. She stated that Vice Chancellor Weddle had informed her that these two choices would also be available online for fall registration.

Regent Hill moved approval of the Handbook amendment concerning student directory information. Regent Gallagher seconded.

Regent Rosenberg asked whether the change would affect the current configuration of the SIS. Chancellor Nichols replied that it would not.

Regent Kirkpatrick asked whether those individuals who had expressed concern at a previous meeting were satisfied with this change. Chancellor Nichols replied that the ACLU would prefer that UCCSN allow students to opt-in. UCCSN finds that solution untenable. She said that it did address the concerns of several community people and legislators.

Regent Sisolak recalled the importance for students receiving information regarding the health insurance bridge between graduation and formal employment. He asked whether students would understand the options provided. Chancellor Nichols replied that the difficulty lay in determining whether students fully understand what they are doing and the corresponding consequences. She related that if students opt-out for commercial purposes they would not receive information about the availability of postgraduate insurance, nor would they receive information regarding undergraduate student insurance at UNR. Regent Sisolak asked whether a note about the health insurance could be included in the catalog (where student directory information is addressed). He felt the insurance was a major issue for the students. Chair Seastrand suggested an explanation that, if they check the box, this type of information will not be made available to the student. Regent Sisolak agreed, adding that a campus contact name could also be provided. He wanted to ensure that students know the bridge coverage was available. He felt that health insurance was different from the solicitation for phone cards, credit cards, airline deals, etc. President Harter noted that other worthy outcomes resulted from sharing student directory information such as membership to honor societies. She said there were several things that fell in this category that would be hurtful for students to miss. Chair Seastrand said that he was fairly confident that the presidents would not want students to check the box in order to allow students more options. He felt the presidents would do what was necessary to ensure the students were well informed. He did not think the Board should require specific language in the institution catalogs.

Chancellor Nichols observed that there would be little room for explanatory language with the online process. She suggested excluding health insurance from commercial purposes. President Lilley suggested not putting the option online, thereby making it less easy to make a mistake.

Regent Rosenberg recalled Regent Hobbs' previous observation about the personal responsibility of the student. He felt the proposed policy would cause more trouble than good because students would lose necessary options.

Regent Howard expressed concern regarding the solicitation of credit card companies, adding that she receives at least three solicitations per week. She asked whether other Regents received solicitations. Regent Sisolak replied that he receives at least 10/week. Regent Derby stated that she receives 3/day. Chair Seastrand observed that there were many places from which they could have gotten her name besides student directory information. Regent Howard asked whether UCCSN had worked out their differences with the ACLU. Chancellor Nichols replied that she had spoken with them and that they had agreed to disagree. She explained that the ACLU preferred an opt-in policy, which was not workable nor in the best interest of the students.

Regent Derby said that she was reluctant to vote for the policy. She felt the Board reacted to misinformed publicity that did not take all factors into consideration. She appreciated the effort made for compromise, but was worried that students would opt-out unaware of the harmful consequences.

Chair Seastrand stated that, currently, students must select from one box with no information. He felt that this policy provided options.

Regent Hill suggested a friendly amendment to include the words "except for insurance". Regent Gallagher accepted.

Regent Hill urged the Board to take action on the matter as a concession to the brevity of life, adding that the proposal was an improvement. He observed that the students were 18, able to vote, could be killed in wars, adding that the Board could not protect them from everything.

Regent Sisolak requested clarification between the three options (the former policy, the policy adopted in the Spring, and the proposed changes). Chancellor Nichols replied that the policy passed in the Spring provided for clear disclosure to students of their options, an explanation of what student directory information consisted of, and specified a page number where the explanation was published. Then the Board provided a means for students to opt-out where their names would not be included in student directory information. She explained that the action taken moved the explanation to a more prominent place, provided a longer period for students to opt out, and clarified that student directory information could not be sold or rented for a fee. She did not believe the UCCSN had a problem with credit cards. Student lists are not sold and the activities that campuses are engaged in protect student identity and information (with the exception of a contract at CCSN in the process of being vacated). The matter currently before the Board provides students two choices for opting out. Should a student opt-out for commercial purposes, they would still receive health insurance information.

Regent Alden asked whether other boards across the country addressed this issue by setting policy or whether those campuses set their own policies. General Counsel Ray replied that issues regarding student directory information were controlled by FERPA. He said that it was typical for institution handbooks to have that information. He was unsure about policies limiting the use for commercial purposes. Regent Alden asked whether other governing boards were involved in policy decisions regarding disclosure of student directory information. He asked whether the individual campus presidents should be making this decision. General Counsel Ray replied that this was an appropriate function for the Board to consider.

Regent Howard asked whether standard language had been developed for each campus directory. Chancellor Nichols replied that it had been. The policy passed by the Board in the Spring included a privacy statement that must appear in bold face type in a box on the form used by students for requesting nondisclosure of student directory information. Additional clarifying language may be added to the statement by the institution. The annual notification and form must be published within the first five pages of the catalog and each class schedule. The campuses have the ability to define what information is included in the student directory.

Regent Rosenberg observed that the Board was most concerned with selling or renting the information, which had been addressed. He felt that any further steps constituted censorship, adding that students were adults and should not be censored.

Regent Gallagher agreed with Regent Rosenberg. She felt the Board reacted to the sale of student names to credit card companies. She suggested that UCCSN was supposed to be raising adults in their institutions and asked what students would do when they enter the real world. She felt the matter had been blown out of proportion.

Regent Derby asked whether the presidents wanted to address the matter. President Harter stated that she did not think that any of this was a good idea and that it should stop. She felt the Board had done plenty to protect the students. Chair Seastrand asked about the notification of health insurance and students opting out of everything. President Harter replied that there were many items the students would forfeit by checking the box. She felt that creating a list of possible exceptions was not viable. Regent Derby asked whether the proposal was an improvement over current policy. Chancellor Nichols replied that there were two sides to the issue. She felt that more students would opt-out by adding the proposed policy because more students would think it made sense to opt-out for commercial purposes. With the present policy, there will be many students who will opt-out of everything simply because they want to opt-out for commercial purposes. She said

that it was unknown how students would respond to the change. She recommended that, if the Board had misgivings, they leave the policy unchanged and staff could bring forward data regarding the number of students opting out. Regent Hill observed that, currently, students opt-out of everything. Chancellor Nichols replied that their names would still be included on the graduation program. Regent Hill stated that it would still prevent them from receiving information regarding scholarships, honor societies, etc. He felt that the proposed policy was an improvement.

Regent Hobbs asked whether students had the opportunity to opt-out every semester. Chancellor Nichols replied that students could change their opt-out status. She related that students who opt-out would also not receive information from the alumni association following graduation. Regent Hobbs asked whether the offer for postgraduate insurance was for students who no longer qualified for their parents' insurance. Regent Sisolak replied that a policy was offered to graduates to bridge the gap between graduation and formal employment. President Harter stated that UNLV's alumni association provided that information to the graduates. Regent Hobbs observed that students could opt back in prior to graduation for insurance purposes. She asked what prevented the health insurance companies from selling students' names. Regent Sisolak replied that provision of the names was restricted to health insurance purposes only and that they did not own the names for resale.

President Lilley stated that he also did not favor the policy. He felt the Chancellor brought the matter forward based on erroneous information (the belief that names were sold) and the feeling that existing policy was not sufficiently restrictive. He cautioned that the legislature could take further action in the spirit of restricting the sale of names, which was not a current practice.

Regent Alden asked whether existing or proposed policy affected the alumni associations. Chancellor Nichols replied that both policies affected the alumni associations. Regent Alden felt the Board was going too far and indicated his opposition to the motion.

Regent Derby established that the Chancellor believed that more students would opt-out with the proposed policy. Chancellor Nichols agreed.

Chair Seastrand clarified that the Board would be voting on the motion with the friendly amendment to exclude health care information. Regent Hill clarified that students would be able to opt-out for commercial purposes with the exception of health insurance or opt-out of everything. Currently, they can only opt-out of everything.

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

Regent Gallagher felt there must be a better way of notifying students about the consequences for opting out.

The meeting recessed at 5:00 p.m. and reconvened at 8:10 a.m. on Thursday, October 10, with all members present.

**19. Approved-Location of 2003 Board Meetings** – The Board approved the locations for the 2003 Board of Regents' meetings. The dates were previously approved. Normally there is a special one-day meeting in the Spring. If that occurs, it will be held at UNLV. The following locations were suggested for the Board's consideration:

- January 30-31 CCSN Charleston Campus
- March 19-20 WNCC Carson City Campus
- May 8-9 CCSN Henderson Campus
- June 18-19 DRI Reno
- August 14-15 UNR
- October 8-9 NSC
- December 11-12 UNLV

Regent Rosenberg moved approval of the location of the 2003 Board meetings. Regent Gallagher seconded.

Regent Alden suggested that the March and June meetings be held in Las Vegas. He did not favor having a Board meeting in Carson City while the legislature was in session. Regent Alden lamented the cost of Board meetings, adding that soon there would be thirteen Regents traveling to meetings.

Regent Kirkpatrick asked which meetings would be held on Thursday/Friday and Wednesday/Thursday. Chair Seastrand replied that every other meeting would be held on a Thursday/Friday beginning with the first meeting.

Regent Alden requested support for changing some of the meetings to a Las Vegas location. Regent Sisolak agreed that with thirteen Regents, and nine located in Las Vegas, that if there were a cost savings it might be prudent to move one or two meetings to Las Vegas.



Regent Hobbs suggested the need to review the number of people traveling with the Regents and/or the university presidents and determine who really needs to attend. She suggested that this was an opportunity to review the amount of travel costs required. She said that the schedule may not need to be changed, rather reduce the number of administrative staff traveling.

Regent Hill agreed with Regent Hobbs, adding that he had often wondered if more people were present at the meetings than needed to be. He felt it was important for Regents to see the different institutions and facilities even from the limited perspective of a Board meeting. He agreed that reducing the number of people traveling and travel expenses wherever possible was terribly important. He observed that DRI was one of the most enlightening facilities. He suggested leaving the schedule as presented and cutting back on expenses.

Chair Seastrand observed that this item was not intended to encompass the discussion of limiting traveling expenses. He asked the Board to allow him and the Chancellor to review the suggestion. He felt the issue should be considered, adding that meeting structure should also be reviewed. He reminded members that the motion before the Board was to approve the list as presented.

Regent Alden requested a roll call vote.

Regent Derby said that very few states have a statewide board structure for multiple institutions. She related that nearly every other state employed a board for each institution, which saved travel expenses. Nevada has chosen not to utilize that method and recognizes some advantages to having one board for the entire System. She invited members to compare the expense if UCCSN had eight boards instead of one, with eight meetings every six weeks instead of one. She felt the System justified meeting travel with the cost savings realized by employing one Board for the state system of higher education. She agreed with Regent Hill that, if the Board was going to represent eight institutions, it should meet around the state in spite of the expense, adding that she felt that separate boards would be more expensive.

Regent Alden noted for the record that a cost study was performed March 1, 2002 indicating a cost of \$770,000 for Board meetings. He felt the Board should take a hard look at either less meetings or meeting in the south with less people. He indicated his opposition for the motion, adding that it was time to cut costs.

Regent Gallagher stated that it was particularly important for the Board to meet in Carson City, adding that it had been done every other year. The Board uses that opportunity to meet with legislators and hold a reception.

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

**20. Approved-Addition to UCCSN Capital Budget, Fire Flow Pump Station, TMCC/DRI** – In response to a request from the State Public Works Board, the Board approved Presidents Philip Ringle and Stephen Wells' request to add a project to the UCCSN 2003-05 Capital Budget request for a new water pump station. The station will provide the required fire flow to TMCC and DRI that is mandated by the Truckee Meadows Water Authority. This project had originally been the top CIP project for both TMCC and DRI but was removed from consideration when another solution was proposed by the SPWB. That alternative later proved unacceptable. Chancellor Jane Nichols recommended that the pump station be included with the projects currently listed as Priority #1 on the UCCSN Capital Budget. (Ref. H on file in the Board office).

President Ringle reported that when the SPWB reviewed plans for TMCC's new Student Services building the fire marshal determined that the current water flow on the Dandini Campus did not meet the 3,000-gallon/minute standard required by code to assure fire protection. The SPWB placed TMCC's Student Services building project on hold until the water flow issue can be addressed. No new projects on the Dandini hillside will be considered for either DRI or TMCC. The construction of a new pump station was estimated between \$750,000-\$900,000. TMCC and DRI have been in discussions with the SPWB for the past six months trying to resolve this issue as funds were not available to build the pump station. TMCC feels that this item should have been discovered prior to the initial approval of the building project and that funding should have been included in the initial allocation for the building. In an unprecedented move, the SPWB recommended that a new project be placed on the CIP list for the next biennium. They acknowledge their responsibility for not discovering the problem and recommend this proposal. The proposed project will connect the Dandini campus to a new water tank containing one million gallons, which will allow DRI and TMCC to move forward on any construction projects and will allow TMCC's Student Services building to be built.

Regent Derby moved approval of the addition to the UCCSN Capital budget for a fire flow pump station for TMCC and DRI. Regent Gallagher seconded. Motion carried.

**21. Approved-Lease, Keystone Theater, TMCC** – The Board approved President Philip Ringle's request for a 10-year lease of the 8,700-sq. ft. Keystone Theater, 505 Keystone Avenue, Reno, to house TMCC's Performing Arts programs. (Ref. I on file in the Board office).

