

BOARD OF REGENTS
UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA
Lecture Hall, Room C133
Community College of Southern Nevada
Henderson Campus
700 College Drive, Henderson
Thursday-Friday, May 8-9, 2003

Members Present:

Mr. Douglas Seastrand, Chair
Mr. Mark Alden
Dr. Stavros Anthony
Ms. Marcia Bandera
Dr. Jill Derby
Mrs. Thalia Dondero
Mr. Douglas Roman Hill
Mrs. Linda Howard
Dr. Tom Kirkpatrick
Mr. Howard Rosenberg
Dr. Jack Lund Schofield
Mr. Steve Sisolak
Mr. Bret Whipple

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; Dr. Lynn Fenstermaker, DRI; Mr. Peter Bagley, GBC; Dr. Erika Beck, NSCH; Dr. Eun-Woo Chang, TMCC; Dr. John Readence, UNLV; Dr. Trudy Larson, UNR; Dr. Michael Hardie, WNCC; and Mr. John Tully, System Administration. Student government leaders present included Ms. Janell Mihelic, NSCH; Mr. Kiyoshi "Teddy" Noda, TMCC; Ms. Monica Moradkhan, UNLV; Ms. Jocelina Santos, UNLV-GPSA; Mr. Chul Yim, UNR; Ms. Marilou Woolm, UNR-GSA; and Mr. Kenneth Stanfield, WNCC.

Chair Douglas Seastrand called the meeting to order at 12:45 p.m. on May 8, 2003 with all members present. He related that the Pledge of Allegiance recited at each Board meeting helped unite Board members under one nation. He noted the addition of an invocation to the Board's agenda. He felt an invocation would help expose members to multiple cultures and unite Board

members with common hopes. The invocation was offered by Father John Hondros, St. John the Baptist Greek Orthodox Church.

Regent Sisolak noted a point of order, observing that prayer had been a school board issue at one time. He asked whether an invocation was allowable. Chair Seastrand replied that it had been done before and that most other meeting bodies observe an invocation. He thanked Regent Anthony for encouraging the Board to do this. Chair Seastrand related that he had discussed the matter with General Counsel Ray, who indicated that it could be done within certain parameters. Chair Seastrand stated that efforts were made to stay within those parameters so as not to offend anyone. He said that the Board would not represent any particular religion, philosophy, or theology. He encouraged Board members to suggest the names of other individuals from the community who could provide the invocation at future meetings. System staff will select those individuals to ensure a broad spectrum of philosophies with no favoritism.

Regent Sisolak asked to hear from General Counsel Ray, adding that he did not have a problem with the practice but was concerned about the school board losing funding because of such a practice. General Counsel Ray said that he had reviewed the situation, which raises a church-state First Amendment issue. He related that the Clark County School Board engages in a similar practice. Research indicates that the courts hold educational boards to a stricter standard than legislative bodies (i.e., city council, county commission). General Counsel Ray felt that observing an invocation was permissible, but cautioned the Board to be careful to ensure it is of a non-sectarian nature. He stated that an invocation should not be a religious prayer, but rather a general commentary setting the tone for the serious nature of the business to be undertaken. He said that no one religion should be favored over another and that lay people could also participate.

Regent Derby observed that the term “non-sectarian” was very broad. She noted that not all religious faiths recognized God, and asked for more information concerning the parameters. General Counsel Ray said that he would like to refrain from expressing an opinion on the matter that afternoon. He related that, in general, there should not be any religious reference.

1. Introductions – President Ringle recognized that Dr. Eun-Woo Chang was attending his last meeting as Faculty Senate Chair for TMCC, adding that Dr. Chang had served the college well.

President Lucey introduced WNCC's new Faculty Senate Chair, Dr. Michael Hardie.

President Remington announced that CCSN's new Student Body President, Ms. Evelyn Flores, was taking a final exam. He reported that the issues (brought up at the last Board meeting) concerning disabled students wanting to be part of a student club had been resolved. He noted the artwork on display outside of the meeting room and thanked Regent Dondero for suggesting the display. He reported that Coach Tim Chambers was recently named Coach of the Year for the Scenic West Athletic Conference. CCSN's men's baseball team is ranked 9th nationally. Freshman pitcher, Mr. John Beard, was named Player of the Year and five baseball team players made First Team All Conference.

Regent Sisolak observed that Chancellor Nichols was featured on the cover of the April 2003 Nevada Business Journal.

President Killpatrick related that Mr. Pete Bagley was attending his final meeting as GBC's Faculty Senate Chair, and thanked him for his commitment to the college.

Regent Anthony stated that CCSN's baseball team was comprised of great athletes with an average GPA of 3.2. Eleven sophomores received full scholarships to Division I NCAA schools. He noted that UNLV's Runnin' Rebels were ranked 16th in the nation.

President Harter introduced UNLV's newly elected Faculty Senate Chair, Dr. John Readence. She confirmed that UNLV's baseball team was ranked 16th nationally with a 37-13 record. The team hopes to participate in the Collegiate World Series.

Vice Chancellor Curry introduced Mr. Tyler Trevor, the new Assistant Vice Chancellor for Academic Affairs.

Chair Seastrand expressed the Board's appreciation for the participation of the faculty senate and student body representatives.

2. Chair's Report – Chair Seastrand recognized the valiant efforts of Chancellor Nichols during the legislative session in Carson City. In a year marked by some of the toughest economic conditions in the state's recent history, she was able to achieve remarkable success. He attributed that success to the efforts of Chancellor Nichols and System lobbyist, Mr. John Pappageorge. The budget closed with higher education enrollments funded at 84.45% for this biennium and 84.09% for the following biennium. The funding is dependent upon the legislature passing a tax package that will fund this budget. Chair Seastrand expressed his appreciation to the legislature for providing a budget within which the UCCSN can work.

Chair Seastrand observed that the Board meeting was being streamed on live video via the Internet. He noted that item #36 (Explanation of Settlement) had been withdrawn.

Chair Seastrand mentioned that he had received a number of thank you notes from recipients of the Regents' Distinguished Nevadan award. He related that the Regents' Review included an article about this year's recipients, as well as an article about Regent Jack Lund Schofield.

Chair Seastrand acknowledged receipt of a \$5 million gift to the University of Nevada's School of Medicine to build the Lou Ruvo Alzheimer Center.

3. Chancellor's Report – Chancellor Nichols reported that UCCSN's budget was an indication of the wonderful legislators in Carson City who support higher education. She was hopeful and confident that they would find a way to fund the budget.

Chancellor Nichols related that UCCSN has agreed to participate in another national project with four other states. The National Forum on College-Level Learning, sponsored by the Pew Charitable Trusts, will develop and test a model for collecting comparable information across states to assess college-level learning for purposes of national benchmarking. One

of the goals of the project is to establish a more comprehensive model for grading states in the category of "Learning" in the Measuring Up 2004 report. Nevada previously received an incomplete grade in this area in the Measuring Up 2000 and Measuring Up 2002 reports. Instruments to be used in the project will include licensing and graduate-admissions exams, the National Survey of Student Engagement, the 2003 National Assessment of Adult Literacy, Work Keys, the Collegiate Learning Assessment, and the College Results Survey. The project will require more work from UCCSN institutions and she expressed her gratitude for their participation. All costs will be borne by the Pew Trusts.

Chancellor Nichols reported that the National EPSCoR meeting will be held in Las Vegas in September. She expressed hope that Board members would participate in the meeting. She announced that Dr. Dennis Lindle, Professor, Chemistry-UNLV, has been selected as the Nevada Science Foundation ESPCoR Project Director for Nevada. Dr. Di Phanord, Mathematics Department-UNLV, has been selected to serve as the Associate Director of the NASA Space Grant Consortium.

Chancellor Nichols expressed her pride in Ms. Carla Henson. Shortly after joining System Administration staff, Ms. Henson was invited to serve on the national TIAA-CREF Advisory Council. The first representative from Nevada, Ms. Henson will make recommendations on the various financial plans available through that company. Chancellor Nichols then requested a report from TMCC President Philip Ringle.

President Ringle reported that TMCC offers programs for students who are either not ready for traditional programs or who are advanced and need enriched academic experiences. He introduced Dr. Jowel Laguerre, Vice President, Academic Affairs-TMCC, to provide a presentation on such programs.

Dr. Laguerre reported that many students arrive at the college without basic skills and enroll in the GED program to complete their high school equivalency. The GED program boasts a 100% exam pass rate, with enrollment trends leaning towards students beyond high school age. One 67-year old student enrolled in GED preparatory classes at the college for eight weeks and passed the exam on her first attempt. The former casino dealer had dropped out of high school at the age of 14 and worked in banks and gaming. After retiring, she was interested in buying a computer but did not understand the sales literature. She said that she would have been lost when shopping for a computer if she had not taken the GED and several Silver College computer classes first. The student is now taking academy bookkeeping and Internet classes for her own enjoyment and in preparation for "the right" part-time job.

Dr. Laguerre related that a number of students attend TMCC to improve their English skills. Some of these students earned college degrees in other countries with English proficiency the only hindrance to professional careers in Nevada. A working professional from Columbia, South America began taking ESL (English as a Second Language) classes at TMCC's Meadowood Center. She progressed so quickly that she is now working in the ESL office while continuing her education. Her job prospects are excellent in this high-paying career once she finishes the ESL program. In addition to improving her job readiness skills, she feels that taking classes at TMCC helped her feel more comfortable in the community and a real part of the American culture.

Increasing numbers of students are enrolling in developmental English and math classes at TMCC. The college is unable to meet the demand. The college was unable to serve 594 students wishing to take developmental mathematics in Fall 2002. The college also turned away 329 students wishing to take developmental English in Fall 2002. TMCC is working quickly to provide more sections in these high-demand areas.

Dr. Laguerre reported that TMCC initiated the QUEST (Quality Education Starts at TMCC) program to ensure that students take foundational courses first. First-time, full-time students take four courses in this program: English, Math, College Success Skills, and an elective. This builds a strong academic base during their first semester. The QUEST cohort of students has outperformed their non-QUEST counterpart by 20 percentage points in each of the first two years of the program. In Fall 2002, 81% of the QUEST cohort continued to take classes in the Spring semester compared to 58% of non-QUEST students. One student in the program has been very successful at TMCC. He completed the QUEST program, was elected to student government, and has been accepted to UNR's Studies Abroad program and will go to Scotland next year.

TMCC's marketing slogan is: "It's all about you" indicating that students' dreams and beliefs can be achieved at TMCC. Dr. Laguerre related that TMCC is changing lives one student at a time.

4. Public Comment – Ms. Ruby Watson, a UNLV senior scheduled to graduate in May 2004, reported that she was involved in two major accidents in 2002. She received one incomplete grade in the Spring semester. Following her second accident, and in spite of a plea for an incomplete grade, she received an "F" in Psychology 438. Her GPA decreased from 2.629 to 2.191. She explained her dilemma to Associate Provost, Academic Affairs, Dr. Barbara Cloud, and petitioned the Academic Standards Committee. She related that she has been disabled since 1989 (registered in the Disability Resource Center). Due to her accidents, she has been unable to keep up with her studies. She said that she was told she could extend her incomplete grade for one year, yet Dr. Cloud changed the incomplete to an "F". She asked the Board to investigate her case, adding that she wanted her 2.629 GPA restored. She felt that she did not deserve the "F" grades and was troubled that one of her (failing) instructors is also chairman of the grievance committee. She told the Board that no one could survive at UNLV with three "F's".