President Ringle requested a long-term lease of the 8,700-sq. ft. Keystone Theater. Located near the center of Reno, it provides ample parking, space for offices and storage, and high visibility for TMCC performing arts programs. There is

insufficient space on campus to accommodate the theater, dance and music programs. Currently, the performing arts group services hundreds of students in the theater and music programs. In the last year student FTE has grown approximately 43% in theater and 20% in music. Last Fall the theater program served 185 students, the music program served 306 students. Even more students have enrolled this year, with 370 students enrolled in the music program. Student FTE in all performing arts programs is growing steadily. TMCC offers associate of arts degrees and certificates of achievement in those programs. Current space issues require that TMCC secure a new site for the performing arts. No space large enough for music performances, classes or student practice is available on campus. Inadequate facilities on the campus have seriously limited the type of productions the theater department can offer. TMCC had hoped to find space in the Reno Town Mall for the theater. When that did not occur it left the college without a viable solution to address the performing arts. This facility meets that need and the faculty and students are ecstatic over this prospect. The community is also pleased with the prospect of this project. The mayor and city council have indicated that they might be able to redefine the redevelopment area to encompass the theater, which would allow TMCC to seek redevelopment grants. Local businesses are also willing to contribute to the effort. President Ringle stated that it is an important program that TMCC needs to continue for the students. This project will provide an increase in revenue. The Peppercorn Casino has given 300 theater seats valued at more than \$28,000. The opera company has donated \$2,000 in props and a private donor provided \$20,000 for the performing arts program. The existing theater, which will be demolished in the renovation, seats only 150 people. The proposed site provides full orchestra and theater productions for 300 or more. The terms of the lease are extremely favorable at \$0.92/per sq. ft. The owner has agreed to provide a maximum of \$100,000 for renovation costs. President Ringle said that the location would accommodate student demand, anticipated growth for the next decade, strengthen the community aspects of the program, and provide a downtown venue for the college.

Regent Rosenberg moved approval of the lease of the Keystone Theater for TMCC. Regent Gallagher seconded.

Regent Sisolak asked about the tax-exempt status. President Ringle replied that the monthly cost quoted included some taxes which TMCC would be excused from. Mr. Steve Salaber, Acting Vice President, Administrative Services-TMCC, explained that the tax assessor would provide a tax exempt letter for the property. Regent Sisolak asked whether the landlord would be excused from paying those taxes. Mr. Salaber replied that he would. Regent Sisolak recalled a trip 3 years prior to look at the Old Town Mall trying to convince the Board to purchase it. Then another plan was developed involving the purchase of buildings by the airport (Meadowood Mall). He said that it was never revealed that theater facilities would not be provided at the airport buildings. He surmised that TMCC would ultimately want to purchase the theater and that the landlord was well aware of that. He felt that it appeared to be a method for circumventing the capital improvement process by beginning with a lease and then determining it more prudent to buy the facility. He asked what else was missing in the new airport buildings for which the college would need to find a new facility. President Ringle replied that there were several problems. He hoped that the theater would be successful enough to warrant the purchase. He said there were several problems on campus that he had addressed with Board members individually. When the new Student Services building is built it will displace the performing arts program, the culinary arts program, the anthropology program, ceramics, painting and sculpture. He did not believe that TMCC would be requesting any additional expenditure to solve those problems. TMCC has resolved the ceramics, painting, and sculpture problem on campus. The culinary arts program requires a unique facility. He has been working with the City of Reno. The mayor and convention authority have offered TMCC use of the bowling stadium kitchen and a second kitchen in the convention center, likely at no cost, until the new building on campus is built and the renovation is complete. He noted that TMCC could not construct a new theater as cheaply as they could lease this space, adding that TMCC could not afford to forfeit a critical program. He felt that the Meadowood center was in fact a better facility than Reno Town Mall would have been and has potential for future growth. The proposed lease is a much better solution than the Reno Town Mall because of its location and support from the community. Regent Sisolak observed that he was not as familiar with the area and must rely on President Ringle and his colleagues. He was troubled that when plans fell through that a "better" location was ultimately discovered. He wanted to avoid the continuous leasing of buildings. President Ringle replied that he did not foresee that occurring and certainly not with the theater. He felt that the problem with the culinary arts program was likely solved. Regent Sisolak asked whether operation and maintenance funding would be provided on the theater. President Ringle replied affirmatively. Mr. Salaber estimated the amount at \$30,000/year plus utilities. Regent Sisolak observed that it would be an additional request for the state.

Regent Howard asked about the theater's location. President Ringle replied that it was located in the Keystone Shopping Center, approximately 8 miles from the TMCC campus. Regent Howard asked about the source of funds for the lease. Mr. Salaber replied that a budget of \$700,000 was determined for the bond on the Neil Road property. The college received a better interest rate (4.1%), which would provide the first year of debt service of \$580,000. The remaining \$120,000 will be used for the theater project. Regent Howard objected to the length of the lease. She thought the Board was attempting to move away from leases. President Ringle agreed that it was a long time, adding that the performing arts center required a unique space. He estimated 7-8 years to build a new performing arts center. The FTE from this program generates nearly \$600,000/year. TMCC would rather be locked into a favorable, long-term lease, rather than risk losing the program. Regent Howard asked whether TMCC could use the FTE revenue for the project rather than requesting money from the state. President Ringle replied that the FTE revenue would be used to pay faculty and run the program. Regent Howard said that she would not support the motion due to current budget restraints and lack of funding. President Ringle observed that by voting against the project, TMCC would not have a performing arts program for more than 400 students. Regent Howard asked why a 10-year lease had been selected. President Ringle replied that it was the most favorable arrangement TMCC could make with the landlord. No other solution was available for the program.

Regent Rosenberg observed that the landlord was putting \$100,000 into improving the property and would therefore want a longer lease. He asked whether the projection equipment was still on site. Mr. Salaber replied that it was not. Regent Rosenberg suggested a cooperative agreement between UNR and TMCC for use of UNR's projector. He observed that TMCC had also attempted a film program several times that could be placed in the structure. He indicated his support in spite of the budget constraints.

Regent Derby observed that TMCC had recently cut four programs that were no longer filling a need. She expressed her appreciation for their conscientious effort in reviewing their programs and determining which could be cut. She observed that the college was now arguing for something important for a vital, growing program. She noted that the Board asks the institutions to search for creative solutions, particularly in difficult budget times. She acknowledged that TMCC wanted to purchase the Reno Town Mall property, but the owner demanded a much higher price than was anticipated or reasonable. She felt the college creatively made a good deal to obtain better property near the airport, unfortunately with no theater facility. She observed that the Board had a vital alternative with a favorable lease negotiation and expressed her enthusiasm and support for the project.

Regent Gallagher stated that these proposals were not nefarious schemes to force the Board into buying something. She felt the Board should take advantage of this window of opportunity. She commended President Ringle for facing the college's problems head on and indicated her support.

Regent Alden established that the licensed broker was acting as both seller and buyer. He asked about the number of seats in the theater. Mr. Salaber replied that the seats had been removed. After improvements the theater will seat 300. Regent Alden asked how many seats were available in UNR's performing arts center. Regent Rosenberg replied that the Redfield Theater seated 292. Regent Alden observed that partnerships and saving money were the ultimate solution rather than leasing facilities. He said that he would not support the motion. President Ringle reminded Board members that it was not only the 300 seats for performances, adding that all theater and music classes would be offered in the facility which would be utilized during the day and evening.

Regent Sisolak asked whether the proposal constituted an "arms-length" transaction. President Ringle replied that no relatives were involved in the transaction. Regent Sisolak asked whether the Albertson's market was still in business. President Ringle replied that it was. Regent Sisolak asked about sufficient parking for the businesses in the center. President Ringle replied that the City of Reno requires 90 parking places for the 300-seat theater. Currently the pattern offers 110 spaces. For educational purposes TMCC must provide one parking place for every four students. Given the current demand, that equates to 50 parking spaces so plenty of spaces are available. Regent Sisolak asked about other businesses in the center. Mr. Salaber replied there were several businesses there: a Port of Subs, an ice cream shop, a Radio Shack, and a bank. Regent Sisolak asked whether parking would be an issue. President Ringle replied that it would not be.

Regent Rosenberg observed that music classes would be taught in the facility. He noted that UNR did not have enough time in the day for their own students to consider sharing the facility with another institution. The music department uses Nightingale Hall constantly for rehearsal. Some master degree students practice on stage from midnight to 4:00 a.m. He said that the amount of space provided by the theater would be well used. He assured Regent Sisolak that plenty of parking was available in that area, adding that the activity would be good for existing businesses. He noted that the theater's inclusion in redevelopment plans would make it eligible for grant funds.

Regent Alden observed that the classroom space utilization report from UNR indicated that classrooms were not being fully utilized. He felt that UNR should reschedule courses to make better use of existing space. He noted that times were tough and everyone needed to work harder. Regent Rosenberg replied that the utilization study did not reflect that classes were moved into the theater as needed. He said that the study did not reflect how space was actually used or for the formula to reflect when students were actually using the space. He affirmed there was insufficient space and that it was desperately needed. He felt that the space provided by the theater lease would provide necessary space and was a good deal for the number of students involved. Regent Alden said that he was not convinced and felt the institutions should be more innovative.

Chair Seastrand acknowledged that the System was facing tight budget constraints and that the institutions should look for common uses of existing facilities. He assumed the institution had performed its due diligence. He encouraged the institutions to look for opportunities and be creative in the future.

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

Regent Dondero left the meeting.

**22. Approved-Application for Acquisition of BLM Land, UNR** – The Board approved the submission of an application to the U.S. Department of the Interior, Bureau of Land Management, for the purpose of leasing and ultimately acquiring approximately 7.5 acres in Clark County, Nevada. This land acquisition would provide a site to construct a building for University of Nevada Cooperative Extension in Clark County. A request for approval to construct a building on this site would

be forthcoming at a future Regents' meeting. The total cost of this land acquisition is expected to be \$200 over the five-year period. (Ref. J on file in the Board office).

President Lilley reported that this was the only location available through this particular BLM program. It was originally intended to be a park, but the freeway cut through it. He indicated that it was the only piece of land that met the following criteria:

- A relatively small parcel of land that could be acquired through the Recreation and Public Purpose Act.
- Land with easy access to a major highway and off-ramp for accessibility by the public.
- Land convenient to a major bus route.
- Land central to the Las Vegas Valley as it will look over a long period of time.

President Lilley related that the Cooperative Extension went through a rigorous process with the BLM, adding that it was an incredible opportunity for saving money and building an asset. Cooperative Extension employs 107 employees and 304 volunteers. Seven other UNR employees rent space from the Cooperative Extension: 4 in admissions, 2 in Development and Alumni Relations, and 1 part-time in E-Nursing, a world-wide web-based program for RNs to achieve their BSN degree. He stated that Cooperative Extension was a mission-driven activity of UNR and had been in Clark County since 1916. He thanked Chancellor Nichols for her help in the process, adding that she hosted a luncheon with CCSN, UNLV, and UNR to provide an opportunity for all parties to air their differences.

Chancellor Nichols asked President Lilley to address the type of future offerings at the proposed site. President Lilley stated that it was a Cooperative Extension facility and not an area for credit work. It was not intended as a branch campus. He then introduced Dean Karen Hinton.

Regent Alden clarified that UNR was consolidating its Cooperative Extension sites to this location and that it would also house UNR's Development office. He asked that the motion for approval include a caveat that no academic course offerings or continuing education classes be taught at the location.

Chair Seastrand asked whether the request was in line with the strategic master plan. Chancellor Nichols replied that Cooperative Extension had been and would continue to be a primary role for UNR. She said that the request entailed no change in the role that UNR was playing in Las Vegas. Rather it was a decision to consolidate operations. No expansion of UNR's current role in Las Vegas is anticipated. Regent Alden stated that an expansion of Cooperative Extension would be acceptable.

Regent Kirkpatrick stated that UNR is a land grant institution and has certain obligations and responsibilities throughout the state. He expressed concern for the lack of public transportation in that area. He observed that it was a long walking distance from the bus stop on Eastern Avenue, adding that, in the summer, people would be unable to do so. He asked for an explanation regarding the site's convenient location to a bus station. Dean Hinton replied that they had researched existing and planned routes. From Eastern Avenue and Warm Springs is a 14-minute walk, not as close to the site as they would have preferred. Future plans have a route #221 planned for Windmill which would pass by the property. Regent Kirkpatrick noted that it is awfully hot in the summer. He questioned the bus company's priority for establishing that new route. Dean Hinton replied that RTC had indicated that Green Valley is considered underserved and therefore a high priority for establishing routes. She related that it would be several years before the building was in place. Regent Kirkpatrick asked how many of the 300 volunteers used public transportation. Dean Hinton replied that very few used public transportation. Regent Kirkpatrick asked how many of Cooperative Extension's employees used public transportation. Dean Hinton replied that almost none of the employees used it. Dean Hinton said that they wanted to encourage more people to use it. Regent Kirkpatrick indicated that he had some reservations. He asked whether the cost for architectural fees was reasonable (\$861,000). Dean Hinton replied that the professional fees included architectural, engineering, and inspections that would take place during the course of construction. She explained that the architectural fees were approximately 6% of the total project cost. Regent Sisolak noted there was no line item for architectural fees. Dean Hinton explained that the \$861,000 represented professional fees which included architectural fees, which were approximately half of that amount. Chair Seastrand asked whether the 6% cost was reasonable for that project. Dean Hinton replied that the cost estimate prepared by Facilities Services used the same parameters of the SPWB, adding that they felt it was reasonable.

Regent Rosenberg asked about the proposed signage for the building. President Lilley replied that it would have the name, University of Nevada Cooperative Extension, on the building. Regent Rosenberg felt that it should say University of Nevada, Reno Cooperative Extension. He noted that there were two quality universities in the state and that it was important to establish the difference. President Lilley replied that he inherited the names of both the University of Nevada Cooperative Extension and the University of Nevada School of Medicine, adding that he would have no problem renaming them. Regent Rosenberg suggested an agenda for the next meeting. Regent Sisolak agreed.

Regent Sisolak clarified for the record that there would be no courses for credit ever taught at this facility. President Lilley replied that no credit course work would be done at the facility. Regent Sisolak asked about the number of full-time recruiters. Dean Hinton replied there were three. President Lilley clarified there were three recruiters and one staff. Dr. Shannon Ellis, Vice President, Student Services-UNR, replied there were three full-time recruiters, one temporary recruiter,

and one clerical staff member. Regent Sisolak asked how many recruiters were employed in Reno. Dr. Ellis replied there were five. Regent Sisolak asked how many full-time recruiters UNLV employed in Reno. Dr. Juanita Fain, Vice President, Administration-UNLV, replied there were none in Reno and four in Las Vegas. Regent Sisolak asked about the difference in the number of recruiters employed by the universities. He asked whether it was a management or financial decision. Chancellor Nichols replied that it was a decision the Board delegated to the presidents for the best manner in which to handle recruitment and retention efforts. She noted there was no Board prohibition for having recruiters in either city. She related that it was a decision of the president for how to best use their resources. Regent Sisolak asked about the source of funding for recruitment. Chancellor Nichols replied that the money came from their budgets for student services and was funded by the formula. She said that they were difficult decisions that each institution had to make regarding the allocation of resources. Regent Sisolak asked about the disparity between the number of recruiters, with the larger school having less recruiters. Chancellor Nichols explained that the formula does not fund at that level. The formula funds for student services. Each institution makes differential decisions about how many recruiters and counselors they will have in that area. She related that it was an administrative decision. Regent Sisolak requested a comment from the three southern institutions. President Wells noted that there were four campuses in the south including DRI, adding that he had no recruiters.

President Harter related that the presidents had discussed the matter at length. She said that President Lilley had assured her that no credit work would be conducted at this facility for the foreseeable future, adding that she had no objection.

President Romesburg stated that he had no objection, adding that he had no full-time recruiters.

President Remington stated that the Chancellor held a meeting involving Presidents Lilley, Harter, and Remington to discuss the matter. He felt the misunderstandings had been clarified. He said that CCSN was very supportive of the proposal. Regent Sisolak expressed his appreciation to the Chancellor for effecting consensus.

Regent Alden said that he had no problem with the proposal so long as a codicil was included preventing the offering of classes. He felt it was a good proposal that actually reduced costs.

Regent Kirkpatrick asked whether President Lilley had considered locating the facility on part of NSC's 500 acres. President Lilley replied that he had not.

Regent Gallagher moved approval of the application for acquisition of BLM land for UNR. Regent Rosenberg seconded. Motion carried. Regent Dondero was absent.

Chair Seastrand noted that Regent Dondero had left the Board meeting for another meeting, adding that her absence was excused.

**23. Approved-Update on Capital Request** - Staff provided an update on the status of UCCSN's Capital Request in light of the final recommendations by the Public Works Board to the Governor and recommended any further action that may need to be taken by the Board of Regents. The Board approved reaffirming the capital priority list and allowing the Chancellor to negotiate with the governor. (Ref. K on file in the Board office).

Chancellor Nichols asked the Board to reaffirm the capital list to be submitted to the governor following action by the State Public Works Board. The SPWB organizes projects into three priority groups (1, 2, and 3), assigns a ranking ("C" for construction and "P" for planning), and recommends the amount of state funds for each project. The first priority project is the fire flow pump station for TMCC and DRI, which is necessary to complete a building funded for this biennium. The next three projects comprise FF&E, which is the finishing work (furniture and equipment) required to complete a project. She reported that Board priority #2 (Science, Engineering and Technology building-UNLV) was originally removed from the list of projects by the SPWB and then reinserted at a lower priority level (2). Based upon projections for available state revenue, level 1 projects would likely be funded. Items categorized in level 2 would only be funded if the governor recommended it and the legislature chose to fund an increase in the funding source cap.

Vice Chancellor for Finance & Administration, Mr. Dan Miles, explained that the SPWB determined that, under existing conditions, they would have capacity to bond (\$0.15/\$100 in property tax) the projects listed in level 1 for this session. If the property tax were increased by one cent, they could bond an additional \$100-110 million in projects, which were included in level 2. They have not recommended the increase, but have presented the list to the governor.

Chancellor Nichols reported that the SPWB removed the Board's first priority project and moved it to the top of level 2 projects for a smaller amount of funds. She explained that the difference comprised the FF&E that would be funded in the following biennium. The SPWB also moved the CCSN Health Sciences building to the bottom of level 1. Total funding for level 1 projects total \$127 million, of which UCCSN is recommended to receive \$38 million or 30% of the recommended capital. Level 2 projects total \$87 million, of which UCCSN has \$72 million or 81% of the projects. She noted that UCCSN projects in level 2 would only be funded if the property tax increase was approved. Chancellor Nichols then reviewed the projects included in level 2. The SPWB selected the Board's 13th, 15th, and 16th priorities and moved those projects into level 2. She asked the Board to affirm its commitment to the original list of priorities to prompt a reexamination of the \$4.14

million in planning funds recommended by the SPWB to be allocated to projects listed higher on the list of priorities. Chancellor Nichols related that such action would empower her to communicate the Board's desires to the governor.

Regent Hill moved approval of reaffirming the Board's original priority list and allowing the Chancellor to negotiate with the governor. Regent Derby seconded.

Chair Seastrand observed that the Board's #20 priority (maintenance and repairs) had been moved to the SPWB's #1 priority. Chancellor Nichols replied that those represented the \$15 million UCCSN receives in HECC and SHECC funds. She stated that any project listed in level 3 was not recommended by the SPWB.

Regent Alden stated that the Board's #2 priority (UNLV Science, Engineering and Technology building) was paramount to the economic diversification of the state. He asked whether \$25 million in soft funding would need to be raised. President Harter replied in the affirmative. He asked whether Nevada contractors and architects would be used on the project. President Harter replied that the SPWB's process for bidding this project had been followed exactly. Locally based Holmes Sabatini was the architect chosen by the committee comprised of SPWB and UNLV personnel. The firm will subcontract some of the technological aspects of the building. Regent Alden noted that a UNLV staff member had reported that the SPWB said that Nevada architects and contractors were not qualified to work on state projects. President Harter was unaware of those comments. She explained that the issue surrounded whether or not Nevada architects possessed the special expertise that the high level science and technology building would require. It was mutually agreed that those aspects of the building would be subcontracted. Regent Alden asked UNLV Vice President for Administration, Dr. Juanita Fain, to affirm his statement. Dr. Fain explained that her understanding of the comment made was that a certain expertise was required due to the technical requirements of the building and that, perhaps, Nevada architects did not have that expertise. Regent Alden questioned how Gate D at the Las Vegas Airport was completed by Nevada architects if they lacked the necessary expertise. Dr. Fain said that she did not feel that the comment had been made to indicate that Nevada architects were incompetent, but rather they might lack the necessary experience. Regent Alden stressed the importance for having Nevadans perform work in Nevada. Regent Alden then asked whether there had been an improvement in UNLV's classroom and laboratory usage. He felt it difficult to justify a new building with such a low utilization rate. Chancellor Nichols replied that UNLV has a good record and was striving for a better usage rate. A task force has been formed to address that issue. Regent Alden asked whether classes were now held on Fridays and Saturdays. Chancellor Nichols replied in the affirmative. Regent Alden questioned the priority ranking of the Board's #14 priority (Greenspun College of Urban Affairs), adding that once the building was completed valuable space could be released to the university. President Harter replied that the College was located in five different locations, adding that they rent facilities in other parts of the city. Once the new building is built they will be able to consolidate their operations in one building. Regent Alden asked whether other university activities would be able to use the space currently occupied by the College. President Harter replied that they would once the building was built. Regent Alden asked why the structure was not a higher priority since \$9.7 million in private funding had been raised. Chancellor Nichols noted that the project was the Board's fourteenth priority, adding that they would not want other higher priority projects passed over in favor of elevating that particular project. Regent Alden asked about Board priority #19 (Academic Medical Center). Regent Kirkpatrick stated that Presidents Harter and Lilley had clarified the request at an earlier meeting. Chancellor Nichols replied that the list serves as a request for state funding as well as a warning for planned activity in which the System might be engaged. At the time the Board approved this list (June 2002), there was the feeling that something might be built with private funds. Regent Alden began an explanation for his advocacy of using Nevada contractors. Chair Seastrand reminded Regent Alden that his discussion was off point. Regent Alden observed that state dollars and public funds were being used. He felt the Board should be very concerned about who is in charge.

Regent Kirkpatrick asked about the probability of an increase in property taxes and which level 2 projects would be funded. Chancellor Nichols stated that System Administration would work very hard during the legislative session. She observed that it had been many years since the property tax rate had been adjusted. She felt that it was a reasonable direction and the only way the state would be able to support the new buildings. She felt it had a good chance of passing. If the governor retains the SPWB recommended listing, all of the level 2 projects would be funded with the increased property tax.

Regent Rosenberg stated that UNLV desperately needs the Science, Engineering and Technology building. President Harter replied that UNLV had only 100,000-sq ft of research space. UNLV's science and engineering students have increased by 42% (2,300 students) and can no longer fit into existing facilities. She noted that fifteen faculty do not have adequate laboratory space. The programming for this building would locate four cluster areas of research that would have an immediate impact on economic development. She noted that the Nevada Development Authority made it their #1 lobbying priority for the coming session. She was deeply frustrated that the project was moved to level 2, adding that UNLV would be deeply grateful if the Board would reaffirm its original priority listing. Regent Rosenberg observed that UCCSN would begin to lose good faculty if necessary development did not occur.

Chair Seastrand called for the vote.

Motion carried. Regent Dondero was absent.

Chair Seastrand stated that the Board meeting would recess to provide the Investment Committee time to complete their meeting business.

Regent Sisolak noted a point of order regarding whether the Investment Committee meeting had been recessed or adjourned. General Counsel Ray did not recall the answer. Regent Alden explained that he started to adjourn the meeting and then called it a recess. Regent Sisolak wanted to ensure the Board complied with the Open Meeting Law, adding that the Investment Committee agenda had not been posted for that day. Regent Alden stated that he recalled adjourning the meeting and then was asked to recess it, so he called for a recess. Regent Hill noted a point of order, adding that Regent Alden misspoke when he adjourned the meeting and then corrected it to a recess. General Counsel Ray established that Committee Chair Alden indicated that he was adjourning the meeting and then corrected himself to call it a recess in order to be able to resume the meeting. He did not object to the process.

The meeting recessed at 9:45 a.m. and reconvened at 10:35 a.m. with all members present except Regent Dondero.

**24A. Approved-Investment Committee Recommendation and Report** - Chair Mark Alden reported the Investment Committee met October 9-10, 2002 and reviewed the current status of the operating pool reserve. The reserve was -\$18.3 million as of September 30, 2002 and -\$19.55 million as of October 8, 2002. The Committee discussed the shortfalls that the institutions were already facing and the impact if the payout rate were changed. He requested Board action on the following Committee recommendation:

? Change in the operating investment distribution rate – If the operating pool reserve reaches -\$20 million, the payout will be reduced to 1.8%, with the campuses receiving 1% and System Administration receiving 0.8%. The payout rate will remain at this level until changed by the Investment Committee.

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

Chair Seastrand asked whether the change would continue indefinitely. Regent Alden replied that it would continue until June 30, 2003. It may also be reconsidered prior to that date, but the change would not become effective until July 1, 2003.

Regent Sisolak observed that the campuses would not really receive the 1% distribution, since that would actually be returned to the state. He noted that the campuses had given up everything and were operating at a deficit. Regent Alden stated that the presidents had exhibited a great deal of cooperation.

Motion carried. Regent Dondero was absent.

**24B. Withdrawn-Funding or Other Alternatives for Board and System Budgets** – Since the Investment Committee acted to limit or eliminate the distribution of funds from the operating investment pool this item was withdrawn. Chancellor Nichols related that System staff would bring forward a plan for the System Administration budget after July 1, 2003.

**25. Information Only-Update on UCCSN Minority Outreach & Recruitment Activities** - System and campus staff presented reports on the following activities related to minority outreach and recruitment:

- A System-wide report on minority enrollment, including information on the racial/ethnic distribution of enrolled students in the UCCSN compared with Nevada public high school graduates and national data.
- Recruitment and retention plans for students of color pursuant to the request of the Minority Coalition. (Ref. L on file in the Board office).
- A presentation by Southern Nevada campuses and by UNR, to include Cooperative Extension, on current outreach practices in the Las Vegas area, which are focused upon attaining campus enrollment goals.

Chair Seastrand encouraged presenters to be as brief and thorough as possible.