Chair Seastrand asked Ms. Watson to provide her information to Ms. Nancy Flagg, Deputy to the Chancellor. President Harter stated that UNLV would investigate the case and report back to the Board at a future date.

5. Approved-Consent Agenda – The Board approved the Consent Agenda with the exception of items #3 (Capital Improvement Fee Request, CCSN), #4 (Capital Improvement Fee Request, CCSN), and #5 (Tenure with Hire, UNLV), which were approved separately. Chancellor Nichols noted that Ms. Alicia Lerud would continue to serve on the P-16 Council (#2-Update, P-16 Council Membership). Regent Sisolak requested that item #5 be discussed separately. Regent Alden requested that items #3 and #4 be discussed separately.

(1) Approved-Minutes – The Board approved the minutes from the regular meeting held March 19-20, 2003.

(2) Approved-Update, P-16 Council Membership – The Board approved a modification to the previously approved membership of the P-16 Council as requested by Chancellor Jane Nichols (Ref. C-2 on file in the Board office). Ms. Alicia Lerud will continue to serve as the student representative.

- Dr. Paul Buck, DRI, to replace Dr. John Filler as the UCCSN faculty representative. (This nomination came from the UCCSN Senate Chairs).

(6) Approved-Permanent Easement, WNCC – The Board approved Western Nevada Community College's request for an immediate right-of-entry for construction and permission to negotiate the extension of an existing easement to permit the City of Carson City to place a manhole and sewer line to support the new Jack C. Davis Observatory. (Ref. C- 6 on file in the Board office)

(7) Approved-Handbook Revision, ASTM Constitution, TMCC – The Board approved President Philip M. Ringle's request of the revised Associated Students of Truckee Meadows Constitution (Title V, Chapter 12). (Ref. C-7 on file in the Board office)

Regent Alden moved approval of the Consent Agenda with the exception of items #3 (Capital Improvement Fee Request, CCSN), #4 (Capital Improvement Fee Request, CCSN), and #5 (Tenure with Hire, UNLV). Regent Dondero seconded. Motion carried. Regent Rosenberg abstained.

(3) Approved-Capital Improvement Fee Request, CCSN – The Board approved President Ron Remington's request for the use of \$300,000 in Capital Improvement Fee funds for campus master planning on all campuses and sites. The process includes planning to identify essential infrastructure improvements that will be required to meet the demands of future new facilities as well as expansion of existing resources. (Ref. C-3 on file in the Board office)

Regent Alden requested an explanation for the use of fees. President Remington explained that a 10-year comprehensive facility master plan was critically needed with the unprecedented growth CCSN has realized over the last few years. He then introduced Mr. Bob Gilbert, Director, Site Planning Design & Construction-CCSN. Mr. Gilbert reported that the main reason for the planning effort was to resolve problems the college has encountered in getting utility commitments from Nevada Power. In the past, such agreements were established with a gentlemen's handshake. Changes at Nevada Power now prevent such agreements. CCSN had to beg for the necessary power for the Science Building scheduled to complete July 2003. Without proper planning and utility commitments, he felt that CCSN might face a lack of the utilities necessary to power new structures.

Regent Alden questioned the amount spent on planning. Mr. Gilbert replied that the estimate was based upon spending \$100,000 per 80-acre campus. Regent Alden asked whether the money would be spent on outside consultants and whether an RFP process would be used. Mr. Gilbert replied that CCSN would hire architects and engineers to develop a master plan to locate buildings, develop utility corridors, and provide the information necessary to obtain the utility commitments. Regent Alden asked whether Capital Improvement Fee funds could be used for such a purpose. General Counsel Ray replied that it was permissible use of such funds. Regent Alden indicated that he would oppose the request due to lack of information.

Regent Kirkpatrick felt that the fiscal impact was not adequately addressed in the briefing paper (Ref. C-3 on file in the Board office). He did not believe that other institutions used such a large amount of Capital Improvement Fee funds for such a purpose. Mr. Gilbert replied that UNLV spent about \$600,000 on their planning efforts.

Chancellor Nichols stated that the Board had asked the campuses to provide updated campus master plans no later than December 2004. The legislature was unhappy that such plans were not already in place. She related that the campuses did not have the money in the current biennium to undertake such a large cost. Planning efforts can range in cost from \$300,000-\$1 million depending upon the scope of the master plan. She explained that CCSN was proposing this as an appropriate funding source for the planning effort. She related that all

campuses were facing the question of how to fund a physical master plan. Mr. Gilbert stated that CCSN no longer has an in-house architect on staff.

Regent Dondero commented that it was necessary to have a physical master plan in place prior to undertaking any new construction.

Regent Bandera clarified that the \$300,000 would pay for a 10-year master plan for eight different sites. Mr. Gilbert agreed, adding there were three major campuses and five smaller sites. Regent Bandera noted there was much to be considered regarding the needs for these eight sites. Mr. Gilbert agreed. He noted that the first cost analysis had been much more expensive. The college tried to reduce the cost to a level that would still provide the utility commitments before they expire.

Chair Seastrand asked when CCSN's previous master plan had been conducted. Mr. Gilbert replied there were master plans from the late 1980's to early 1990's. Architectural firms have attempted to update those plans, but nothing comprehensive since then has occurred. Chair Seastrand asked whether this had been a legislative request. Chancellor Nichols replied that it was an expectation of the legislature as well as the Board by policy.

Regent Alden asked whether an RFP process would be used. Mr. Gilbert replied that an RFP process would be used. Regent Alden asked who would design the RFP. Mr. Gilbert replied that he and CCSN's purchasing department would do so. Regent Alden observed that \$300,000 was a lot of money.

Regent Sisolak moved approval of the use of Capital Improvement Fee funds for CCSN. Regent Dondero seconded. Motion carried. Regent Kirkpatrick voted no. Regent Rosenberg abstained.

(4) Approved-Capital Improvement Fee Request, CCSN – The Board approved President Ron Remington's request for the use of \$250,000 in Capital Improvement Fee funds for the purpose of renovations and improvements on the Henderson Campus. (Ref. C-4 on file in the Board office)

Regent Alden moved approval of the use of Capital Improvement Fee funds for CCSN's Henderson Campus. Regent Sisolak seconded. Motion carried. Regent Rosenberg abstained.

(5) Approved-Tenure with Hire, UNLV – The Board approved President Carol C. Harter's recommendation for tenure upon hire for the following faculty members. The faculty of each of the affected departments have approved tenure. (Ref. C-5 on file in the Board office)

- Dr. Marden Alder, DDS, Full Professor of Clinical Studies in the UNLV School of Dentistry (effective January 1, 2003).
- Dr. Tom Nowlin, DDS, Full Professor of Clinical Sciences in the UNLV School of Dentistry (effective May 1, 2003)
- Dr. Mario Martinez, Associate Professor in the Department of Educational Leadership in the College of Education (effective August, 2003).
- Dr. Eric Sandgren, Full Professor and Dean of the Howard R. Hughes College of Engineering (effective July 1, 2003).

Regent Sisolak asked how tenure was granted following hire. President Harter replied that the paperwork had been delayed in coming before the Board. Provost Alden clarified that faculty hired with tenure were provided a letter of offer stating that tenure was contingent upon Board approval. Many faculty are hired during the Summer when there is no Board meeting. In this case, UNLV neglected to get the paperwork to the Board in a timely manner for one of the individuals. Regent Sisolak asked about the consequences if the Board failed to approve tenure upon hire. Provost Alden related that the institution was often in that awkward situation. He related that offers for such positions were always made contingent upon Board approval.

Regent Howard asked why the four individuals were receiving tenure with hire. President Harter replied that the two dental faculty were already tenured professors at their previous institutions. When starting a new professional school, it is often necessary to hire senior leader faculty with tenure in order to attract the caliber of individual desired. She related that Dr. Martinez is an expert in state policy, a Ford Foundation grant winner, and had just received Associate Professor and tenure at New Mexico State. She explained that UNLV was filling an educational leadership position with a person with state and financial expertise not available on the faculty. Dr. Sandgren is the dean of the College of Engineering.

Regent Kirkpatrick moved approval of the tenure with hire for UNLV. Regent Howard seconded. Motion carried. Regent Rosenberg abstained.

Chair Seastrand clarified that requests for tenure had already been approved by the institutions' faculty.

6. Approved-Academic, Research & Student Affairs Committee Recommendations and Report – Chair Jill Derby reported the Academic, Research & Student Affairs Committee met May 8, 2003 and requested Board action on the following Committee recommendations:

- Administrative Reorganization of Health Sciences Programs and New Unit Proposal, Division of Health Sciences, UNLV – The Committee approved a proposal for an administrative reorganization of health and biomedical sciences. This new Division of Health Sciences will include the School of Dentistry, and restructuring of the current College of Health Sciences into the School of Nursing, and the School of Allied Health and Human Performance. This restructuring will improve the capability of the campus to address the broad range of health related issues, pre-professional student advising, enhance academic programs to meet professional workforce needs, coordinate campus interdisciplinary efforts to compete nationally for academic and research funding, and improve development of the Shadow Lane campus. (Ref. ARSA-2 on file in the Board office)
- New Program Proposals – The Committee reviewed the following new program proposals:
 - Executive Master's Degree in Crisis and Emergency Management, UNLV. (Ref. ARSA-3 on file in the Board office)
 - AAS, Agriculture, GBC. (Ref. ARSA-9 on file in the Board office)
 - BS, Business Administration, NSC. (Ref. ARSA-10 on file in the Board office)
 - BA/BS, Integrated Studies, NSC. (Ref. ARSA-11 on file in the Board office)
 - BS, Psychology, NSC. (Ref. ARSA-12 on file in the Board office)
- New Unit Proposals – The Committee reviewed the following new unit proposals:
 - Department of Professional Studies, UNLV. (Ref. ARSA-4 on file in the Board office)
 - Frank H. Rogers Center for Environmental Remediation and Monitoring (CERM), DRI. (Ref. ARSA-6 on file in the Board office)
- Program Elimination – The Committee reviewed elimination of the following programs:
 - Gaming Management Major and Gaming Management Academic Credential Program, UNR. (Ref. ARSA-7 on file in the Board office)
- Degree Name Changes – The Committee reviewed the following degree name change proposals:
 - Doctor of Dental Surgery, D.D.S., to Doctor of Dental Medicine, D.M.D., UNLV. (Ref. ARSA-5 on file in the Board office)
 - Ph.D. in Computer Engineering to Ph.D. in Computer Science and Engineering, UNR. (Ref. ARSA-8 on file in the Board office)

Provost Alden explained the administrative logic behind the major reorganization of Health Sciences programs at UNLV. He related that the reorganization allowed people from various colleges to work in a multidisciplinary area and removed disincentives from different colleges working together. It also brings the Dental School into the community of Health Sciences, allows UNLV to have a School of Nursing, and provides a School of Allied Health and a place for multidisciplinary research.

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

Regent Alden asked about the number of undergraduates in UNLV's School of Nursing. Provost Alden replied there were approximately 200 students enrolled. UNLV admits 400 pre-nursing students who then follow a 2-year program. There are two admissions periods where 48–56 new students are admitted. A third semester will be added in the Summer. Regent Alden asked about the program's capacity for students. Provost Alden replied that the new strategy would bring 80-90 new students into the program. Regent Alden asked about the transferability between the two university's nursing programs. Provost Alden replied that the first two years were comprised of pre-nursing courses. The final two years become more specific, but the universities do accept one another's credits. Regent Alden asked whether community college and state college students could also transfer. Provost Alden replied that they could. Regent Alden indicated that he had been told that the nursing programs were not interchangeable. Provost Alden clarified that the final two years were structured programs at the two universities, adding that it was more difficult for a student to transfer during the final two years. Regent Alden asked about critical needs for the program's success. Provost Alden replied there are 7 specialty areas involving community practice as well as the didactic courses. Regent Alden asked whether the health care industry was assisting. Provost Alden replied that would be a future challenge as new programs were added.

Motion carried.

7. Approved-Audit Committee Recommendations and Report - Chair Steve Sisolak reported the Audit Committee met May 8, 2003 and received a follow-up response for one internal audit report presented at a previous meeting. Mrs. Sandi Cardinal, Director of Internal Audit, reported that the institution bank reconciliations are up-to-date. Dr. Stephen McFarlane, Interim Dean, University of Nevada School of Medicine, reported on the status of the University of Nevada School of Medicine Practice Plan with a net profit of \$1.4 million as of March 31, 2003. The northern Practice Plan was in a loss position at the end of March, but has a profit at the end of April. Ms. Denise Baclawski, Executive Director, Fire Science Academy-UNR, presented a short videotape of the FSA that recently aired on the National Geographic channel. She reported on the financial status of the Academy, indicating the number of students is below Business Plan projections, but the FSA is

on target to meet or be below the projected deficit at June 30, 2003. The FSA purchased a general liability insurance policy to resolve the issue previously reported on the State liability cap. Mr. Fred Hipwell, Partner, PricewaterhouseCoopers, discussed the financial statement implications of asset valuation. He indicated that the financial statement value of the FSA would not be impacted unless the Board of Regents formally adopted a plan to sell the Academy. Considerable discussion took place regarding the future direction of the FSA. FSA personnel will prepare an updated Business Plan through June 30, 2008 for presentation to the Audit Committee in August 2003. Regent Sisolak requested Board action on the following Committee recommendations:

- Internal Audit Report – The Committee reviewed the following Internal Audit reports: (Ref. A on file in the Board office)
- Lawlor Events Center, UNR (Ref. A-2 on file in the Board office)
- Graduate Student Association, UNLV (Ref. A-3 on file in the Board office)
- Department of Libraries, CCSN (Ref. A-4 on file in the Board office)
- Construction Audit, GBC (Ref. A-5 on file in the Board office)
- Presidential Exit Audit, GBC (Ref. A-6 on file in the Board office)
- U.S. Department of Education, OCR Compliance Audit, UNLV – The Committee authorized and directed the Internal Audit Department to conduct an audit and prepare a report as required by, and to be submitted to, the United States Department of Education, Office for Civil Rights. The audit report will also be presented to the Audit Committee.

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 May 8, 2003 and reviewed the Third Quarter Self-Supporting Budget Revisions Report as well as the Third Quarter Budget Transfers-State Appropriated Funds Report. The Self-Supporting Budget Revisions Report provides information on required revisions to the many self-supporting budgets within UCCSN. In the 3rd quarter, revisions totaling \$3.7 million were reported at UNLV, UNR, and DRI. The majority of the revisions were made to correctly report income received and to adjust the corresponding expenditure to reflect actual activity of the accounts. Board policy requires that all transfers in the state-supported budgets exceeding \$25,000 be reviewed and approved by System and Administration and reported to the Board. In the 3rd quarter UNR, WNCC, and NSC all reported transfers in excess of \$25,000. UNR moved \$36,145 because of an internal reorganization. WNCC transferred \$107,796 to cover higher than anticipated expenses. NSC moved \$223,793 to cover remodeling of classroom space. Regent Hill requested Board action on the following Committee recommendations:

- IFC Approval for Additional Student Fee Collection, Fiscal Year 2002-2003 – The Committee recommended seeking Interim Finance Committee authorization to expend an additional \$62,858 in student fee revenues within the State Supported Operating Budget of the William S. Boyd School of Law for fiscal year 2002-2003. The law school intends to use the funds to enhance teaching capabilities in the classroom. (Ref. FP-5 on file in the Board office)
- Approval of an Assessment Funding Mechanism for the Board/System Administration Self-Supporting Budget in Lieu of Current Investment Income Approach – The Committee recommended approval of employing an assessment process rather than the investment income approach to provide funding for the Board's and System Administration's self-supporting budget, beginning in FY 2004. The annual assessment would be controlled by the level of funding required in the Board-approved budget and would be based on a combination of each institution's volume of self-supporting business and its return from investment income. In return, all investment income from the operating funds pool would be returned to the appropriate institution and none would be retained by the Board/System. This new funding mechanism will provide stability in the future for the budgets of the Board and System Administration. (Ref. FP-6 on file in the Board office)

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

Regent Sisolak noted that the funding strategy would change in July at the same time that the Investment Committee would change the payout rate. He asked about the next Investment Committee meeting. Chancellor Nichols reported that an Investment Committee meeting had been scheduled in late May. Regent Sisolak asked how a double payout would be avoided. Chancellor Nichols replied that the Investment Committee had waited to ensure that the Finance and Planning Committee would derive a plan for alternate funding. If the Board approves this proposal, System Administration will not take a portion of the investment payout and the Investment Committee will need to set a rate for the institutions for the next fiscal year. That action will come before the Board in June. At the same time, the Board will receive a proposed budget for System Administration and all self-supporting budgets in order to accommodate the July 1st effective date.

Regent Derby asked whether the Chancellor recommended the proposed change. Chancellor Nichols replied that she did, adding that it would provide a more stable method of funding System Administration.

Regent Alden said that he was pleased with this approach and that he fully endorsed the plan.

Chair Seastrand asked about any concerns with approaching the IFC for expenditure of additional revenues. Chancellor Nichols replied that this was a routine request and that she had no concerns.

Motion carried.

9. Accepted-Board Orientation Committee Report - Chair Howard Rosenberg reported the Board Orientation Committee met April 11, 2003.

- Chancellor Nichols explained her duties, her role as System Executive Officer, and her responsibilities (as opposed to the Board of Regents and the UCCSN Presidents) by describing the Chancellor's Cabinet and the Council of Presidents. She also explained the structure of the Chancellor's Office with specific concentration on the Vice Chancellors, her Deputy and support staff and their duties, roles, and responsibilities.
- General Counsel Tom Ray gave a brief summary of legal staff and its role, noting that they work directly with the institutions and that most of their work involves litigation or actions designed to avoid litigation, personnel cases, and contract review. The General Counsel's staff also advises the Board and System on policy, Code interpretations, the Open Meeting Law, and Robert's Rules of Order.
- Chief Administrative Officer Ernst explained her duties as both Board Secretary and External Relations Officer. She explained the structure of the Board Office with specific concentration on members of the Board staff in both offices and External Relations responsibilities, noting all services available to Board members in both Las Vegas and Reno, as well as her staff's responsibilities with regard to assembling and disseminating agenda and reference materials, preparations for Board meetings, maintaining the Board Handbook, etc.
- Regent Derby gave a presentation, which she uses nationally with Boards of Regents and Trustees, focusing on Board members and their relationships with one another as well as with the Chancellor, what the Board can expect from the Chancellor, and what the Chancellor should be able to expect from individual Board members as well as from the Board as a whole. This presentation stimulated lively discussion about goals and priorities, when they are set, how often they should be revisited, and the lines of communication between Board members and the Chancellor and the individual campuses. As with many such discussions, a number of points of concern were voiced. The Chancellor noted these concerns as she explained that the current master plan took well over two years to create and, while it is the centerpiece influencing Board action, it can be revised as time and changing conditions may dictate. Everyone agreed that individual items brought to the Board should be cross-referenced with the master plan and the Plan itself should be revisited fairly regularly.
- Regent Rosenberg recognized the Board's staff: Ms. Haynes, Ms. Dobyms, Ms. Martinovic, Ms. Palmer, and Mr. Kuhlman for their invaluable support.

Regent Rosenberg moved acceptance of the report. Regent Kirkpatrick seconded. Motion carried.

10. Approved-Ad Hoc Executive Evaluation & Compensation Committee Recommendations and Report - Chair Steve Sisolak reported the ad hoc Executive Evaluation & Compensation Committee met April 24, 2003. He and Chancellor Nichols reviewed the Committee's charge and led a discussion on the proposed parameters and procedures for the Committee's work. The Chancellor presented an overview of the existing Board of Regents' policies and procedures relating to executive compensation and evaluation, including how executive salary schedules are currently set, the current perquisites offered, and the procedures for the annual and periodic evaluation of the presidents and Chancellor. The Committee determined that it would like to review the evaluation criteria used in other systems of higher education and discuss the reporting line of the presidents at its next meeting. The Committee also reviewed national data on presidential salaries and perquisites, including supplements to a compensation provided from private sources. Committee members expressed a desire to have a more in-depth conversation about these issues at the next meeting, with additional data requested from national and regional sources. Regent Sisolak requested Board action on the following Committee recommendation:

Next Steps – The Committee recommended that the Chancellor request customized salary data from the College and University Personnel Association, taking into account institutional size and budget. Committee members Mr. Don Snyder and Mr. Keith Lee graciously agreed to split the costs for obtaining the survey data. The Committee also requested additional data on outside compensation policies as well as data on the practices used by other higher education systems to determine the length of contracts offered to executives.

Regent Sisolak moved approval of the Committee recommendation and acceptance of the report. Regent Rosenberg seconded.

Regent Alden established that Chair Seastrand had discussed the issue of the Board hiring, firing, and evaluating the presidents and Chancellor with the Chancellor supervising the presidents. He felt the Board's current method of operation was structurally faulty.

Motion carried.

11. Approved-Handbook Revision, Sexual Harassment Policy – The Board approved General Counsel Tom Ray's request for an addition to the Handbook (Title IV, Chapter 8), to create a sexual harassment policy separate from Title IV, Chapter 8,

Section 9, which addresses complaints of discrimination. The intent of the request was to standardize definitions, examples, and procedures regarding complaints of sexual harassment throughout the System. (Ref. B on file in the Board office)

Regent Alden moved approval of the Handbook revision concerning a sexual harassment policy. Regent Bandera seconded.

Chancellor Nichols said that it was important for the Board to approve this policy. System staff worked diligently to derive a good policy addressing concerns expressed at the previous meeting. Assistant General Counsel Mary Dugan met with various individuals to address some of those issues.

Assistant General Counsel Dugan reported that she would highlight the changes made since the previous meeting. She reminded the Board that, under federal and state law, the System has a legal duty to try to prevent sexual harassment and to correct it if it occurs. The law recognizes that one method of prevention is to have a sexual harassment policy. The campuses currently have their own policies, but some are in need of revision. Since federal and state laws are the same for everyone, it was felt a System policy would be better. Sexual harassment is prevented with education. Supervisors, employees, and students must all know what sexual harassment is so they do not engage in it; know they have the right to complain about it; and that there are consequences for engaging in that type of behavior. The EEOC requires that a policy be written in a way that is understood by all and that the policy contain a clear explanation of prohibited conduct. UCCSN employs over 9,000 professional and classified employees and graduate assistants, and teaches approximately 91,000 students. Approximately 100,000 people need to be educated with varying educational backgrounds, nationalities, and age differences. Considering this population, it is important the policy be understood by all of these individuals. Therefore, the inclusion of examples of the type of conduct that might, under certain circumstances, constitute sexual harassment is very helpful. The policy also requires training, which will take some time to accomplish. This policy requires that a copy of the policy must be given to each current and new employee. By including examples, they are immediately informed when they receive the policy of some of the types of conduct that can constitute sexual harassment depending upon the circumstances. The American Association of University Professors (AAUP) feels that including examples in sexual harassment policies is very beneficial. Twenty-five other institutions across the U.S. also include examples in their sexual harassment policies, including Harvard University; Yale University; Brown; Brigham Young University; New York University; Boston; Amherst; Bryn Mawr; University of California, San Francisco; University of Southern California; University of California, Davis; University of California, Santa Barbara; California State University; California State University, San Marcos; Southern Utah; Utah Valley State College; University of New Mexico; Texas A&M; University of Oklahoma; University of Kansas; University of Florida; Humboldt State University; Central Washington University; Mt. Hood Community College; and Community College of Philadelphia.