Associate Vice Chancellor for Academic Affairs, Dr. Sherwin Iverson, discussed a System-wide report on minority enrollment. He acknowledged the work of the institutions' directors of institutional research. He reported that he had excluded non-resident aliens and race/ethnicity unknown from the undergraduate student data presented and that the figures were presented as percentages. He reported changes that have occurred in minority enrollments and degrees over time and over the System's history. He noted there had been enrollment growth as well as changes in the minority distribution.

Due to an equipment failure, Chancellor Nichols asked Dr. Curry to address retention and recruitment plans.

Recruitment and retention plans for students of color pursuant to the request of the Minority Coalition. (Ref. L on file in the Board office).

Vice Chancellor for Academic Affairs, Dr. Richard Curry, reported that recommendations from the Minority Coalition for recruitment and retention plans had been reviewed at the Board's April 2002 meeting. The first recommendation called for annual presentations to the Board beginning in Fall 2002. Each institution was asked to briefly report on their current situation, emphasizing new initiatives, as well as planning processes in progress. He reported that WNCC's plan would be mailed to the Regents. Dr. Curry reported that the plans reflected the strong commitment held by the campuses for the goals of ethnic and cultural diversity. Campuses express solidarity with the importance of providing opportunity to all through

active planning and development of campus- and community-based programs. Leaders recognize that it requires more than opening doors, but to also reach through the doors to those who may need more information or some assistance in approaching that door. The effort requires following through with monitoring during the years of enrollment to ensure that students succeed in their studies, bond with faculty and institutional staff, and also find other students with whom they can establish academic and social relationships (retention). He reported that most of the plans present the following kinds of information:

- Statements of commitment to the goals of successful minority recruitment and retention.
- Updates on recent or continuing planning processes to those ends.
- Data on the current situation and recent trends for minority student outreach, enrollment, persistence, and completion.
- Information regarding the institution's organizational arrangements and personnel to reach out to students and to assist and support them once they enter the institution.
- Lists and details on programs (including federally funded) to assist in providing the resources for this work.
- Information on areas addressed through a variety of programs: early contact, information dissemination, financial aid, pre-collegiate academic assistance, summer bridge/transition projects, orientation programs, post-enrollment monitoring, mentoring, and direct academic support or basic skills assistance. Information regarding student life activity such as special events, student clubs, or other opportunities for leadership is also offered.

Dr. Curry reported that one approach that many institutions utilize is the concept of community partnerships. Advisory boards assist leaders in the recruitment of diverse faculty and staff as well as the identification of effective programs. P-16 or K-12 collaborations aid in planning new programs. Many other contacts with organizational leaders assist in gaining entry into special communities such as churches, tribal groups, and youth organizations. Several institutions (UNLV and CCSN) have recently contracted with national consulting organizations known for their expertise in marketing and enrollment management to further develop the organizational components, strategies, and actions necessary to meet their ambitious enrollment, persistence, and completion goals for the coming years. Both institutions participate in focus groups, interviews, surveys, and retreats to further build this value into their cultures and to obtain best practice ideas for moving ahead.

The following themes are present in most of the institutional plans:

- Data is vital to determining progress and successful efforts.
- Institutional messages about the value of education and the opportunities available must be taken to those requiring the information (community, schools, parents).
- Financial aid support is crucial.
- Information, encouragement, and assistance are key.
- Resources must be marshaled. Federal and other grants and gifts must be aggressively pursued.
- Emphasize programs with proven success:
  - GEARUP.
  - TRIO.
  - Upward Bound.
  - Talent Search.
- A diverse staff within the leadership of these activities is helpful and important in establishing trust and credibility.
- Institutional leadership must be committed to the effort, must express that commitment constantly, and reward those who work in support of diversity goals and student success.

Regent Howard asked about the work being done with tribal groups. She said that she was concerned with southern Nevada. President Harter replied that UNLV has a relationship with the Navajos. College of Education faculty are trying to help native teachers living on the reservation with technology and pedagogical skills. She observed that she was the first president to visit that reservation. Dr. Fain reported that UNLV also works closely with the Las Vegas Indian Center. The president has sponsored an "Honor the Elders" event for the past five years.

Regent Howard asked about the consultants working with UNLV on minority enrollment. Dr. Fain replied that UNLV had contracted with a national organization for marketing, enrollment management, and retention. One of the five goals determined by a recent retention retreat is to increase the graduation rate of underrepresented students. Regent Howard asked about the location of the consulting firm. Dr. Fain replied that their national base was in Illinois. She indicated that they had been working with UNLV for about a year on an 18-month contract. Regent Howard asked whether any other institutions were using consultants for this effort.

Dr. Curry reported that members of the Student Affairs Council had made a commitment to present their campus plans in this manner annually. He said they would appreciate any comments to make the reports more informative or complete.

Regent Howard asked whether UNLV had a facility located in the at-risk high need areas. She clarified that she was not referring to outreach services to the community. Dr. Fain replied that UNLV had no facility.

A System-wide report on minority enrollment, including information on the racial/ethnic distribution of enrolled students in the UCCSN compared with Nevada public high school graduates and national data.



Dr. Iverson reported that the American Council of Education released a report on minority enrollments and minority degrees granted nationally. From 1998-1999 minority student enrollments in the U.S. increased by 3.3% (Nevada 14%). The number of associate degrees awarded to minority students increased nationally by 11.7% (Nevada 30%) and the number of baccalaureate degrees awarded to minorities increased 5.8% (Nevada 9%).

UCCSN undergraduate enrollment increased 32% from Fall 1995–Fall 2001. During that same period, undergraduate enrollment of majority students increased 16% while minority student undergraduate enrollment increased 86%. The largest increases were realized amongst Hispanic (105%) and Asian/Pacific Islander (102%) students. During that same period of time, the enrollment distribution changed as follows:

- Fall 1995 - Majority students comprised 78%, while minority students comprised 22%.
- Fall 2001 - Majority students comprised 69%, while minority students comprised 31%.
- Hispanic students increased from 8% to 13% of the enrollment.
- Asian/Pacific Islander students increased from 6% to 10% of the enrollment.
- Black/Non-Hispanic students increased from 6% to 7% of the enrollment.
- American Indian/Alaskan Native students remained approximately the same (2%).

Dr. Iverson then reported on the growth in degrees granted during the same period:

- The number of undergraduate awards increased by 23%.
- Awards to majority students increased by 12%.
- Awards to minority students increased 80%.
  - American Indian/Alaskan Native increased 82%.
  - Asian/Pacific Islander increased 129%.
  - Hispanic increased 86%.
  - Black/Non-Hispanic increased 27%.

Distribution of degrees awarded during the same period:

- 1994-95 - Majority students earned 84% of the degrees granted, while minority students earned 16%.
- 2000-01 - Majority students earned 76% of the degrees granted, while minority students earned 24% (a 50% increase in share).

Dr. Iverson reported that the biggest changes were among the Hispanic (8%) and Asian/Pacific Islander (9%) students. The percentage of degrees earned by American Indian/Alaskan Native students increased slightly (2%), while Black/Non-Hispanic students remained the same (5%).

Dr. Iverson reported that the American Council of Education reported that minorities comprised approximately 28% of undergraduate enrollment in 2000, but only 22% of the bachelor's degrees granted. He explained that those figures only represented one year of data. UCCSN realized a similar pattern with minority students comprising 29% of undergraduate enrollment and 23% of baccalaureate degrees awarded. Nevada leads the nation in part-time enrollment, therefore Nevada students require more time to attain their baccalaureate degrees. The extraordinary rate of growth in Nevada suggests that it would be prudent to compare degree distributions with enrollment distributions from an earlier year. Using the national standard for tracking baccalaureate degree completion over a 6 year period, there was a 20% minority enrollment in 1995 with 23% of the baccalaureate degrees awarded to minorities in 2000-01 (six years later).

Regent Dondero entered the meeting.

Dr. Iverson then compared the distribution of UCCSN undergraduate enrollment with Nevada public high school graduates for 2001. Minority students comprised 31% of the UCCSN undergraduate enrollment and 30% of the Nevada public high school graduates. Majority students comprised 69% of the enrollment and 70% of the high school graduates. The distribution of UCCSN enrollment mirrors Nevada public high school graduation rates by race and ethnicity. Additionally, the rate of growth of undergraduate minority enrollments (86%) exceeds the rate of growth (68%) of minority graduates of Nevada's public high schools.

Dr. Iverson compared Nevada's statistics with other states based on the percent of enrollments by race/ethnicity. He cautioned that the data did not account for differences in the demographic characteristics of each state. Based upon Fall 1998 data regarding undergraduate enrollment in public institutions:

<b>Distribution of Undergraduate Enrollments</b>	<b>UCCSN</b>	<b>National Rank</b>
All Minority	28%	15
Black/ Non-Hispanic	7%	27
Hispanic	11%	8

Asian/ Pacific Islander	8%	4
American Indian/ Alaskan Native	2%	8

Regent Hobbs observed that small sample sizes often yielded high percentage outcomes. She asked for a comparison of enrollments in relative numbers. Dr. Iverson replied that the population studied totaled approximately 72,000 undergraduate students in 2001. Majority students totaled 50,000 and minority students totaled 20,000.

The race/ethnicity breakdown was as follows:

Hispanic 9,100  
Asian/Pacific Islander 6,900  
Black/Non-Hispanic 5,100  
American Indian/Alaskan Native 1,250

Regent Hobbs observed that one of the reasons the enrollment rate was so high for minorities and the graduation rate so low was attributed to the accommodations provided to students. She asked about the average length of time for a minority student to complete a degree as compared with a non-minority student. Dr. Iverson replied that he did not know. He reported that, when tracking degree completion rates, the federal government starts with first-time, full-time, degree-seeking students. 42% of majority students graduated within a six-year period, while 39% of minority students graduated within the same period of time. He noted that Nevada has a high number of part-time students. Majority students earned 712 degrees, but the university issued over 2,000 degrees in the same year. Minority students earned 172 degrees, but the university issued 627 degrees. He concluded that three times as many degrees were issued for each majority student. The same calculation performed on the minority data resulted in four times as many degrees being issued for each minority student. He felt that it reflected the fact that students are entering at different times and are not counted in the normal degree tracking process.

Chair Seastrand asked about areas requiring special attention. Dr. Iverson replied that degree completion rates could use attention. He noted that UCCSN's degree completion rates for the community colleges were terrible. Data from a small cohort studying degree-seeking students who start at a community college reveals that only 50 majority students completed their degree within three years out of 1,000 who started (5%), while 6% of minority students earned a degree within the same period of time.

Regent Howard asked which groups were included in the minority and majority groups. Dr. Iverson replied that majority students were comprised of White/non-Hispanic students. Minority students were comprised of Black/Non-Hispanic, American Indian/Alaskan Native, Asian/Pacific Islander, and Hispanic students.

Chancellor Nichols reported that the Board would hear a report regarding current campus outreach practices.

A presentation by Southern Nevada campuses and by UNR, to include Cooperative Extension, on current outreach practices in the Las Vegas area, which are focused upon attaining campus enrollment goals.

President Lilley reported that UNR's Cooperative Extension was very engaged in Clark County. Many programs are offered for disadvantaged youth. UNR is actively recruiting in Clark County in an effort to meet its diversity goals. He observed that Washoe County did not provide the diverse population required to meet those ambitious goals. (Report on file in the Board office).

Dr. Juanita Fain, Vice President, Administration-UNLV, reported that the unabridged version of her minority recruitment and retention plan (on file in the Board office) included the current minority student participation at UNLV. She stated that UNLV had contracted with Noel-Levitz, a national consulting firm well known and respected for its expertise in providing marketing and enrollment management services. She related that UNLV has developed 5 goals in the area of recruitment and retention. The 3rd goal is to raise the graduation rates of underrepresented groups, including African Americans, Latino, and Native American students. Asian students were not included because they already have a high completion rate. Strategies include:

- Creating intrusive, early intervention programs (early warning programs, bridge programs, extend orientation opportunities to at-risk students).
- Research best practices related to collecting information on drop-outs/stop-outs of underrepresented groups (create an exit interview process, provide distance learning opportunities).
- Expand and develop peer and faculty mentoring programs.
- Develop a diversity education program for the entire campus.

Dr. Fain noted that the unabridged version included an extensive summary of the college-based programs offered for minority recruitment and retention. In response to the need to diversify the student population of the Harrah Hotel College, Dean Stuart Mann has appointed College faculty and staff to serve on a committee to develop programs targeting minority populations. Target enrollment goals to be met over the next five years have been established. The committee is currently focusing on the recruitment of African American and Hispanic/Latino students. Committee members are working with UNLV's Office of Admissions and have targeted Clark County high schools and out-of-state schools to make presentations to

students, parents, and administrators. "Be A Rebel Day" programs are scheduled during the year to bring interested students and their parents to campus. The College has identified four schools with a large minority population. Students applying for admission on that day pay no admission fee (funded from private sources). She then introduced Dr. William Sullivan, Associate Vice President for Retention and Outreach-UNLV. She noted that UNLV has the largest GEARUP and TRIO programs in the U.S.

Dr. Sullivan reported that the GEARUP program is an early warning/early intervention program. UNLV works in the community with parents, students, and the school district. Six middle schools have been adopted. Staff works with principals and counselors providing extra material for those students (6th and 7th graders). Eventually the program will grow to include 6th-12th grade in each of the adopted middle schools. Parental involvement includes assistance for parents in obtaining their GED, returning to high school, and encouraging parents to be totally involved with their student's education process. The program provides funding for teachers in those schools to return to school for further education. He related that GEARUP was a wonderful program. Currently they are working with community partners and are operating out of the Boys & Girls Club. The program utilizes a large RV as a traveling education center for low socio-economic students.