Assistant General Counsel Dugan reported the following changes since the previous meeting:

- Page 2 of 7 – Section B modified to include a statement that the policy does not intend to infringe upon academic freedom in teaching or research as established in UCCSN Code, Chapter 2. The policy again addresses freedom of expression on page 7 of 7.
- Page 3 of 7 – Middle paragraph was moved (from another location in the policy) to this location where it now immediately precedes the examples of conduct that might, under certain circumstances, constitute sexual harassment. It underscores that the examples to follow are merely examples and not that such conduct is automatically sexual harassment.
- Page 3 of 7 - Introductory language to the examples was changed to clarify that behavior must be unwelcome and of a sexual nature. Each of the examples included in the policy are examples that are currently in sexual harassment policies of UCCSN institutions. One example was modified to include educational benefits (i.e., the student relationship).
- Page 4 of 7 – Supervisors' responsibilities incorporated language proposed by Regent Anthony.

Ms. Dugan reported that the policy included other beneficial provisions, including:

- It must be tracked that each new and current employee is given a copy of the policy.
- It does not provide for informal complaints.
- It has a requirement for ongoing training at each campus.
- It puts supervisors on notice of the responsibilities associated with their job.
- If the policy is adopted, followed, and enforced the System will be in a good position to assert an affirmative defense based on having a good policy, which could be helpful in the event of litigation.

Ms. Dugan related that sexual harassment was a current event with a major soap manufacturer recently settling with the EEOC for \$10 million. She cautioned that faculty might propose a change in language regarding the examples in the policy. She recommended against accepting the change, adding that it indicated a different standard for sexual harassment than what is stated in law. There is no support for the change in case or statutory law. She urged the Board to adopt the policy in the form presented.

Regent Howard asked who was proposing the different language. Ms. Dugan replied that faculty senate representatives had presented the change to her shortly before the meeting started. Regent Howard asked about their concerns. Ms. Dugan

replied that they were concerned that the examples could have a tendency to affect academic freedom as subjects are taught in the classroom. Regent Howard requested an example. Dr. Joan McGee, Faculty Senate Chair-CCSN and Faculty Senate Chair spokesperson, acknowledged the necessity and importance for having a policy with clear and concise examples. Faculty also do not want to create a chilling effect on teaching and the issue of conduct vs. content. She related that the proposed change would provide the necessary latitude for instructors and a better understanding for students. She strongly encouraged the addition of the proposed language, which had been culled from the AAUP website. She said that faculty did not want to provide ammunition for disgruntled students to file a complaint.

Regent Howard recalled a situation where an instructor made sexual remarks in a non-sexually oriented class. Students were offended and complaints were made. She asked how the policy addressed such a scenario. Dr. McGee replied that the first part of the proposed change addressed verbal remarks. She suggested that the proposed language replace the examples presented in the policy.

Ms. Dugan agreed that some of the proposed language had been included as a suggestion by the AAUP Counsel. The initial sentence, however, was not proposed or sanctioned by the AAUP attorney. It was included in a document written and approved by professors that contained some citations to legal authority for certain remarks in the report, but contained no citation to any legal authority supporting this language. She stated that the proposed language was contrary to law. The requirement under the legal standard is that the behavior be unwelcome, sexual in nature, offensive to a reasonable person as well as to the person complaining. A reasonable person enrolled in a life drawing class (drawing nude models) would have no basis for complaint. She felt that the concerns expressed were already addressed in the law. The courts have not created a separate standard for educational institutions.

Regent Anthony felt it was an excellent policy, well written, and easy to understand. He suggested eliminating the final example of page 4 of 7 (suggestive or insulting sounds). Ms. Dugan stated that the example appeared in a current institution policy.

Regent Anthony proposed a friendly amendment for the removal of the final example on page 4 of 7 (suggestive or insulting sounds). Regents Alden and Bandera accepted the friendly amendment.

Regent Sisolak questioned how the faculty senate's proposed change was in conflict with the law. Ms. Dugan replied that the language in the first paragraph suggested a standard (persistent, pervasive, and not germane to the subject matter; wide latitude required for professional judgment in an academic setting) that was not the legal standard recognized by the courts. She felt that the legal standard addressed this issue in language recognized by the courts. She related that using different standards that are suggested to be similar to what the courts have established could be problematic. Regent Sisolak was under the impression that the proposed changes had come from the AAUP. Ms. Dugan replied that part of the language came from an AAUP report and a portion came from an AAUP attorney's document. Dr. McGee replied that the language came from the AAUP's sexual harassment suggested policy and procedures for handling complaints statement of policy. Regent Sisolak asked whether it was legal. Dr. McGee replied that it was. Regent Sisolak asked whether faculty was supportive of the policy as written (with the removal of suggestive or insulting sounds). Dr. McGee replied that faculty suggested changing the examples to the four presented by the faculty senate. She agreed that a policy was necessary, but strongly suggested changing the examples presented in the agenda packet. The faculty senate's objection related to the examples provided. She felt the proposed language more clearly explained for students what latitude was necessary for academic freedom to occur.

Regent Hill appreciated the changes presented by Ms. Dugan, adding that they helped satisfy his concerns about indefinable language. He did not see a great distinction between the examples proposed in the policy and those proposed by faculty. He was somewhat persuaded by Ms. Dugan's claim that examples were necessary because of differences in individuals' educational backgrounds. He said that the first sentence of the faculty's proposed change would not constitute the standard that a court would normally apply, adding that a second occurrence would not be viewed favorably by the courts. He was more concerned by the language in the second sentence. He did not feel that the academic setting was distinct from other work places, although he agreed it was somewhat unique. He proposed changing the faculty proposal to, "the academic setting may require discussion of matters appropriate to course content that are not sexual harassment." He suggested that certain conduct might not be considered sexual harassment in the context of the course that would not be appropriate in another context.

Regent Bandera stated that the lack of specificity in sexual harassment policies has been the downfall of most educational institutions. She related that no policy will prevent someone from bringing suit, but a specific, well-written policy will protect all employees, including faculty, supervisors and administrators.

Regent Schofield related that a personal goal of his was to help the Board create one of finest systems in the U.S. Certain areas require zero tolerance (i.e., drugs, sexual harassment). He felt that a chilling effect should occur when it comes to sexual harassment and that there should be no ambiguity. He urged the Board to support the policy.

Regent Rosenberg applauded the policy, adding that he realized UCCSN required one. He asked about risks with teaching art history and including information about nudes. Ms. Dugan replied that such information would be considered part of the class

and what the student enrolled for. She said that it would provide the student an educational opportunity to realize that this type of discussion/art is completely appropriate to be addressed in that course. Ms. Dugan related that the General Counsel's office had not received any complaints that someone had interfered with faculty academic freedom by complaining about sexual harassment inappropriately during her tenure with the office. The examples have been in place at the various institutions with no outcry that academic freedom has been limited, destroyed, or is at risk. She acknowledged that a non-legitimate complaint could be filed. The likely outcome would be telling the student that art history involves studying art through the ages where nude art would not be inappropriate for the class. Regent Rosenberg questioned the definition of a reasonable person. He related that every semester he encounters parents, significant others, and students are inevitably bothered by some of the content. He was concerned that such a situation could escalate to a sexual harassment complaint. He was worried about the interpretation, adding that specific examples caused him more concern than if more latitude were provided. Ms. Dugan explained that they were examples and that the introductory language specified that such examples may or may not constitute sexual harassment depending upon the circumstances. She said that discussing anatomy in a math class, using less than anatomically correct terms, might not be appropriate. Discussing anatomy in an anatomy class would be appropriate. She related that the law is based upon the reasonable person standard, adding that it was not perfect. but neither is life. Regent Rosenberg said that it would depend upon the definition of reasonable.

President Harter said that she supported the faculty senate's position on this issue. She felt the policy as drafted was entirely too specific. She agreed that the faculty's proposed language (the academic setting requiring wide latitude for professional judgment in determining the appropriate content) should be included in the policy and that the examples should not be any more specific than those proposed by the faculty senate. She hoped the Board would revise the policy to make it less specific.

Regent Howard asked for General Counsel Ray's opinion. General Counsel Ray stated that he was glad to see that everyone recognizes that examples are necessary in the policy. He preferred the policy presented in the reference material, adding that it was more thorough. He was extremely troubled by the first paragraph proposed by the faculty senate. He felt that it suggested there is a different legal standard for establishing sexual harassment in the classroom than in other settings. He said that he had never seen a case that held a different standard for the classroom. The courts have applied the same standard for the factory as the classroom. He related that the proposed language would have the victim of sexual harassment show more than in another setting, which was not the law. He urged the Board not to consider the first sentence. He felt the second sentence could be modified to a mutually agreeable point.

Regent Kirkpatrick asked whether "actual or attempted rape or sexual assault" (listed in the faculty proposal) were felonies covered by other laws and should not be part of a sexual harassment policy. Ms. Dugan replied that it did belong in a sexual harassment policy because it could be considered sexual harassment as well as criminal. The criminal standard is more stringent. Regent Kirkpatrick asked whether a teacher would be at risk for telling a student that their clothing was inappropriate for the classroom and asked them to leave. Ms. Dugan replied that she would have a difficult time perceiving that as sexual harassment. She acknowledged that a student might complain, but no disciplinary action would be taken against the instructor based upon sexual harassment. He asked what would occur if the other students did not feel the student was dressed inappropriately. Ms. Dugan related that the other students would likely not judge the question. Regent Rosenberg related that one of his students wrote a referral while student teaching at the high school level. The referral noted, "excessive cleavage at both ends" for a student who was inappropriately dressed. He asked whether that could be construed as sexual harassment. Ms. Dugan replied that she did not feel it would constitute sexual harassment because it was descriptive of an issue causing a problem in the classroom.

Regent Sisolak asked whether President Harter was the only president wishing to state a position. President Killpatrick said that he agreed with Regents Bandera and Kirkpatrick that more specificity was required.

President Romesburg felt it was a good policy and that it was necessary. He felt the examples on page 4 of 7 were problematic. He agreed there was a difference between conduct and content in a classroom. He felt that too much specificity could invite difficulty. He related that, in spite of the reasonable person standard, what the faculty member would endure would not be trivial. He felt the policy should provide protection against a hostile environment as well as protect the classroom. He said that it was the difference between content and conduct. He felt the examples on page 4 of 7 dealt more with content than conduct.

President Ringle felt that General Counsel provided sage advice. If General Counsel Ray was not opposed, he preferred the examples provided by the faculty senate. He also felt that the second sentence in the faculty senate's proposal was extremely important.

Regent Sisolak asked about tattoos. Chair Seastrand replied that it would need to fall under the criteria outlined.