Regent Hobbs observed that, in the Hispanic culture, more success is achieved with parental involvement and assistance in breaking language barriers. Hispanics entering college are typically first-generation college attendees. She asked whether Dr. Sullivan's programs addressed the language barrier. Dr. Sullivan replied that UNLV's Center for Academic Enrichment and Outreach had been in the community over 25 years. He related that parental involvement was key, especially for Hispanic students. All literature has been translated into Spanish. Staff is hired that resemble the students they are attempting to attract. He related that staff, mentors, and volunteers were used to overcome that barrier. He noted that Hispanic parents really value education. Regent Hobbs observed that, often, the only English speaking/writing person in the household was the student. She asked whether early contact, working with the students and parents, and assistance with college application forms was included. Dr. Sullivan replied that it was, in addition to encouraging the students and making them feel welcome and comfortable. Regent Hobbs asked whether UNR exercised similar efforts. President Lilley replied that UNR did not offer as extensive assistance. He congratulated UNLV on their achievement of the grant. He reported that counselors and others worked with the students in addition to the Cooperative Extension efforts. One of UNR's admissions counselors is Hispanic. They work with the high schools, community centers, churches, and parents. He noted the importance for beginning contact in the 6th grade.

Regent Kirkpatrick noted that UNLV had received a \$33 million grant over a 5-year period. He asked whether the six adopted middle schools had the highest percentage of minority students in the Clark County School District. Dr. Sullivan was unsure, adding that those schools were chosen based upon the highest percentage of free or reduced lunches. Regent Kirkpatrick asked whether students would be tracked from 6th grade through high school graduation. Dr. Sullivan replied in the affirmative, adding that they were very lucky students. Regent Kirkpatrick asked about the enrollment impact. Dr. Sullivan replied that it would have a tremendous impact. The intent of the grant was to change the way students think about themselves as well as the way teachers and counselors think about the students.

Regent Howard asked how many recruiters UNR used to focus on minority enrollment. Dr. Shannon Ellis, Vice President, Student Services-UNR, replied that all of the recruiters focused on minority enrollment. President Lilley explained that Clark County provided the diversity not available in Washoe County, adding that UNR had made tremendous progress. Regent Howard asked where UNR was working in Clark County. Dr. Ellis replied that UNR recruiters were working everywhere in the minority community. Regent Howard said that she wanted to know specifically where UNR was working in southern Nevada in the minority community. Dr. Ellis replied that they had devoted effort to specific schools. Regent Howard said that she heard reports from youth that they never saw recruiters or counselors in western or North Las Vegas. Dr. Ellis reported that UNR visits every Nevada high school at least once every year. She introduced Ms. Margo Kubicek, Director of Southern Nevada Admission and Recruitment. Ms. Kubicek reported that UNR recently completed a presentation to every 7th grader at Von Tobel High School regarding the importance of completing high school and the benefits of a college education. Regent Howard asked whether that was the only middle school that UNR was working in. Ms. Kubicek replied that Von Tobel was chosen for that particular presentation. She noted that her office is also involved with the Payback Program through the Clark County School District. The program is a community/school partnership where professionals from the community visit the middle schools to encourage youth to complete high school and pursue a college education. The professionals provide information regarding how their education benefited them. Each member conducts four payback presentations per year. Regent Howard asked about the number of students benefiting from the effort. Ms. Kubicek estimated that approximately 360 students were affected. Additionally, UNR provides at least two presentations at each high school in the Fall in addition to providing on-site admissions. High school juniors are targeted in the Spring. Her office also participates with the schools in counseling students about financial aid and how to apply for scholarships. All colleges in southern Nevada participate in a Clark County School District organized multicultural financial aid/scholarship evening. Regent Howard asked about the locations. Ms. Kubicek replied that the presentations were held at the libraries in town. Regent Howard asked whether presentations were held yearly in western or North Las Vegas. Ms. Kubicek replied that they were, adding that two per year were held in western Las Vegas. Regent Howard acknowledged that it appeared that UNR was attempting to contact the community and suggested that more should be done with their marketing efforts.

Regent Howard congratulated Dr. Sullivan on the grant. She asked about the number of recruiters he planned to hire and about plans for recruiting in minority areas. Dr. Sullivan replied that 40 people would be hired, none with the title of recruiter.

All would be academic advisors, counselors, and coordinators to work within the schools. He noted that the TRIO programs involved a collaboration with UNLV and UNR sharing students with one another and recruiting in each other's neighborhoods. Regent Howard asked about the services to be offered by the mobile RV, adding that it would be a challenge to be in all places at once. Dr. Sullivan replied that they intended to go to one place, with advance notice, and stay there a while before moving to a different location. He stated that UNLV has a presence in every high school. Regent Howard stated that high-need minority areas required some continuity and stability of services within the community. She asked about plans for putting anything in the high-need areas. Dr. Sullivan replied that, for the past 25 years, UNLV has not had a problem or a need to be physically in the community due to having a presence in every school. He stated that they also assisted students who failed to qualify with their Talent Search program, which provides assistance with retention, application for college, and financial aid. Additionally, two new adult education centers have been established at UNLV.

Chair Seastrand expressed the Board's pleasure regarding the new grant.

President Romesburg reported that Nevada State College was not eligible for the TRIO grants at this time, but was involved with high school visitations and the financial aid nights at the libraries. Nevada State College has one counselor, one person in financial aid and another in the registration office. They have enlisted the help of their faculty for coverage on those important evenings. He said that NSC personnel were making a presence in the community and trying to develop plans for the future. He observed that even with NSC's small enrollment, the ethnic distribution mirrored the state's distribution.

President Remington introduced Vice President, Student Services-CCSN, Dr. Robert Anderson. Dr. Anderson introduced his Student Services Division administrative staff and their areas of responsibility. Historically, only 9% of the institutional budget was devoted to student services, yet the department had a compelling story to tell. He then introduced Mr. Arlie Stops, Associate Vice President, Admission & Records-CCSN.

Mr. Stops recalled growing up in a large family with ten children when he first learned about survival. He has since learned that survival meant obtaining an education, adding that education made a difference in a person's lifestyle. He explained that people, particularly minorities, who do not benefit from post secondary education would be less successful financially. Their social and occupational abilities would be hindered in the present and in future generations. CCSN began actively recruiting in 1995 and currently employs five recruiters. Clark County has more than 30 high schools with over 10,000 seniors graduating each year. He said that CCSN was proud of its accomplishments, adding that they could not continue to struggle financially in the area of Student Services and still be successful. He noted that CCSN enrolls over 33,000 students per semester, with only 6% of the enrollment coming from out-of-state. CCSN enrollments exceed state and county census percentages for African Americans and Asian Americans. He observed that CCSN had not kept pace with the rapidly growing Hispanic population, adding that staff was working diligently to correct that. Over 40% of CCSN's students are from ethnic origins. He stated that the financial aid office services thousands. In addition to high school recruitment, his staff is very active with community outreach and maintains a continuous presence at numerous culturally sponsored events throughout the city. He noted that CCSN was located throughout southern Nevada at many locations, including Pahrump, Overton, and Mesquite. He then introduced Ms. Erika Dixon, Associate Director of Recruitment.

Ms. Dixon related that she works daily to ensure that staff reaches out to as many southern Nevada students as possible. They encourage all ethnic groups to attend college and CCSN in particular. Additional emphasis has been placed on minority populated schools (Rancho, Desert Pines, Mojave, and Valley). This effort has been in place since 1995, and the office continues to enhance programs to accommodate the expanding and diverse population. She earned an associates degree from CCSN and bachelor's and masters degrees from UNLV as a result of her involvement in the office. She related that she and her staff never forget where they came from, and they use that knowledge to help others. She then introduced Mr. John Kinkella, Dean of Counseling.

Mr. Kinkella reported that students of color face significant barriers to their success. CCSN's student success programs have been designed to help first-generation college students overcome barriers, thrive and achieve their college goals. 27% of the students in the TRIO program and 40% of students in the re-entry program are African American. Hispanic students comprise 39% of the students in the TRIO program. He noted there was a correlation between dollars committed to student success and the achievement of more positive results. An article in the Journal of the National Association of Student Personnel Administrators noted that reduced funding levels (for student affairs services) significantly affect student retention in a negative manner. He reported that CCSN has a personal impact on minority students and promotes student success. He introduced Mr. Matthew Goins, Facility Supervisor, Planning Design & Construction-CCSN. Mr. Goins graduated with an associate degree in Building Technology in 2001 and is now the chief building inspector for CCSN. He takes an active role in encouraging and mentoring other minority students to fulfill their dreams.

Mr. Goins reported that CCSN's student recruitment officers approached him about getting a degree. He has since earned two associate degrees and is the first African American facilities supervisor at CCSN as well as the first African American to participate in the Phi Theta Kappa honor society. He attributes his success to the recruiters' persistence. He is a first-generation college student and now participates as a mentor for other students. He said that he could not have achieved such success without the support system provided at CCSN.

The meeting recessed at 12:20 p.m. and reconvened at 12:35 p.m. with all members present except Regents Howard and Sisolak.

**26. Information Only-Update, Governor's Task Force on Tax Policy in Nevada** - Mr. Guy Hobbs, Chair of the Governor's Task Force on Tax Policy in Nevada, presented an update for the Board's information on the task force's work.

Mr. Hobbs reported that the state's tax structure was analyzed 13-14 years ago. It was a good report, but it did not include specific recommendations for mitigating any problems discovered. ACR1 created the task force presuming the state had a structural imbalance between revenues and expenditures and asked the task force to focus on:

- Funding needs for K-12 education and long-term care.
- Methods for stabilizing the tax base in Nevada.
- Methods for diversifying the tax base to better mirror the diverse nature of the state's economy.
- Developing one or more suggestions for broadening the tax base.

Mr. Hobbs indicated that the task force was somewhat constrained by the wording of the legislation. Both the governor and the legislators understood that one of the conditions for accepting appointment to the task force would be participants' ability to reevaluate the existence of the problem. No resources were appropriated by the state to support this endeavor, while \$700,000 was appropriated for the previous study. Another liability was that few state departments were excited about staffing the task force. He convinced a number of individuals with fiscal and economic experience to serve as the technical advisory board to the task force. He thanked them for their many hours of service. Out of pocket expenses for reproduction, development of a website, and software costs exceed \$25,000. He noted that many UCCSN employees also participated in the effort. In determining the state's problem it was necessary to determine a benchmark. He projected the current level of state expenditures forward 10 years to determine cost for providing the existing mix of services. That was then compared with the current mix of revenues forecasted to determine whether there was indeed an imbalance. A \$750 million imbalance between revenues and expenses over the next biennium was identified as the baseline problem. By the fourth biennium the imbalance will have increased to \$1.3 billion over the 10-year projection period for a cumulative imbalance of \$4 billion. He noted that most task force participants did not have extensive experience in public finance or taxation, so there was a tremendous reliance upon the work product of the technical working group. Participants did have strong philosophical positions. The task force was comprised of representatives from gaming, mining, state education, a newspaper editor/publisher, and small business people from both parts of the state. He stated that he had 20 years of public finance experience. The task force decided to examine whether the state employed maximum efficiency in collecting existing forms of revenue.

Regents Howard and Sisolak entered the meeting.

Mr. Hobbs reported that sales tax provided the ability to collect on the installation of certain things purchased at the time the goods are purchased. The state does not have the technological capacity to implement this change within the existing system at the state level (worth several million/year). He noted that the benefits of implementation would exceed the cost within a two-year period, which the task force felt was worth pursuing. Making such passive changes to the collection of revenue and the efficiencies with which revenues are collected are estimated to be worth \$21 million/year in the first year, and increasing thereafter.

The task force reviewed existing taxes that had not been adjusted for some period of time (cigarette, liquor, property). Sales tax in Nevada is only applied to retail sales of tangible personal property, one of the narrowest tax bases in the country. Fifty to one-hundred exemptions also exist. One area of trade with heavy dependency is construction, which goes through periodic cycles. When 10-15% of the state's dependency is reliant upon that area of trade, there will be periodic problems. Another factor is the increased popularity of internet sales. Nevada is losing tax base. State and local government revenues are interdependent. Some feel the entire tax base should be broadened. Deciding which services should be included or excluded is more problematic. Mr. Hobbs decided to select areas of trade that provide sufficient revenue generation that could also be described as discretionary. The task force identified an area of trade referred to as amusements and entertainment. The task force believes that a 6½% tax rate applied against amusements and entertainment would generate in excess of \$90 million/year of net revenue to the state's General Fund. Areas targeted would include for-profit concerts, NASCAR events, professional sporting events, adult cabarets and other areas where people pay an admission fee for a for-profit venture. He stated that little league and dance instruction would not be included, however, bowling and golf would be. The idea was to identify areas with substantial opportunity to generate revenue. The objective of adding an amusement tax was to broaden the sales tax base. An increase of \$0.35 in the cigarette tax would generate \$60 million. A 70% increase in the existing liquor tax rate would generate an additional \$16 million/year.

Mr. Hobbs discussed slot route operators responsible for gas station/grocery slots, which do not pay at the same rate as hotel/casino slot machines. Closing the gap between the two would generate an additional \$4 million/year.