Chair Seastrand encouraged the Board to vote upon the motion. Regent Dondero observed that the policy could be revisited at another time to ensure that it was working. Chair Seastrand called for the vote.

Upon a role call vote the motion as amended carried. Regents Alden, Anthony, Bandera, Derby, Dondero, Hill, Howard, Kirkpatrick, Schofield, Seastrand, and Whipple voted yes. Regents Rosenberg and Sisolak voted no.

Chancellor Nichols suggested that, in light of the concerns raised about the potential impact, the policy be implemented with a period of time to see how the campuses live with it and a report to the Board at a future date if there are any problems in a year or two.

3. Chancellor's Report – (Cont'd.)

Chancellor Nichols reported that former Regent and TMCC President, Dr. Jim Eardley, was in critical condition. She asked those present to keep him in their thoughts.

1. Introductions – (Cont'd.)

President Remington introduced CCSN's new Student Body President, Ms. Evelyn Flores and treasurer, Ms. Ariel Davis.

On behalf of the Board of Regents, Regent Bandera presented Ms. Martinovic with a bouquet of flowers and a birthday cake in honor of her birthday.

The meeting recessed at 3:04 p.m. and reconvened at 3:15 p.m. with all members present except Regents Derby, Hill, and Schofield.

12. Approved-Handbook Revision, Board Bylaws, Duties of President – The Board approved Chancellor Jane Nichols' and General Counsel Tom Ray's request for final action on an amendment to the Board of Regents' Bylaws (Title I, Article VII, Section 4) to expand the description of the duties of the presidents. Per Board policy, this item was presented for information at the March 2003 meeting. (Ref. C on file in the Board office)

Regent Hill entered the meeting.

Regent Alden moved approval of the Handbook revision concerning duties of president. Regent Anthony seconded. Motion carried. Regents Derby and Schofield were absent.

13. Approved-Handbook Revision, School of Law Tuition & Fees, UNLV – The Board approved President Carol Harter's request for final action on an amendment to the Board of Regents' Handbook (Title IV, Chapter 17, Section 4.3) to increase tuition and registration fees for the 2003-2005 biennium for the William S. Boyd School of Law. Per Board policy, this item was presented for information at the March 2003 meeting. (Ref. D on file in the Board office)

Regent Hill moved approval of the Handbook revision concerning tuition and fees for the UNLV School of Law. Regent Alden seconded.

President Harter reported that it was a 3½% increase in law school tuition that had been overlooked during the normal tuition review process.

Motion carried. Regents Derby and Schofield were absent.

Regent Derby entered the meeting.

14. Approved-Handbook Revision, Search Waiver Policy – The Board approved the UCCSN Human Resource Advisory Committee's recommendation for approval of an amendment to the Board of Regents' Handbook (Title IV, Chapter 8, Section 6) to establish a System-wide policy for employment search waivers. (Ref. E on file in the Board office)

Regent Hill moved approval of the Handbook revision concerning a search waiver policy. Regent Alden seconded.

Regent Kirkpatrick requested that the report referenced in item #2 on page 3 of 4 be changed from "may be required" to "will be required annually" and that a copy be provided to the Chancellor and each Board member.

Chancellor Nichols did not object to the change.

Regents Hill and Alden accepted the amendment. Motion as amended carried. Regent Schofield was absent.

15. Approved-Handbook Revision, Procedures for Informational Requests by Regents – The Board approved General Counsel Tom Ray's and Chancellor Jane Nichols' revised recommendation for procedures by which informational requests may be made by Regents (Title IV, Chapter 1, New Section 4). The recommendation reflects the Board's discussion of a proposed policy at the March 2003 meeting and preserves the Regents' right to seek information within their constitutional role. (Ref. F on file in the Board office)

Chancellor Nichols reported that this version of the policy reflected suggestions from previous meetings. She noted that the policy would be in addition to existing policy concerning personnel files and student records. She clarified that the policy stated that Regents have the right to all information that exists and that inquiries should be directed to the institution presidents, vice presidents, Chancellor, Vice Chancellors, General Counsel, Chief Administrative Officer, or the Director of

Internal Audit. The institution president(s) and Chancellor will receive a copy of each request, and the response will be sent to all Regents.

Regent Schofield entered the meeting.

Chancellor Nichols related that the second part of the policy indicates that, if the request is for material that does not exist, the cost and time should be taken into consideration. If it requires more than minimal use of personnel or resources to produce, approval of the time and resources should go to the Board for a decision. The policy was drafted by General Counsel Ray in response to concerns expressed at the previous meeting.

Regent Rosenberg moved approval of the Handbook revision concerning procedures for informational requests by Regents. Regent Dondero seconded.

Regent Anthony suggested inserting "in the opinion of the Chancellor" to item #2 (Section 4, page 5 of 6). Regent Hill agreed it needed to be amended, but felt the Chancellor should not be put in that position. He felt it would be better for the Chair to decide.

Regent Anthony proposed a friendly amendment to include, "Accordingly, in the opinion of the Board Chair, requests..." (Item #2, Section 4, page 5 of 6). Regents Rosenberg and Dondero accepted the friendly amendment.

Regent Derby suggested guidelines be established for the Chair to refer to so a denial would not seem arbitrary, punitive, or unreasonable. Regent Hill agreed that might be necessary. He observed that the Board was attempting to address the proper method for handling Regents' requests (which may or may not be capricious or unreasonable). He acknowledged that it was possible that a Board Chair might be unreasonable, but he did not believe that a Board Chair would take that position. He was comfortable with the language as proposed and acknowledged that the language might need future revision.

Regent Alden requested a role call vote.

Regent Derby suggested the Board move forward, see how the policy works, and whether guidelines are necessary. She observed that one of the important things about being an effective Regent is having access to information. She felt the Board wanted Regents to be able to get information they think they need to make sound decisions. She felt it might be helpful for the Chair to have a set of guidelines but was willing to see how the policy works.

Chair Seastrand clarified that Regent requests would be submitted to the institution via the specified personnel. If the institution felt it was a minimal request, they would proceed. If they felt the request was more than minimal, they would ask the Chair for approval. The Board Chair would make the decision of whether or not the full Board should decide whether to enlist the resources necessary to respond to the request. The Chair would either approve the request or the request would come before the full Board for a vote. All Board members indicated their agreement with his assessment. Chair Seastrand stated that the Board may need to revisit the policy if it became apparent that it was difficult for the Chair to make those decisions.

Upon a role call vote the motion as amended carried. Regents Anthony, Bandera, Derby, Dondero, Hill, Howard, Kirkpatrick, Rosenberg, Schofield, Seastrand, Sisolak, and Whipple voted yes. Regent Alden voted no.

16. Approved-Extension of Presidents' Contracts – The Board approved a one-year extension to the employment contracts of the following institution presidents to Fall 2005 in order to accommodate a postponement of their periodic evaluations. All other employment conditions will remain unchanged. (Ref. G on file in the Board office)

- President Carol C. Harter, UNLV
- President Ronald Remington, CCSN

Chancellor Nichols reported that the presidents normally undergo a periodic evaluation during the year before their final contract year. The periodic evaluation is a very extensive, in-depth evaluation involving an external evaluator and a committee comprised of Board members and community representatives. Presidents Harter and Remington would have undergone this process this Spring, as this is the next to last year of their contracts. The Board previously approved one-year contract extensions for Presidents Lucey and Wells when this occasion arose two years ago. Chancellor Nichols related that she would like to extend the contracts so that their periodic evaluations would not occur during the last year of their contract. Board approval would extend their contracts to June 30, 2005.

Regent Rosenberg moved approval of the presidential contract extensions. Regent Howard seconded.

Regent Hill stated that his comments were not to be construed as specific to either president. He felt that one of the most important Regent duties was the hiring and evaluating of presidents. He felt it was the Board's obligation to do so and that they should not forfeit or default on that duty. He recommended conducting the evaluations during the Summer or early Fall.

He did not agree with forfeiting the evaluations for another year. He felt it was critical not to delay the periodic evaluations and urged them to be done as soon as possible.

Regent Alden agreed with Regent Hill's comments. He felt it was a bad policy decision and that it obligated the Board to an additional year for both presidents. He felt the Board should do its job and that they should not extend contracts until the evaluations were completed. He said it would not matter which president was affected and indicated he would not support the motion.

Regent Kirkpatrick questioned the Executive Evaluation & Compensation Committee's connection with extending presidential contracts. He also asked how many presidential evaluations would be due simultaneously as a result of the extension. Chancellor Nichols replied that the Executive Evaluation & Compensation Committee was scheduled to begin their work in early January and potentially complete their work by this Summer. The Committee decided that a more thorough study was needed for background, so the work did not begin until later. The Committee will likely finish its work at the end of Summer and after the start of the new fiscal year. The Committee will review presidential contracts and the potential for handling contracts in a different manner. One of the considerations is whether contracts should include more performance evaluation. When awarding a new contract, the issue of salary arises. With those issues in mind, she suggested to Committee Chair Sisolak that it would be better to delay salary considerations until the Committee had completed its work. It was also determined that it would be difficult to set aside the necessary time for a periodic evaluation during the legislative session. She stated that six presidents would be due for periodic evaluations in the following fiscal year. She has been considering how to accomplish this in a reasonable time frame. Periodic evaluations would be due on Presidents Lilley, Romesburg, Ringle, and Killpatrick. She said that it would be a very busy year and that the work of the Committee would become especially critical because they would be considering new contracts for each of those presidents.

Regent Derby said that the request was not unprecedented. It has been done in the past because the Board wanted to treat the presidents with respect and not conduct their periodic evaluation in the final year of their contract. She was in favor of the proposal.

Regent Sisolak agreed with Regent Derby. He asked whether contract extensions had been provided for other presidents. Chancellor Nichols replied that this had been done since she had been in the Chancellor's office. Regent Sisolak asked how it would not be construed as personal if extensions were not approved for these two presidents. Regent Alden said that he did not remember doing this, adding that it was nothing personal. Regent Hill said that he had no recollection of voting upon something like this. He too said that it was not personal.

Regent Whipple did not want it to appear that the Board was shirking their duties, but felt the circumstances justified the request.

Regent Bandera observed that the Executive Evaluation & Compensation Committee had been asked to review changes to ensure consistent new contracts that are fair and equitable. By extending the two presidential contracts, six out of eight presidents would immediately reap the benefits of the new policy.

Chair Seastrand said that he was initially opposed to the extensions, but felt there were extenuating circumstances. Based upon the Chancellor's recommendation (who also evaluates the presidents) he agreed with the 1-year extension knowing that UCCSN would have consistent contracts when the work was completed.

Regent Kirkpatrick acknowledged that extensions had been granted in the past, though not routinely. He observed that six presidents would require periodic evaluations in academic year 2004, which is a lot of work. He did not want further requests for extensions due to the number of presidents requiring evaluations.

Regent Alden felt that extending the contracts was bad public policy.

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

17. Approved-Response to Operation Iraqi Freedom (Iraq War) – The Board approved Regents Marcia Bandera, Douglas R. Hill, Tom Kirkpatrick, and Jack Lund Schofield's request to honor the families of the following individuals by providing scholarships or waivers for registration and fees associated with attending any UCCSN institution by their surviving spouse and dependent children: (Ref. 1 on file in the Board office)

- First Lieutenant Frederick Pokorney Jr., USMC, Tonopah, Nevada.
- Lance Corporal Donald J. Cline Jr., USMC, Sparks, Nevada.

Regent Alden moved approval of providing scholarships or waivers for registration and fees associated with attending any UCCSN institution for the surviving spouse and dependent children of two Nevadans killed in Operation Iraqi Freedom. Regent Bandera seconded.

Regent Kirkpatrick noted that Regent Hill had expressed concern about people receiving double benefits in these circumstances. He related that Chief Administrative Officer Ernst had provided a list of the type of compensation that has been granted to someone killed in action in the past (Ref. I on file in the Board office). He observed that most of the benefits expire if the surviving spouse remarries. He felt that it almost forced a spouse to live with someone rather than marry. He noted that approximately 150 people were killed in the Iraqi War, yet only two were from Nevada. He felt that granting this benefit was the least the Board could do for those who gave so much.

Regent Hill asked whether the benefit included tuition and fees for an undergraduate degree only. Ms. Ernst referred him to the briefing paper. Regent Hill asked whether other scholarships and/or fees were available that could be used first so that this benefit would only bridge the gap. Regents Kirkpatrick and Seastrand replied that the motion did not include that restriction.

Regent Hill proposed a friendly amendment that other scholarships and/or fees available to the student(s) be used prior to the Regents' proposed benefit.

Regent Rosenberg clarified that the language specified "scholarships or waivers". He felt the benefit would provide the student(s) access to the information required for financial aid (that is also provided to other students) and would ensure they get the best possible arrangement so they do not go into debt. He felt the motion was fine as stated.

Regent Kirkpatrick noted that the Board had approved the same benefit for the astronaut killed in the Challenger disaster and for the Nellis pilots several years ago. He felt the Board should not do anything different for these two individuals.

Regent Schofield said that he was a veteran of WWII and the Korean Conflict. When tragedies occur, people want to do anything they can to help. With time, those emotions subside. He felt that this benefit represented the spirit of giving to someone who sacrificed their life.

Chancellor Nichols stated that the Board had expressed the intention for tuition and fees to be paid for these individuals. She related that many scenarios existed for financial aid packages that would not involve Board expense. She related there were circumstances where a better financial package would not require this benefit. She said that the Millennium Scholarship was designed to be used for the total cost of attending college/university. It is not designed just for fees. She assumed that if those individuals came forward they would get the full \$10,000 scholarship and the Board would still provide the basic fees so they could use the money for books, dorms, or other expenses.

Regent Bandera said that the Chancellor had clarified the benefit

Regent Bandera called for the question.

General Counsel Ray said that, if there was no objection to calling the question, the Board could then take the vote on the motion. No objections noted.

Original motion carried.

18. Approved-Handbook Revision, Review of Grant-in-Aid Policies and Special Tuition Benefits – The Board approved an amendment to existing policies and statutes that extend grants-in-aid and other special tuition benefits to specified groups and individuals at UCCSN institutions (Title IV, Chapter 18, Section 8). (Ref. J on file in the Board office). Handbook language will now include the Gulf War-1990, Afghanistan Conflict, and the Iraqi War-2003.

Chancellor Nichols stated that the Board currently provides a variety of grants-in-aid for a variety of individuals. State statute entitles UCCSN to provide grants-in-aid up to 3% of the total enrollment. She reviewed current benefits, as well as past benefits granted by the Board. The proposed amendment would include certain veterans, widow/widowers, and dependent children of service men and women killed in the line of duty during the most recent conflicts of the 1990 Gulf War and the 2003 Iraqi War.

Chair Seastrand asked whether it was necessary to specify each war or whether "veterans of wars" would suffice. Chancellor Nichols replied that the Handbook did not clearly define the term "war". She related that the Board could approve benefits for everyone on active duty killed in the line of service, which could result in a much larger number.

Regent Alden moved approval of an amendment to the policy on Grants-in-Aid to certain military veterans to include the Gulf and Iraqi wars. Regent Rosenberg seconded.

Regent Dondero stated that she had received a note from Mr. Mike O'Callaghan. In 1972, a change in state bylaws was proposed to provide grants-in-aid for resident fees provided to Nevada residents, widows, and veterans. She related that the wars had been identified in the policy. Chair Seastrand observed that the policy would need to be amended if other wars took place. Chancellor Nichols agreed.

Regent Kirkpatrick cautioned against providing blanket approval for all wars. He observed there were 400,000-500,000 casualties from WWII and 60,000-70,000 casualties from the Korean and Vietnam wars. He said there could be more applicants than UCCSN could afford to accommodate and recommended leaving the language as proposed.

Regent Bandera noted the policy related to spouses or dependants of Nevada residents killed in the line of duty. She asked whether non-residents would be eligible. Chancellor Nichols replied they would not. Regent Bandera observed that the conflict in Afghanistan had been overlooked.

Regent Sisolak asked about funds for firemen and policemen killed in the line of duty. Senator Ensign's office told him that some federal benefits were available for servicemen, but none for police or fire. Chancellor Nichols related that NRS 396.545 (Ref. J, Page 8 of 8) established payment of fees and expenses for dependent children of police or highway patrol officers, firemen, or volunteer ambulance drivers or attendants killed in the line of duty or service. These benefits do not include the spouse. The fund currently has a balance of \$25,440. Currently two students are attending under this policy. An anticipated balance of \$19,000 will remain at the end of the fiscal year. She said the

Board may need to request replenishment of this fund during the next session. Regent Sisolak asked about including spouses. Chancellor Nichols replied that spouses were not covered by this legislation. Regent Sisolak asked whether the Board should seek a legislative change. Chancellor Nichols replied that it was too late to do so for this session, but it could be done during the next one.

Regent Schofield stated that 16 million people fought in WWII, adding that 1,000 WWII veterans die per day. He felt the Board should move forward with the proposal and show the Board's respect and gratitude for those that died. He agreed with Regent Sisolak's proposal for including spouses.

Regent Anthony proposed a friendly amendment to include the Afghanistan Conflict. Regents Alden and Rosenberg accepted the friendly amendment. Motion as amended carried.

Regent Sisolak requested that a letter of appreciation be sent to the recipients.

19. Approved-Extension of Temporary Policy, Military Leave for Professional Staff - At the April 2002 Board meeting, action was taken to temporarily amend the policy on military leave to allow members of the professional staff to be compensated for the difference in their UCCSN pay and their military pay through the end of the 2002-2003 employment contract. The Board approved extending this temporary policy through the 2003-2004 employment contract period. (Ref. K on file in the Board office)

Fiscal Impact: During the 2002-2003 academic year, two institutions reported they had employees who had been called to active duty. The total approximate cost was \$48,000 excluding fringe benefits.

Regent Alden moved approval of extending the temporary policy of military leave for professional staff through the 2003-2004 employment contract period. Regent Rosenberg seconded. Motion carried.

20. Information Only-Review of UCCSN Policies on Cell Phones and Vehicles – Per the request of Regents Linda Howard, Tom Kirkpatrick, and Steve Sisolak, the Board reviewed System policies and practices related to employee and institutional use of cell phones, institutional motor pool vehicles, and other transportation. (Ref. L on file in the Board office)

Chair Seastrand complimented Regent Howard for bringing this issue forward. Regent Alden thanked the Regents responsible for bringing this item forward.

Mrs. Sandi Cardinal, Director of Internal Audit-UCCSN, reported that information was included in the reference material. She stated that the information included a table depicting existing cell phones and vehicles at each campus. She noted that WNCC has 16 cell phones and 12 vehicles (not included in the reference material). Each institution has a policy (UNR recently adopted their draft policy). She explained that the difference in the number of vehicles between UNR and UNLV was due to UNLV's use of carts (not included in the vehicle figure). UNR uses vehicles due to the weather.

Chair Seastrand asked President Harter to clarify the difference. Regent Sisolak said that he was confused between golf carts and cars. Ms. Cardinal clarified that one could not compare UNR's 363 vehicles with UNLV's 96 because UNLV's figure did not include the number of carts employed.

Regent Howard asked how many carts were used. Dr. Juanita Fain, Vice President, Administration-UNLV, replied that UNLV uses 269 carts on campus (123 allocated to Facilities, Management, & Planning).

Regent Howard asked why a total figure had not been provided. Mrs. Cardinal replied that she had simply neglected to do so. She reported there were a total of 1,228 cell phones and 589 vehicles.

Regent Rosenberg asked whether UNR was selling some of its vehicles. Mr. Ron Zurek, Special Assistant to the President for Finance-UNR, replied that UNR was disposing of 24-25 fleet vehicles. They have signed a contract with Enterprise Car Rental, so the number of vehicles will be reduced.

Regent Dondero asked about maintaining the fleet of vehicles. Mr. Zurek replied that UNR has an in-house motor pool that provides fuel and maintenance. All repair rates were included in the material provided.

Regent Howard asked whether there were gas pumps at UNR. Mr. Zurek replied that there are.

Regent Anthony left the meeting.

Regent Howard asked who provided the maintenance. Mr. Zurek replied that UNR has an auto shop for the standard maintenance. Larger repairs are outsourced and charged back to the departments. Regent Howard asked whether using Enterprise vehicles would save money. Mr. Zurek replied there were 5,000 potential automobile users on campus. UNR could not provide cost effective service to the campus community. Other institutions across the country have employed this method. UNR released an RFP and Enterprise was selected. UNR also has agreements in place with other rental agencies and employees can also continue to use the state motor pool. Regent Howard asked what Enterprise would provide. Mr. Zurek replied that anyone requiring a vehicle can access a webpage or contact Enterprise, who will deliver the vehicle to campus. He related that the vehicles would not be stored on campus and that UNR would avoid the maintenance and a number of other operating costs. Regent Howard asked what happened to the vehicles. Mr. Zurek replied that UNR was in the process of a public auction process. They have also been offered to a number of departments in need of replacement vehicles.

Regent Anthony entered the meeting.

Regent Dondero asked whether the vehicles remained on campus or whether they were taken home. Mr. Zurek replied that the rented fleet vehicles would not remain on campus and would be returned to Enterprise. The service vehicles are impounded on campus (for security).

Regent Sisolak asked how many vehicles were taken home. President Harter replied that very few were taken home with the exception of key police officers (2). Mr. Zurek replied that four vehicles were taken home. Regent Sisolak asked about the number of cell phones. President Harter replied that many Residence-Life employees had cell phones. Only 75 are paid with general funds. Many belong to the athletic staff, the law school, Thomas & Mack, summer sessions, outreach areas, security, and Residence-Life. Because students do not all live on campus, there is an increased need for employees to be in contact with one another. Regent Sisolak asked about personal calls. President Harter replied that employees pay for personal use. Regent Sisolak asked how they determined the minutes. President Harter replied that it depended upon the type of plan, adding that the business office calculates a percentage. Some employees calculate each phone call. Regent Sisolak asked whether the same carrier was used. President Harter replied that many plans and carriers were used. Regent Sisolak suggested using the same carrier so that calls between users would be free. President Harter replied that the state contract provided for four different carriers. Mr. Tony Flores, Vice President, Finance-UNLV, reported that UNLV takes advantage of the four contracts provided by State Purchasing which allows employees to select the plan that works best for them.