Mr. Hobbs reported that Nevada's property tax rates were comparable to other states. The task force has recommended that the state's cap on property tax (\$3.64) be lifted to a rate of \$4.04, thus enabling the state to participate more broadly in property tax. The initial recommendation for a \$0.10 increase would generate an additional \$62 million the first year and grow

at an average of 8%/year. Several rural counties at the \$3.64 limit are experiencing a decline in assessed value, providing less dollars on which to operate. The state has had a fifteen cent debt rate for many years. The task force is recommending that a portion of the ten-cent rate be used to raise the fifteen cent limit on capital financing for the state. The task force will also include a recommendation for the state to use more property tax to acquire capital assets.

The 10-year projection reveals a lower slope of revenue growth than expenditures, which necessitated a review of other forms of revenue. The task force has agreed to recommend an adjusted gross receipts tax, which has been renamed the state activity tax. A tax rate of one quarter of 1% of adjusted gross receipts would be applied to all businesses in Nevada with no exceptions. Hotel/casino revenues include both gaming and non-gaming activities. Ten years ago, 60% of those revenues came from gaming. Today that figure is closer to 50%. The one quarter of 1% tax would capture revenue from both gaming and non-gaming activities. A threshold deduction between \$50,000-80,000 per quarter would be established (non-taxable), which equates to a \$200,000-350,000 annual exemption for small business. An additional deduction would be provided for each qualified Nevada employee (one for whom a business paid the state business license tax the prior quarter). With those deductions, the tax could generate an additional \$225-250 million/year with over 60% of the businesses exempted. Deductions would be allowed for bad debts and pass-thru revenue. Each of these recommendations, coupled with a slight adjustment to corporate filing fees, provide a solution to the baseline problem. For each component of revenue recommended sufficient variables have been provided for legislative adjustment. The model includes 635 variables and 350 constraints. The report is expected to be finalized by November 15th.

Regent Dondero asked whether the amusement tax included (topless) dance clubs, adding that dancers did not typically pay tax on their tips while card dealers did. She also asked whether the task force had reviewed inventory and corporate taxes. Mr. Hobbs replied that adult cabarets would be included. High school and collegiate sporting events would be excluded. A 10% casino/entertainment tax currently exists, though many exemptions are extended. This new tax would capture those things that currently fall outside of the existing casino/entertainment tax, but at a different rate. Participative sports (youth sports, league fees) are not included, while certain other more discretionary forms of recreation are (scuba, skiing, sailing, sky diving). The task force reviewed the inventory tax, but was concerned about impeding economic diversification and development. They felt that the gross receipts tax (with exemptions) would help Nevada maintain a competitive position and that the quarter of 1% tax would not prevent Nevada from competing with neighboring states. Regent Dondero asked whether any representatives from higher education participated on the task force. Mr. Hobbs replied they did not, adding that the task force was comprised of appointees of the Speaker of the Assembly, the Senate Majority Leader and the Governor. One task force participant represented the Nevada State Education Association (K-12).

Regent Alden asked whether the task force had explored alternative methods for funding community colleges through a local tax structure. Mr. Hobbs replied they had not. He explained that the task force reviewed aggregate revenues compared with aggregate expenditure projections and did not review individual funding programs for departments of the state. Regent Alden asked whether private schools had been discussed by the UCCSN. Chancellor Nichols replied that she believed that it had been discussed.

Regent Gallagher expressed her appreciation for Mr. Hobbs' effort. She asked about the chances for success in raising the state's tax limit. Mr. Hobbs replied that it would require a two-thirds majority on both sides of the house. The task force tried to document that a problem does in fact exist, which has not been disputed. He felt the legislature would need to take some action. Regent Gallagher asked about exemptions to the property tax for senior citizens on fixed incomes. Mr. Hobbs replied that the exemptions should be means tested because they do not always provide the relief that is intended.

Regent Kirkpatrick asked whether a property tax increase would go directly to the state General Fund. Mr. Hobbs replied that it would, except for the portion dedicated to capital acquisition. The task force attempted to avoid recommending anything that would provide a local government windfall. He related that, if the state's sales tax base was expanded, some adjustments could be made to the government services tax (motor vehicle privilege tax). Efforts are being made to reduce that levy. Regent Kirkpatrick asked whether the bowlers had been asked to lobby the legislature. Mr. Hobbs replied that legislators and other influential parties need to explain the measure to the public.

President Harter observed that some people felt that the gross receipts tax would deter new businesses from coming to Nevada. Additionally, there was a feeling that gaming would spread its assets to other states and would, therefore, not pay any more tax than they do currently. Mr. Hobbs replied that economic development and diversification was extremely important for the state. Gaming has often taken a negative position. When growth occurs by way of economic development, most of that benefit goes to local government and not the state. Since gaming primarily funds the state, they only focus on the state budget. He felt that economic development and diversification provides a tremendous positive. He observed that the state had never decided what it wants to be in the area of diversification. He felt the state should provide more tools for diversification. President Harter asked how the gross receipts tax related to an actual business location. Mr. Hobbs replied that the origin of the transaction would be the basis of the tax. He was unsure about the fairness of taxing origin as well as destination. If gaming or any other industry were to make an effort to evade/avoid the application of a tax, the political repercussions at the next session would address that. He is including a recommendation for oversight of the implementation and performance over the first four years of implementation.

Regent Hill observed that soon higher education and K-12 would be losing the estate tax. Higher education also has a problem with the level of funding and deferred budget reductions incurred over a number of years. Only 3-4 states have a lower funding level for higher education than Nevada. Mr. Hobbs replied that loss of the estate tax had been considered in the revenue estimates projected. He observed that K-12 used faulty comparative data statistics. He felt that comparisons should be made on a programmatic basis rather than a national comparison. He offered no suggestions to UCCSN in competing for scarce state resources. The task force attempted to offer an opportunity to enhance the General Fund's revenues to improve opportunities to successfully compete for a portion of that fund. Regent Hill observed that the Millennium Scholarship had caused tremendous institutional growth and a corresponding strain on the budgets. The bonding capacity limit creates a real problem for future building. He asked about the chances for increasing that limit. Mr. Hobbs replied that the task force was suggesting an increase in property tax. How much to devote to the capital side was dependent upon the level of demand for capital dollars.

Chair Seastrand asked why growth does not pay for itself with existing taxes. Mr. Hobbs replied that Nevada has a changing tax base. The sales tax on tangible personal property has been in place for many years. Over that period of time, Nevada's economy has shifted away from tangible goods to services, but the tax structure has not kept pace. The gaming tax presumed that gaming would continue to perform in the same manner that it has in the past. As hotel prices increase there is less to devote to gaming. The problem lies in determining the perfect source of tax that allows coverage for growth. Impact fees do not necessarily impact the growth factors. He related that the perfect mechanism had not been developed and the solution would likely be a blend of variables.

**27. Terminated-Millennium Bound Outreach Center** - During the January 24-25, 2002 meeting, the Board of Regents approved the concept of the Millennium Bound Outreach Center (MBOC) as a pilot program, including the authority to seek grants and partnerships. During the August 15-16 meeting, the Board approved the enhancement list for the next biennium budget and decided not to include the MBOC on the enhancement list. In light of this and other factors, the Board reviewed and considered the status of the MBOC and whether to continue the Center or to modify or reorganize the Center from its present form. The Board approved terminating the Millennium Bound Outreach Center operation under the System office.

Chancellor Nichols stated that the item comprised follow up to the Board action taken at the previous meeting to remove the MBOC from the budget request (enhancements). Staff needs to know the Board's position on this matter.

Regent Hill moved approval of terminating the Millennium Bound Outreach Center operation from the System offices. Regent Alden seconded.

Chair Seastrand stated that the Board received a letter of support from the Southern Nevada Black Elected Officials. He also received a letter from Ms. Elaine Wynn suggesting that it was not needed. Additionally, two students from SOUL (Student Organization of Latinos) had expressed an interest in speaking in support of the Center, but had been unable to stay.

Regent Hill felt that it was a "wrong-headed idea". He noted that the institutions had outlined their efforts in this direction, including future efforts. One of his biggest objections was having the program under the System office, which he felt was a mistake. He noted that, if the Board was unhappy with the English program offered at UNLV, they would not establish an English department at the System level. He observed there were seven institutions with existing outreach programs. The Board expects them to do the job. If the Board has a problem with what they are doing the Board should evaluate their efforts and direct them to reallocate their resources, or offer different programs in a different manner, or do a better job. He felt that creating a free-standing, independent outreach center under the System office was a mistake. He said the committee minutes revealed that Regent Howard had expressed her vision for having a center in the epicenter of North Las Vegas since it was the center of the minority community. He felt the committee should have first determined whether or not there were sufficient outreach efforts, or whether those efforts were adequate. The committee should also have identified what other states are doing and the effect of current outreach efforts. He observed that the Board had heard a presentation indicating that the effect of UCCSN's outreach programs was remarkably good. If the committee had determined that the efforts were not good enough, they should have determined corrective measures. Instead, the committee began with the intent to create the MBOC. He felt that the minutes did not reflect that the committee had made an attempt to evaluate current efforts. He stated that he agrees with outreach, adding that a number of Board members were first-generation college students, high school or grade school graduates. He felt that emphasizing the importance of an education via outreach was valuable, adding that he was a true believer in higher education. He agreed with reaching out to students and bringing them into the System. He said that he was not criticizing outreach. His criticism was directed to the decision that had been made when the committee first started, that it should not be at the System office level, the System did not have the money to support the venture, and it appeared that a remarkable outreach effort was already in existence. He said that he could not support the system of outreach proposed by the committee. Regent Hill said that the System office was a supervisory office and not an operational unit.

Regent Howard stated that Black people did not need to be beat any more because they had been beaten enough, adding that she did not expect Regent Hill's support. She agreed that the campuses have improved their outreach. She felt the improvement was due to efforts to create something that would hold the institutions more accountable. She did not view the MBOC as an intrusion to current campus efforts, but rather an enhancement of existing institutional efforts. She questioned why the presidents did not provide input and why more Regents did not participate. She stated that society was moving

closer to a multicultural society, adding that minorities would soon be the majority. She felt that UCCSN must be able to respond to the growth in that area. She felt there was inequitable treatment and a lack of capital construction. She said that these areas required the same infrastructure as other areas. She expressed her respect for Regent Alden's advocacy for his constituents and cited the Green Valley High Tech Center, Nevada State College, and CCSN-Henderson Campus. She felt it slanderous to suggest that this effort was done for her benefit. She asked why a Regent would make a motion to reconsider a \$1.3 billion budget to singly remove a \$450,000 program for at-risk youth.

Chair Seastrand tried to interrupt Regent Howard. Regent Sisolak noted a point of order. Chair Seastrand encouraged Regent Howard to speak to the motion, rather than the people making the motion.

Regent Howard did not agree that the idea was flawed, adding that it had been planned and structured with the assistance of campus administrators and community leaders. She noted there had been meetings with donors and possible financial commitments were under discussion, but everything had been put on hold. She stated that it was included in the Master Plan and was a condition to the vote taken regarding the admissions standards. She stated that it was part of the Minority Coalition's proposal, which the Board adopted. She observed that Black elected officials were in full support of this. She expressed her respect for Mrs. Elaine Wynn, adding that Mrs. Wynn sent her a letter.

Regent Sisolak noted a point of order, stating that no notification had been provided to Mrs. Wynn that she would be discussed. Chair Seastrand cautioned Regent Howard to stay on point and to avoid personal references.

Regent Howard stated that Mrs. Wynn had been a great advocate for higher education. She felt that those in opposition to this measure were not aware of the needs. She related that only two Regents participated in the discussions regarding the increase in admission standards. She observed that there were people who recognized the need, citing Mr. Andre Agassi.

Chair Seastrand requested Regent Howard to stay on point and to not mention names.

Regent Howard noted that a famous tennis player had recognized the need in western and North Las Vegas, adding that he reached out to those areas and that he was compassionate. She stated that the Board believed in this before and had voted upon it in many capacities. She acknowledged that they might not all agree on the way that it was done, but felt that the Board should not let it just go away. She said they should continue this effort of outreach, adding that her constituents had shown her they need these services. She felt it was unfair that her constituents in those areas were continuously deprived of the same services provided in other Regents' areas. She asked the Board to be more sensitive to their needs.

Regent Derby stated that she was impressed by the reports heard earlier in the meeting. She felt that Regent Howard had helped direct the Board's attention all the more forcefully towards this issue. She hoped the Board could learn something from this experience. She stated that the Board approved a concept and established a community task force that generated a lot of conversation leading people to believe the Board was serious and interested. In looking back, she felt the Board went forward with a concept, involved people, and then later decided it was a bad idea, which sent a bad message. She urged the Board to more carefully consider ideas and concepts so that the community was not misled. She acknowledged that what the campuses had shown was very reassuring. She was impressed with UNLV's vehicle that could recruit within the neighborhoods of those least likely to go beyond the neighborhood to find out about opportunities for higher education. She noted that the Board had realized the constraint of funds, and had realized that having this Center under the Chancellor's office was not a good idea.

Regent Rosenberg applauded the campus' efforts. He observed that Regent Howard was talking about something different. The outreach presently conducted is good in that it reaches the schools and some of the neighborhoods. But it was not some place where potential students know it is, and will be tomorrow and the day after. A place they ultimately will approach. He liked the idea of providing a location that the students were aware of. He felt that it was an important adjunct to Board efforts because more students would be reached. He urged the Board to modify the idea but not to kill it.