Chair Seastrand asked how it was determined who receives a cell phone. Mr. Flores replied that UNLV uses the basic principle that the business division determines what the needs are and who requires access to a cell phone or computer. Chair Seastrand asked whether any cell phones had been assigned that did not fit that criteria. Mr. Steve Zink, Vice President, Information Technology-UNR, stated that cell phone use was incredibly complex. UNR uses primarily one carrier (AT&T) and a very tight contract. Cellular technology is employed on campus rather than radio, which many of the campuses use. UNR negotiated a contract with AT&T for bulk, which provides free calling on campus for a flat \$12.95 rate. He related that UNR has employees all over the state. They use some satellite phones for those areas without cellular service. He related that the technology keeps changing and UNR was watching it closely. A departmental supervisor approves the cell phone. Chair Seastrand wondered how we got along before them. Mr. Zink stated that it was a disruptive technology, but it had helped employees handle problems quickly. Chair Seastrand asked how vehicles were assigned. Dr. Fain replied that the request had to be for business purposes, adding that the department was charged. Chair Seastrand said that he wanted to ensure that proper policies were in place. He asked whether additional auditing was required to ensure that good policy is being followed. Mrs. Cardinal did not believe so. She related that cell phone use was included with the normal audit process. Chair Seastrand asked whether economies of scale could be achieved by institutions working together. Mr. Flores stated that UNLV has been looking at this issue for over a year. They asked the four carriers whether a better rate could be achieved by consolidating and were assured that the discounted rates already received were the best that could be achieved. Mr. Zink stated that UNR employs an analysis of 3 month's prior use and adjusts plans accordingly.

Regent Kirkpatrick observed that the information indicated that all institutions have adequate controls in place. He noted that UNR also has the Extension Service which required vehicles. He cautioned cell phone users about accurately compensating for personal use because the media can request those records.

Regent Alden said that he did not want to micromanage. He said he would be surprised if the costs were large when compared with other System costs. He felt it was time to move on.

Regent Howard said that the discussion was relevant since they were looking for ways to save money. She said that she was not trying to micromanage and asked whether Mrs. Cardinal had any recommendations for cost savings. Mrs. Cardinal replied that none were noted at this point. The main concern is that the policy is being followed and that personal reimbursement is accurately reported.

21. Information Only-Update on Assembly Bill 353 and Assembly Joint Resolution 11 - Chancellor Jane Nichols updated the Board on amendments introduced to Assembly Bill 353 and Assembly Joint Resolution 11, both of which propose changes to the composition of the Board of Regents. The Board considered potential positions on either or both pieces of legislation. (Ref. M on file in the Board office)

Chancellor Nichols reported that these bills pertained directly to the future of the Board. AB353 passed out of the Assembly with considerable modifications. The number of Regents changed from 7 to 9; terms were changed from 4 to 6 years. The student information portion included an opt out model (for commercial purposes). The bill is in the Senate Finance Committee and has not come for a hearing.

A hearing was held on AJR11 and several Regents spoke about it. No action has been taken at this time. Resolutions are not required to follow the calendar, so both bills are still alive. The resolution is in the Assembly Election Committee and has not progressed any further. From the testimony provided, it was determined that the maker of the resolution was unhappy with the language. Chancellor Nichols anticipated the language would be general. If passed, the resolution would need to come back in the 2005 session for a vote.

Regent Howard asked about district maps depicting the location of new districts. Chancellor Nichols replied that she would also like to see them. It has been indicated that the maps have not been released, though there is much conjecture. She said that it was a high priority for her to get those maps.

Regent Kirkpatrick hoped the number of Regents would change to a minimum of 9. He noted there were restrictions concerning where Board members would live. Chancellor

Nichols felt the bill would pass with no specifics other than that Regents could be elected or appointed.

Regent Schofield asked whether Representative Guinchigliani had provided a rationale for taking power away from the people and giving it to the governor. Chancellor Nichols replied there were two separate hearings and issues. Testimony in both cases did not center upon that issue, but rather a desire on her part to create a different structure for the Board. She also did not address the issue of the power of the people vs. the governor. Regent Schofield said that the previous legislature had wisely increased the Board size to 13, which was necessary for an effective committee structure. He asked why Ms. Guinchigliani would want to reverse that. Chair Seastrand replied that no answer had been provided.

The meeting recessed at 4:55 p.m. and reconvened at 8:05 a.m. on Friday, May 9, 2003, with all members present except Regents Anthony and Sisolak. President Remington reported that CCSN's baseball team had been victorious in their game.

22. Information Only-UCCSN Master Plan – Chancellor Jane Nichols reviewed the work to date by System staff and UCCSN institutions to implement the master plan goals and asked the Board to discuss and set the next steps in the Board's work to implement the plan. (Ref. H on file in the Board office)

Chancellor Nichols reported that a 2-year process had yielded "Building Nevada's Future: Higher Education in Nevada". Many steps went into creating the plan and it was a highly collaborative process. The plan includes six goals:

- Create a prosperous economy.
- Build quality education.
- Provide opportunity for all.
- Provide accessible education.
- Support a P-16 perspective on building quality education in Nevada.
- Build the quality of life for Nevadans.

Chancellor Nichols related that the plan also included the following principles:

- The importance of mission differentiation among UCCSN institutions.
- Cooperation between institutions to eliminate redundancies and to deliver courses in the best manner possible.
- Emphasize UCCSN's role to create efficiencies and cost effectiveness.
- Partnerships are essential (state, federal government, private industry and business, students and their families).

Chancellor Nichols reported that future agendas would include references to the master plan. Tuition and fees were set within the context of the master plan. The biennial budget was also created with reference to the master plan. Every enhancement references back to the master plan. The budget process for the next biennium begins again in January 2004. The P-16 Council is developing new cooperative projects. The Millennium Scholarship bill would allow the Board to require certain courses for eligibility. UCCSN institutions were charged with developing a plan to increase space utilization and improve class scheduling based upon the needs of students (rather than faculty convenience). A study of the business centers' (north and south) operations has been launched to review mission, scope, efficiencies, centralization vs. decentralization, and staffing levels. This request has not been funded by the legislature. The Board Chair requested a study of cost efficiencies throughout the System, which has been assigned to the business officers. The "Go to College" poster has been distributed with positive community reception. The presidents have been charged with working on joint, regional planning efforts for mission differentiation, research emphases, academic program planning, and campus sites. The Board will then consider the direction. In January 2003, the Board approved guidelines for select community college baccalaureate degrees as provided in the master plan. Remedial/developmental education reforms are underway.

Chancellor Nichols related that a large part of the plan is accountability. The public wants to know how their dollars are spent. A baseline report based upon available data and the master plan will be given to the legislature. The report discusses key elements in the master plan (headcount enrollment, high school college-going rate, capturing Millennium Scholars, student diversity, degrees and certificates awarded, tuition and fees, research progress, financial aid, remedial education, and distance education). She expressed her gratitude to Ms. Ernst, Mr. John Kuhlman and Vice Chancellor Dick Curry for compiling the data. She felt it was a very descriptive report. The Academic Affairs officers and System staff are developing accountability measures and the underlying driving components. Each institution will set goals working with the master plan. Mr. Tyler Trevor will assist in the development of an accountability report. Every December a new report will be ready for the legislature that will also provide helpful information on which the Board can base their decisions.

Chancellor Nichols reported that all campus physical master plans will be updated and will be tied to the institutional strategic plans, which are tied to System goals. Plans are due December 2004. There are plans for creating a System academic master plan that reflects the institutional differentiation and a System Research Plan developed by the institutions from cooperative, regional plans already in progress. New System minority goals must be set to match master plan targets, which must be tracked. A review of student internships and community service opportunities for students is planned. A follow-through on the target for technology-mediated instruction is also planned. Both targets can be addressed in the accountability report. Chancellor Nichols expressed the importance of looking at efficiencies in a time of limited resources.

Chancellor Nichols then discussed a proposed timetable:

- June 2003-review and approval of campus space utilization improvement plans; review and approval of the System accountability model.
- August 2003-review and approval of the biennial budget, including a discussion of formula funding and Estate Tax funding.
- October 2003-set System minority goals to reflect the targets; review and discuss recommendations on institutional and regional directions and missions, including access and outreach.
- December 2003-review master plan goals and objectives; review accountability reports; discuss 2005-07 biennial budget preparation to reflect master plan goals.

Chancellor Nichols stated that each master plan goal included principles with targets. She felt it might be useful for the Board to develop one goal at each Board meeting.

Regent Sisolak entered the meeting.

Chair Seastrand said that it was important to have a vision, measures of progress, and continual review. He felt that executive evaluation and compensation should be tied to progress made on these goals. He asked Regent Sisolak to consider that when conducting his Executive Evaluation and Compensation Committee.

Regent Derby thanked the Chancellor and staff for providing cutting edge material to track accountability. She felt it would be very valuable to the Board.

Regent Schofield said the Board must never lose their vision and that Regents should remember this throughout their terms.

23. Information Only-Update on Legislative Session - Chancellor Jane Nichols reviewed new developments on the UCCSN budget request as well as legislative bills of interest to the UCCSN being considered by the 2003 Nevada Legislature.

Vice Chancellor Dan Miles reported that a budget closing occurred on April 29th. The recommendations must now be accepted by the Finance and the Ways & Means committees. The revenue side remains a controversial topic. The budget is dependent upon the legislature approving a tax package that approximates the Governor's recommendation. The System requested formula funding at 87%; the Governor recommended 86%. The Budget Committee recommended the Governor's

level of funding remain the same and asked System Administration to recalculate the budgets, which resulted in a formula funding of 84.45% (first year of biennium) and 84.09% (second year of biennium). The base budget was approved with inflationary and fringe benefit adjustments. PERS requested a higher contribution rate and a significant increase was recommended for public employees' health insurance benefits. Merit pay adjustments were included for classified personnel as well as for the professional merit pool. Budget adjustments included reduced funding for professional merit by delaying the effective date to January 1, 2004. Errors and omission in the Governor's budget recommendation were added to the budget (\$4.5 million). 2003 enrollments were higher than the original budget projection. Increased student fees for higher enrollments were added to the budget (6.7%). Policy changes included approval of UCCSN's proposal to guarantee Estate Tax-funded programs against the possibility of insufficient revenue. Estate Tax funds will be transferred monthly to the state. In return all such programs will be funded by state appropriations (\$89 million). Those programs will now be funded by state appropriations in the base budget. New language was approved for the General Authorization Act to allow campuses to expend excess student fee revenues on instructional needs without IFC approval. Expenditure of excess out-of-state tuition or excess student fees for purposes other than instruction will still require IFC approval. Funding for new initiatives and unfunded priorities was also provided. The Budget Committee adopted the revised plan to double nursing enrollment. The plan includes state support for Summer School, additional non-formula funds for nursing at GBC, WNCC, and NSC, and the redirection of formula funds at the larger campuses for nursing (net biennial funding increase of \$460,000). The Nevada Hospital Association agreed to provide all new equipment required for nursing expansion. State support for the continuation of the Pediatric Endocrinology program at the SOM was also approved as was state support for the state climatologist.

Regent Anthony entered the meeting.

Vice Chancellor Miles reported that enhanced funding was approved for the Small Business Development Center. They also approved expansion of the Cooperative Extension program to Mineral County. They approved partial funding (\$3.2 million) of the \$4.7 million UCCSN request for additional equipment for the Dental School. The legislature issued letters of intent advising the UCCSN to complete the following:

- Develop a common taxonomy for the budget formula where each campus identifies comparable classes with a cost-neutral taxonomy.
- If UNLV leases a portion of the Shadow Lane campus they must create a reserve for reversion of the O&M funding associated with the leased space.
- UNLV must study the possibility of employing a recharge mechanism for their O&M costs at the UNLV campus.