Regent Hobbs observed that the System did not have the funds or solutions for everything. She recalled that the Board had endorsed the MBOC in concept but had not allocated any money. She said that she was surprised when the presidents put it on the priority list. She noted that the Board had no funds to support a physical building, but that the Board was supportive of minority recruitment. She said that it appeared that UCCSN was doing a good job, adding that they could likely do better. She hoped that the University System would strive to do better. She stated that, until she saw the item on the enhancement list, it had never been expressed as a financial priority of the Board.

Regent Dondero explained that the discussions held regarding the MBOC were to review outreach and determine whether additional private funding could be secured. She agreed that, due to the budget constraints, the Board did not have the money to do it. She felt that the System should reach out to all students to encourage them to pursue higher education. She felt the effort brought a lot of community people to the table with good ideas. Regent Howard said that the reason the MBOC appeared on the list was attributed to discussions regarding increased admission standards. A commitment was made to offer some funding for the Outreach Center. She said that it was based upon an agreement with the Minority Coalition that funding would be provided for minority programs. She noted that the committee had not met since the item was removed from the budget. She asked the Chancellor to explain whether or not money was discussed. Chancellor Nichols replied that it



had been on two separate occasions. The committee appointed by then-Chair Dondero returned a recommendation to the Board, including a definition of the Center, the concept, a budget, and a recommendation that the Board consider including the Center in the biennial budget request. The Board accepted the report. When discussing increased admission standards, the Minority Coalition provided a list of recommendations. One of those recommendations was that the MBOC be funded as well as two or three more. The Board action taken was to accept the report in concept and direct staff to discuss implementation with the presidents. No financial commitment was made at that time. Regent Howard said that the Board gave authority to the committee to seek private and public funding. She said that one of the leaders of the Minority Coalition was upset by the Board's action and was disappointed that the Chancellor had not responded to his letter. She said that he felt that it showed a lack of sensitivity, concern, and care for the minority community.

Chair Seastrand called for the vote. Regent Howard requested a roll call vote and a clarification of the motion. Ms. Ernst clarified that the motion was to terminate the MBOC under the System office. Chair Seastrand also clarified the motion and asked Regent Hill to do the same. Regent Hill agreed that the motion was to terminate the MBOC under the System auspices. He clarified that he was not opposed to any of the institutions undertaking the issue.

Regent Howard stated that Mr. Hill did not speak for the entire Board. Chair Seastrand called for the vote. Regent Howard stated that she would not object to having the campuses doing this, but she felt that they were not doing what was necessary. She said that CCSN was the only campus that was, adding that they had the A.D. Guy Center.

Regent Sisolak noted a point of order. He was under the impression that the Board had voted and that a roll call vote had been requested. He objected to further discussion of the issue.

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

Regent Rosenberg proposed a new motion.

Regent Sisolak noted a point of order, stating that the motion was not applicable to the agenda. General Counsel Ray clarified that the motion that passed terminated the program as a System program.

Regents Gallagher and Hobbs left the meeting.

**28. Information Only-Follow-Up to University Admission Standards** - The Board discussed the follow-up document "Final Recommendations to Improve Minority Recruitment and Retention in the UCCSN" submitted by the Minority Coalition and approved by the Board at the April 18-19, 2002 meeting. (Ref. M on file in the Board office).

Regent Howard said that the Chancellor needed to respond to her request as well as to the community, adding that the Chancellor had not responded to their letter. Chancellor Nichols replied that the letter sent by Mr. Rodriguez had been sent to the Board of Regents, adding that she would have responded if it had been sent to her. Regent Howard felt that the Chancellor should have felt that it was important enough to warrant a response.

Regent Hill noted a point of order. Chair Seastrand explained that the discussion had strayed from the agenda item.

Regent Sisolak left the meeting.  
Regent Rosenberg left the meeting.  
Regent Alden left the meeting.  
Regent Hobbs entered the meeting.

Chancellor Nichols provided a progress report on the recommendations made by the Minority Coalition. She then provided the status of each item on the list:

1. Completed presentation of minority recruitment and retention plans to the Board.
2. Will be funded if the legislature approves the budget submitted.
3. MBOC has been terminated under the System auspices.
4. Need-based student scholarships for minorities and low-income students will be increased by \$3 million in Fall 2003 and by \$8 million in Fall 2004.
5. New admission standards have been adopted by all of the campuses.
6. Under discussion by the Student Affairs Council; no final decision yet.
7. Will reach this goal if the requested budget is funded.
8. Student Affairs are working on this item. It should be complete within 2-3 months.
9. Have identified potential speakers. Conversations have been held with the presidents. Trying to find the right place on the agenda and the money to bring in the speakers.
10. In progress; will be completed shortly. It is being defined by System Administration, Student Affairs Council, and Academic Affairs Council.
11. A Study Skills Course is in place on all campuses. They are not required for all first-year students. This is

a budgetary as well as a faculty issue.

12. The high school study skills courses are issues for the school district. Reviewing the possibility through the P-16 Council.

13. UCCSN has adopted a resolution to support the K-16 curriculum alignment with the Nevada Collaborative for Academic Success.

14. Will be addressed by the P-16 Council; joint effort with K-12.

15. Will be addressed by the P-16 Council; joint effort with K-12.

16. No progress made; will address in the future.

17. In progress; funding has been identified. Will be distributed this year.

18. Completed; work will continue.

20. The state GEAR-Up Program has been supplemented by UNLV's program.

21. Still working on the American Diploma Project.

23. Every campus has implemented this recommendation and ensures that written notice is provided to all students denied admission.

24. Articulation agreements are up-to-date. Mechanisms are not in place for disseminating the information to designated minority group organizations. Discussions will be held to determine whether campus officers might best fill that role.

(Items numbered as originally presented.)

Regent Rosenberg entered the meeting.

Regent Howard requested the Chancellor's point-by-point response in writing. Chancellor Nichols replied that it would require approximately 1½-2 weeks.

Regent Howard requested an explanation for the attorney's interjection to Regent Rosenberg's motion. Chair Seastrand asked Regent Howard to discuss the matter with him at a later date. Regent Howard said that she wanted the response on the record.

General Counsel Ray explained that he had already provided his interpretation. Regent Howard said that she did not understand. Chair Seastrand asked Regent Howard to get a clarification after the meeting adjourned. She related that people would not be able to hear his response. Chair Seastrand noted that it had been explained once. Regent Howard objected. Chair Seastrand asked General Counsel Ray to provide an explanation. General Counsel Ray explained that the motion passed by the Board terminated the program. He clarified that he did not say that Regent Rosenberg could not make a motion, but rather that he could not make the motion because he was on the losing side of the vote. The motion that Regent Rosenberg was attempting to make would have altered the program. A motion to reconsider prior action requires that the motion be made from someone on the prevailing side. Since Regent Rosenberg voted against the original motion, he could not make a motion to reconsider. Regent Howard asked whether General Counsel Ray had provided a recommendation for allowing consideration of the motion. General Counsel Ray replied that he had.

**29. Approved-Ad Hoc Executive Evaluation & Compensation Committee** – The Board approved Chair Douglas Seastrand's request for a special committee to work with Chancellor Jane Nichols to study and make recommendations regarding UCCSN presidential evaluation and compensation, including existing evaluation processes, current salary levels, the process by which salary adjustments should be made, and the sources of the total compensation package available to presidents. (Ref. N on file in the Board office).

Chair Seastrand reported that the exclusive purpose of the Committee would be to review the evaluation process for System presidents, and perhaps other System executives, and to evaluate the appropriate compensation. He asked Board members for their interpretation for whom the presidents actually reported to (i.e., the Chancellor or the Regents).

Regent Hill requested a point of clarification. He indicated his support of the proposal, but wondered whether current budget constraints would prevent such action at this time.

Regents Alden and Sisolak entered the meeting.

Chair Seastrand replied that he had planned to form the Committee and allow them to decide how to proceed. He agreed that, in light of the budget constraints, the Board may not be able to afford outside assistance.

Regent Alden suggested using a two-tiered approach that might mitigate and assist in the process. Regent Derby said that she was not an advocate of the two-tiered approach. She clarified that the presidents report to the Chancellor and the Chancellor, in turn, reports to the Board. Chair Seastrand said that he was considering adding a 4th charge to the Committee asking them to review how the presidents are evaluated because the person they report to is the Chancellor. He hoped to examine the relationship between the Board and the presidents, as well as the evaluation process. Currently, the Board is heavily involved in the presidential evaluation process.

Regent Dondero expressed concern for the cost, adding that a committee could be formed internally to perform the evaluations.

Regent Alden felt there was a structural default with the Board hiring and firing both the Chancellor and the presidents. He suggested consideration of having the Chancellor hire, fire, evaluate, and recommend raises for the presidents.

Regent Kirkpatrick moved approval of creating the ad hoc Executive Evaluation & Compensation Committee. Regent Dondero seconded. Motion carried. Regent Gallagher was absent.

Chair Seastrand announced the Committee membership: Regent Steve Sisolak-Chair, Regents Jill Derby, Dorothy Gallagher, Laura Hobbs, and Tom Kirkpatrick, as well as two community members: Mr. Don Snyder and Mr. Keith Lee.

**30. Approved-Potential Lease of Land, Shadow Lane Campus, UNLV** – The Board approved UNLV's request for permission to negotiate a possible lease or leases of land on the Shadow Lane Campus to one or more entities for activities that benefit and partner with UNLV programs and/or research. (Ref. O on file in the Board office).

President Harter reported that multiple parties had expressed interest in the possibility of developing partnerships on the Shadow Lane property. Thus far, the parties have had some relationship to biomedical or biotechnological activity. UNLV requested permission to negotiate potential leases with one or more of those parties in between Board meetings. Any final leases would be brought before the Board.

Regent Hill said that he did not object to negotiations, adding that he would like to know more details prior to extending Board approval. He observed that partnerships could sour. He asked that the Board be notified of potential action before President Harter requested approval of any negotiated deals. President Harter said that she would keep the Chancellor apprised on a daily basis. She related that the Shadow Lane Campus comprised 18 acres. UNLV already has 185,000-sq. ft. of space. The Dental School will occupy one building. UNLV has federal dollars to create a forensic laboratory in the second building, which will also house the Cancer Institute. She related that complete definitions of the potential partnerships were not yet completed, adding that she would keep the Chancellor apprised. She said that she was not at liberty to discuss the specifics of ventures with private parties. She reported that UNLV could only negotiate with private parties under the covenant of UNLV's bonding agreement. She indicated that it was difficult to determine when specifics could be publicly discussed. Regent Hill explained that leasing property for fair market value was different from developing partnerships and other relationships. He wanted to ensure that the Board had an opportunity to discuss the partnerships prior to approving any leases. President Harter replied that it would be part of the discussion to approve the lease.

Regent Kirkpatrick moved approval of allowing President Harter to negotiate a possible lease or leases of land on the Shadow Lane Campus to one or more entities. Regent Rosenberg seconded.

Regent Kirkpatrick asked whether restrictions were included with lease agreements (i.e., length of time) and whether such restrictions required Board approval. General Counsel Ray replied that a lease of System property required Board approval. The terms of the lease would depend upon what was mutually agreeable and required Board approval. Regent Kirkpatrick asked how much space was available for lease. President Harter replied that it would depend upon what someone might choose to build or renovate. In Building B, the federal dollars received for the Cancer Institute and forensics laboratory, would allow UNLV to build out approximately 50% of that facility. It is possible that some group (private, public, or 5013C-not for profit) might want to renovate the remainder of the building. There could also be parties interested in building a facility that could house several kinds of activities. She related that several acres could be made available for a variety of different uses without inappropriately competing with UNLV's activity. She related that it was possible that President Lilley will want to build something there in a partnership with UNLV. Regent Kirkpatrick noted that they were long-term leases and asked about the impact if the Board wanted to sell the property. Dr. Harter replied that someone might decide to build on the property and then donate the building to the university. She affirmed that UNLV would not overuse the land. UNLV's bonding restricts the amount of acreage and/or building space that can be made available to other entities. Regent Kirkpatrick recalled a problematic long-term lease with the School of Medicine. Regent Alden clarified that a former Chancellor negotiated a 50-year lease of property. He felt that long-term leases were dangerous. President Harter stated that UNLV achieved better deals with long-term leases.

Regent Alden asked about the financial impact. Chancellor Nichols replied that it would depend upon the particular agreement made. Regent Alden asked whether the request agreed with UNLV's Master Plan. President Harter replied that it did. Regent Alden requested a roll call vote, adding that he would oppose the motion.

Regent Howard asked whether this was the same facility intended for the dental school. President Harter replied that it was. The property is comprised of 18 acres and three buildings totaling 185,000-sq. ft., located on West Charleston and Shadow Lane. To date, all activities relate to biomedical/biotechnology research efforts. She indicated that different parties had approached UNLV to build, renovate, or lease space on the property.

Regent Dondero asked about restrictions on the amount of space that could be leased. President Harter replied that UNLV's bonding dictated the value or amount of space, adding that it was a complex formula calculated by bond counsel. Regent

Dondero asked whether President Harter would return to the Board with any future requests regarding the property. President Harter said that she would.

Regent Sisolak clarified that the Board was simply approving permission for the university to negotiate and was not approving a 50-year lease. President Harter agreed.

Regent Sisolak noted that real estate deals were often time sensitive and rushed. He wanted to ensure that the Board was not caught in a crunch with any future real estate deals. President Harter explained that people from the private sector have a difficult time believing the length of time between decision-making opportunities. She related that it was difficult to balance the needs of a private sector party and UNLV's needs as a public entity. Regent Sisolak said that he understood. He hoped the Board would be provided the opportunity to get all of the facts. President Harter said that she would be sure to discuss these issues with the Chancellor, legal counsel, and Vice Chancellor Miles as the institution moved forward and would also keep the Board in the loop.

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

**31. Information Only-Proposed Timeline for Consolidating University & Medical Practice Activities** - UNR discussed the proposed timeline for consolidating university and medical practice activities into a new Clinical Services Center within the University of Nevada School of Medicine. (Ref. P on file in the Board office).

President Lilley reported that Chancellor Nichols and General Counsel Ray had been immensely helpful in moving this issue forward. He reported that weekly meetings were being held with substantial progress. He stated that the Personnel Department aspect was very complicated.

Regent Howard left the meeting.

President Lilley reported that they were attempting to derive realistic targets and were making good progress. He expressed his gratitude to his university and System colleagues who have worked on this issue. He explained that the committee was comprised of administrators, but they also utilized committees within the School of Medicine on both campuses to ensure proper faculty and staff input. He reported that Interim Dean McFarlane, the Chief Financial Officer for the SOM, and Dr. Mike Harter were all present to answer any questions.

Regent Alden said that he fully endorsed the direction indicated in the information provided. He commended Interim Dean McFarlane, Southern Campus Dean Mike Harter, and Associate Dean Owen Peck on a job well done. He encouraged them to complete the process.

**32. Information Only-Report on Residency Policies** - Vice Chancellor Richard Curry presented information gathered through the State Higher Education Executive Officers (SHEEO) on out-of-state students changing residency status. This report was an outgrowth of a prior Board discussion on residency policies for the School of Medicine and School of Law. (Ref. Q on file in the Board office).

Dr. Curry reported that, in most states, students must file for reclassification. Important definitions, time frames, processes, and decision making approaches vary by state. Student reclassification is accomplished with varying degrees of stringency. Methods include:

- Proof of physical residence in the state for 12 months (or more) prior to enrollment.
- Maintenance of a legal domicile as defined by the individual state for a specific period of time.
- Fulfillment of all the requirements for state residency and independent financial status.
- Declaration or signed oath committing to state residency.
- Proof that the intent of the move was not primarily to attend school (voter registration, automobile registration, marriage records, lease or ownership documents, employment records).

Dr. Curry stated that the most significant factor appeared to be proof of financial independence. Students dependent upon parents' or a guardian's resources (as demonstrated by tax return evidence) are usually assigned their parents' or guardian's state of residence. Students must prove their financial independence and their intent to make the state their permanent residence. Individual states have a variety of acceptable proof. In some states students must rebut a presumption of dependence until a certain age. Nevada's policies for residency and reclassification are very similar to a majority of the states. There are some exceptions. A few states are considering the development of additional policies or the application of current interpretations and evidentiary requirements in a more stringent manner.

- The University of Washington has begun to require additional evidence. The university has also initiated a legal inquiry into what they can do to make policies tougher and have embarked upon a lobbying campaign to gain the support of other universities in imposing additional requirements.

- Utah’s residency policy is unusual. It ensures that, in spite of any other considerations, at least the first two full-time student years will likely be classified as out-of-state for tuition purposes. Persons coming to Utah and establishing residency for the purpose of attending an institution of higher education shall, prior to registration as a resident student, maintain continuous Utah residency status while completing 60 semester credits at a regionally accredited Utah institution of higher education.
- Colorado’s policy begins with the assumption that an independent domicile is not established for an individual less than 22 years of age. The state’s policy extends the classification of an out-of-state student by at least 3-4 years. Establishing a domicile is accomplished in one of three ways. Individuals at least 22 years of age are eligible to establish domicile in Colorado. Physical presence and the intent must be established for 12 months prior to the first day of classes. Individuals under 23 years of age with parents or legal guardians who have established domicile for 12 months prior to the first day of classes could be considered in-state. Students emancipated prior to the age of 22 are eligible to establish domicile. The procedure for declaring emancipation is very stringent and requires an affidavit surrendering any claim or right to the care, custody, and earnings of the minor.
- Arizona is similar to most states with one exception. In establishing financial independence, Arizona requires that the student be independent for two years before residency reclassification can occur.
- Montana students cannot take more than 7 credits during the period in which residency is being established.
- Texas policy states that students claimed as a dependent on parent/guardian federal income tax forms hold residency in the state of those parents/guardians. Persons 18 years or older who are gainfully employed in the state for a period of 12 months prior to enrollment are entitled to resident classification. Students registering in an institution of higher education prior to having physically resided in the state for 12 months are classified as non-residents for tuition purposes. Employment while enrolled in college during a 12-month period can be a basis of reclassification as a resident at the end of that period if evidence indicates that the student has established a domicile in Texas.
- In Virginia a key concept of financial independence is defined rigorously and certain assumptions take control. Dependent students are defined as one who is listed as a dependent on the federal or state income tax return of parent/guardian. Students under the age of 24 shall be presumed dependent. Students under age 24 can be declared independent, but they must rebut the presumption with clear and convincing evidence of self sufficiency.

Dr. Curry related that Nevada’s policies seem to align with many states, but variances and technicalities are notable. The issue of financial independence appears to be the key issue with all states. While no trends were noted, he related that some states were clearly moving in a different direction.

Regent Hill felt that Nevada should tighten its residency requirements, adding that he wanted to hear from the presidents about the impact of such action. He felt that non-resident students should remain non-residents unless they dropped out for 12 months, obtained a job within the state, and were not claimed as a deduction on their parents/guardians’ tax returns. He felt that non-resident students in the School of Medicine should remain non-residents for the duration of their attendance.

Regent Derby felt the issue should be revisited given the state’s budget shortfall and Nevada’s historically liberal policies. She agreed that such action would have an impact on the campuses. She asked how the item was brought to the agenda. Chancellor Nichols replied that the issue was raised in a prior meeting. System staff was asked to explore the practices of other states. At least two western states are tightening their residency requirements due to fiscal concerns. Chancellor Nichols stated that System staff would review the information and return with a report in January.

President Romesburg urged caution on the matter, adding that a philosophical discussion would be appropriate. He cautioned against any action motivated by fiscal concerns, adding that Utah recently went through a similar situation and less students enrolled. He observed that changing residency requirements was not necessarily a revenue generator.

Regent Rosenberg agreed, adding that, if it were passed, he would like to have some kind of grandfather clause for those students already enrolled.

Chair Seastrand said that he would be interested in hearing the presidents’ perspective regarding the financial impact and asked them to think about it.

**33. Postponed-UCCSN Distance Education Report** – Due to time constraints, the item was postponed.

**34. Information Only-UCCSN Code Amendment, Appointment of Administrators-** This was the first hearing of a proposed amendment to the UCCSN Code to amend the process by which administrators are approved for appointment. Two options were presented for consideration. Final action will be taken at the December Board meeting. (Ref R on file in the Board office).

Chancellor Nichols explained that Option 1 would allow the institution presidents to appoint their vice presidents. She related that Option 2 was least favored by her and the presidents. Option 2 provides that vice presidential appointments made with a salary above the median would require Board approval.

Regent Derby felt that this would be an important change and that vice presidential appointments should be the presidents’ prerogative using the appropriate processes.

Regent Kirkpatrick stated that he was opposed to the proposal, adding that the Board had previously questioned three vice presidential appointments. He cautioned the Board against fixing something that was not broken. He felt the Board should have the opportunity to review the second-in-command on all campuses.

Regent Sisolak agreed with Regent Kirkpatrick. He asked about the number of appointments that had come before the Board for approval. Chancellor Nichols replied that at least 20, and maybe more, had been presented.

Chair Seastrand wanted to ensure that, if the Board passed one of the options, that such appointments would be reported as information to the Board, adding that he would not want to completely relinquish Board involvement. He recommended adoption of Option 2.

Dr. Joan McGee, Faculty Senate Chair-CCSN, reported that the faculty senate representatives supported the flexibility and authority of the presidents to be held accountable for their choices presented in Option A.

Chancellor Nichols stated that salary reports would be included with either option.

**35. New Business** – Regent Hill expressed his dismay that Regent Howard had left the meeting, adding that his remarks were primarily addressed to her. He noted an issue that had caused considerable uproar in the community regarding Regent Howard accessing personnel files within the System. He stated that he supported Regent access to all information within the System that was relevant to the Board's oversight and policy making duties. He began to discuss allegations regarding the reason for her access to such files.

Chair Seastrand stopped Regent Hill's conversation upon advice from General Counsel Ray. General Counsel Ray said that he was concerned about the Board's discussion of a sensitive personnel matter as well as comments being made about a Regent in an open meeting without benefit of proper notice.

Regent Alden asked whether Regent Hill could simply discuss policy regarding UCCSN personnel records. General Counsel Ray said that he did not object to a hypothetical discussion about Regents and personnel records. Chair Seastrand recommended that Regent Hill discuss the principles while not mentioning anyone specifically by name.

Regent Hill stated that his concern surrounded Regent access to the personnel files of professors, students, and staff for legitimate business vs. personal reasons. He supported Regent access to those files for legitimate business reasons. He said that he would be interested in hearing the reason for such access. He was very concerned that something like this could create a negative effect for campus personnel and have a chilling effect on professors, staff, and employees. He invited anyone that had chosen to take such action to convey to the Board the legitimate reasons. He said that Board members were aware of their obligation to Nevada's citizens, Board staff, and System professors and students to maintain the integrity of the System. He felt that not maintaining the integrity equated to failing the citizens of the state and System professors and students. He observed that those individuals had rights that should be protected. He felt that the Board should ensure that no one at any institution is playing any games. Hypothetical allegations of hiring individuals with phony degrees would be a matter for Board concern. He suggested there were better methods for obtaining such information than personally going through a personnel file. He felt that Board members must maintain the integrity of what is happening at the institutions as well as maintain the integrity of the Board. He said that there was only one group of people (other than the voters) that could maintain that integrity. He observed that everyone becomes a "little person" to a Regent. He felt it would be a tragedy to let Regents run over the little people in the System. He felt that it was the Board's obligation to enforce Board policy and Nevada's ethic laws. He invited anyone who has done something like this to put an item on the agenda, within the constraints outlined by legal counsel, to hear the legitimate reason. He said that, if the Board did not hear legitimate reasons, he felt the Board should take action including making a referral to the State Ethics Commission.

Regent Alden agreed. He asked General Counsel Ray to provide clarification of regulation 5.2.6 governing access to personnel files as well as the federal regulations regarding access to student files at the next meeting. He wondered whether a procedure/process for Regent access to such files should be put in place.

Regent Sisolak requested an agenda item providing an explanation regarding access to these files and who has such authority. Chair Seastrand replied that it had been requested and System staff would research the possibilities. Regent Sisolak asked whether some assurance was provided to employees that nothing was added to or removed from the files when an individual reviewed the file. He asked whether a record was kept. He asked what would prevent something from being added or removed. Chancellor Nichols replied that this was unknown territory. She related that, normally, if a Regent accessed a personnel file there would be someone from the institution with them while they reviewed it. There are no policies or requirements in place. She noted that there was nothing in place preventing a Regent from dismissing an employee while they reviewed the file. Regent Sisolak felt that not providing the assurance that the file would not be altered would be a gross injustice. He said that he was even more concerned about access to student files. General Counsel Ray reported that the Code provided Regents (and other identified individuals) access to personnel files and that the Board could choose to modify that.

Dr. Joan McGee stated that the senate chairs proposed a process for a possible future agenda item: "Any request by a Regent to obtain information from a faculty, staff, or student file must be put in writing with a valid reason for the request. The request shall be forwarded to the institutional president, the Chair of the Board of Regents, and the person involved. The president or designee will then obtain the requested information and provide it to the requesting Regent. A follow-up report will be provided by the Regent to the president, the Chair of the Board of Regents, and the person whose file was opened as to how that information was used."

Regent Rosenberg asked whether personnel files were hard copy or electronic. It was determined that they took both forms. He related that, as a professor, he had access to the Student Information System. He is unable to alter the information but could view it online. He observed that a hard copy could be altered.

Regent Alden asked whether a Regent could access a student files. General Counsel Ray replied that they could. Regent Alden said that he did not have proof, but many people had approached him and alleged that a Regent has had access to student files. He wanted to know about the rules governing student files. He felt that if it had indeed occurred that the individual should be prosecuted. General Counsel Ray stated that a legitimate educational purpose was required for access to student files.

Regent Kirkpatrick asked whether the Board wanted to place restrictions on Regents and all others in the group allowed to access such files, or whether the Board only wanted to limit some access.

Regent Hobbs asked that staff return with a report of normal human resources policies, including what is considered allowable in that situation.

Dr. Jim Richardson, Professor/Director, Sociology-UNR, expressed his appreciation for Mr. Guy Hobbs' presentation. He suggested there was a serious implication of the presentation and the Board's reception of it. He noted that only once had the Board of Regents taken a public position on a revenue issue before the legislature. He asked the

Board to consider an agenda item for the December meeting to publicly support Mr. Hobbs' report. He encouraged Board members to educate people in the legislature and ask them to help the System. He observed that the institutions were overrun with students and possessed insufficient resources to serve them. He asked the Board to help the governor get the tax package through the legislature

The meeting adjourned at 3:35 p.m.

Suzanne Ernst  
Chief Administrative Officer to the Board