Vice Chancellor Miles reported that the FY04-05 budget tentatively closed at \$1,274,215,683-a 23.7% increase over the current budget. \$89,234,480 in Estate Tax funds will be transferred to the state over the next 24 months.

Regent Dondero asked whether the institutions could request the areas of funding for those programs previously funded by the Estate Tax. Vice Chancellor Miles replied that they could not for the coming biennium. A number of requests were made as to how that money should be expended. UCCSN requested the expenditure of only \$2.5 million with the remainder staying in the endowment. The legislature did not change the expenditures of those funds, but rather the revenue source.

Chancellor Nichols related that the process involved a lot of bargaining. When the possibility of getting the Governor's recommended amount arose, the presidents took a hard look at the enhancement list. If the funding remains at this level, the legislative committee has approved fee waivers for athletes. The institutions must find the money for this biennium, but in future biennium it will be funded by the state. She related that this was a tremendous help for gender equity. UCCSN also agreed to find the money for K-16 efforts. TMCC committed to find the money (from new enrollment gains) to fund the tech program in the enhancement list. The larger institutions agreed to redirect funds within their formula to nursing in order to meet state needs. She complimented Vice Chancellor Miles' efforts in obtaining the two policy changes, funding for Summer School, and the athletic fee waivers.

Chair Seastrand expressed his appreciation to Chancellor Nichols, Vice Chancellor Miles and the legislative team.

Regent Schofield asked about the \$9 million difference in the Governor's recommendation. Vice Chancellor Miles replied that System staff tries to work closely with the Governor's budget staff. They appreciate it as it helps to eliminate these kinds of errors. In this budget cycle, a number of decisions were made very late so there was no opportunity for System staff to review the budget prior to delivering it to the legislature. The normal process includes a System review. He related that there were always errors, but the time crunch had aggravated the situation.

Regent Hill observed that the question of funding still remained. He felt that Chancellor Nichols and Vice Chancellor Miles had done an amazing job of getting the budget through, with fewer problems than experienced in past sessions. He felt it spoke to the credibility and hard work of the Chancellor and her foresight in hiring Vice Chancellor Miles. He was very impressed with the results, especially under such stringent financial conditions. Vice Chancellor Miles thanked Regent Hill. He acknowledged that System staff works hard and noted that Chancellor Nichols is very well respected in Carson City. He related there were people on every campus that had worked equally as hard on these issues. He said that two key individuals played an important role: Mr. Larry Eardley and Ms. Ginny Wiswell. They are in daily contact with the state budget office and the Legislative Counsel Bureau and were responsible for much of the success achieved. Regent Hill said

that he heard less contention between campuses during this session. He complimented the presidents, adding that he hoped it would continue.

Regent Anthony apologized for his late arrival, adding that he had encountered an emergency at work. He asked about the headcount enrollment growth for the community colleges. Chancellor Nichols replied that the impact of the Millennium Scholarship was partially responsible for the flattening trend. Redefining FTE within particular programs also contributed. She related that students were more inclined to go to the universities with the scholarship. Chair Seastrand said that the largest factor was the change in calculating FTE.

Chancellor Nichols then provided a summary of the bills:

- SB208 (teacher education scholarships)-the bill is still in the Senate committee. UCCSN has requested an amendment to add the nursing scholarships when it comes for a hearing. The nursing scholarships were not directly funded in the nursing plan.
- SB418 (carry-forward funds)-the bill has not yet had a hearing in Senate Finance. This will be a tough sell in Carson City.
- SB413 (revenue bonds)-the bill was voted out of Senate Finance and was adjusted for the amount of revenue needed. It will go to the Senate floor for a vote.
- AB65 (employee collective bargaining)-UCCSN requested an amendment to provide the System with a separate bargaining unit. It has been approved by the Assembly and will now go to the Senate committee on government affairs.
- AB148 (System Administration audit)-UCCSN requested amendments, which were not approved (i.e., exemption from paying for the audit). The bill was passed by the full Assembly and has gone to the Senate Finance Committee.
- AB203 (program audit)- the bill would create a committee with Board representation. UCCSN's requested amendments were included with the bill, which was adopted by the Assembly. It is now in Senate Finance.
- AB248 (UNLV Crime Statistics Center)-requested amendments were adopted by the Assembly Judiciary Committee. It was passed by the Assembly and has passed out of the Senate Committee on Human Resources and Facilities. It is up for a full vote in the Senate. Chancellor Nichols said she was confident it would pass.
- AB507 (transfer of community college credits)-amendments have included NSC within the text.
- SB62 (electronic educational materials)-UCCSN has requested extensive amendments, which have been accepted. The amendments allow UCCSN to continue current practice regarding educational materials for disabled students.
- SB306 (tuition waiver for Nevada National Guard)-would require UCCSN to provide a fee waiver, which is then funded by the state.
- SB317 (tuition waiver for incarcerated persons)-WNCC and CCSN have always offered programs in prison. Funds for the prison fund ceased to exist 4-6 years ago. The community colleges have been struggling to find scholarships/money for those prisoners who cannot afford classes. Under very limited circumstances the state would support fee waivers for prisoners taking courses that lead to a degree. Prisoners must meet federal financial aid guidelines.
- SB456 (Uniform Athletes' Agents Act)-the Board supported this bill two years ago (but it did not pass). It has currently passed out of the Senate and has been referred to the Assembly Education Committee.
- All other bills are appropriation bills for particular programs which will be "alive" until the last day of the session.

Regent Alden asked about the status of AJR11. Chancellor Nichols replied that it had a hearing on the Assembly side, but has not come up for a vote yet.

Regent Kirkpatrick observed that it appeared the System would bear the \$90,000 cost of the audit. He asked who would suffer as a result of the expense. Chancellor Nichols replied that the money would come from the System Administration budget. State audits require an incredible amount of staff time providing documentation and access to records. She related that \$90,000 was only the beginning of the costs. Vice Chancellor Miles said that System Administration would work out an arrangement for how to best cover the costs.

Regent Whipple asked about the potential cost for the education of prisoners. Chancellor Nichols replied that it was different from anything done before. It was unknown how many prisoners would be eligible using the federal guidelines. President Lucey stated that WNCC would have some federal Workforce Investment Act funds to support some programs, which would help offset the cost during this biennium. She related that the program runs out of money every year and that it was difficult to estimate the potential costs. President Remington asked CCSN's Vice President, for Finance and Administration to respond. Ms. Patty Charlton replied that the prison program is growing extensively. She said that costs would depend upon the requirements. CCSN also runs out of funds every year because scholarships have not grown as enrollments have.

Chancellor Nichols said that the young woman who appeared before the Board at a previous meeting relating her educational experience in prison had spoken eloquently to the legislature.

Regent Howard asked about the status of AB353. Chancellor Nichols replied that the bill was awaiting a hearing in Senate Finance. Regent Howard asked why the bill was in Senate Finance. Chancellor Nichols did not know why that particular committee had been chosen. Regent Howard asked to be apprised when the district maps became available.

Regent Bandera said that she was concerned about the guidelines for the prison education program. Historically, there have been problems with how people qualified and how rules were met, which has caused suspicion about the program.

Chancellor Nichols related that the young woman's name was Trina Leonard and that her father watched her testify before legislature. It was quite moving.

Regent Sisolak left the meeting.

24. Approved-NFA Contract, TMCC – The Board approved President Philip M. Ringle's requests for the new TMCC-NFA contract for the period of July 1, 2003-June 30, 2005. (Ref. N on file in the Board office)

Regent Alden moved approval of the TMCC-NFA contract for the period July 1, 2003 through June 30, 2005. Regent Rosenberg seconded.

President Ringle introduced TMCC Student Body Treasurer Mr. Manuel Bacerra. He related that TMCC administration and union leadership agreed that this contract was a major improvement over the previous one. He expressed his appreciation to the TMCC faculty who represented the NFA and Dr. Jim Richardson, State NFA, for agreeing to enter into an informal process of negotiation. No formal negotiation teams or high-priced consultants were used. There were tough issues to resolve. He thanked the NFA for the spirit with which the process unfolded. He introduced Mr. Bill Newhall, President, TMCC-NFA, and Dr. Candace Kant, President, State-NFA.

Mr. Newhall recommended approval of the contract. He said that it was a broadly collaborative effort reflecting the cooperation between all parties. He related that the contract was empowering of faculty and reflected a strong level of support by the administration. He said that faculty appreciate the current administration tremendously and its ability and desire to support faculty.

Regent Derby commended the institution for a smooth and productive process.

Motion carried.

Regent Sisolak entered the meeting.

25. Approved-Board of Regents' Workshop - The Board took final action on the proposed workshop:

- To be held on June 19-20, 2003 following the June meeting at the Cal-Neva Resort at Lake Tahoe. Rooms are \$109.00 plus tax. The cost for the meeting room, breakfast, lunch, and beverage service for two days is estimated at \$1,000. There are no additional travel costs for Regents.

Regent Whipple explained that the workshop was contingent upon funding. It was his understanding that the funding was in place. The highlight of the workshop would be Chancellor Nichols leading a seminar regarding implementation of the master plan and the accountability reports. He asked Board members if they would prefer a 1-day or 2-day seminar.

Regent Derby suggested beginning on Thursday evening (06/19) with a full session on Friday (06/20), which would allow participants to leave Friday evening. She felt that it would be more problematic for Board members to participate on Saturday. Chair Seastrand supported the suggestion.

Regent Alden requested a role call vote.

Regent Rosenberg moved approval of holding a Board of Regents' workshop June 19-20, 2003 at the Cal-Neva Resort at Lake Tahoe following the Board's June meeting. Regent Hill seconded.

Regent Hill requested a show of hands from those intending to participate. A majority of the Board indicated their intent to attend.

Regent Schofield said that he was looking forward to the educational experience as a new trustee.

Upon a role call vote the motion carried. Regents Anthony, Bandera, Derby, Dondero, Hill, Howard, Kirkpatrick, Rosenberg, Schofield, Seastrand, Sisolak, and Whipple voted yes. Regent Alden voted no.

26. Approved-West Stadium Parking Complex, UNR – The Board approved President John M. Lilley's request to construct a 1,950-space parking facility to be located immediately north of Lawlor Events Center between Mackay Stadium and the Fleischmann Planetarium on the University of Nevada, Reno campus. (Ref. O on file in the Board office)

Regent Alden moved approval of the construction of a parking facility for UNR. Regent Hill seconded.

President Lilley reported that UNR had intended to conduct a full-scale campus master plan. Due to budget cuts, they were unable to do so. A campus master plan will be conducted in 2004. Due to impending projects, a consultant was hired to assist with the mid-campus master plan. 1,000 asphalt parking spaces will be removed for the new library and student union. UNR also needs to add 1,000 parking spaces.

Regent Howard asked about the source of funds. Mr. Zurek, Special Assistant to the President for Finance-UNR, replied that bonds would be issued. A revenue stream from increased parking fees will service the debt. He related that the same method financed the first two structures.

Regent Sisolak was confused with the number of spaces required. Mr. Zurek replied that a 5-year parking plan identified the need for 2,500 new parking spaces by 2005. 1,000 spaces will be lost to accommodate the new library and student union. UNR requires 3,500 parking spaces by 2005. The proposed garage will provide 1,950 spaces (still need 1,550 spaces). The remaining acreage will be paved for surface parking, yielding 1,100 spaces (still need 450 spaces). UNR's Transportation Demand Management Program will try to accommodate those spaces by working with the rapid transit district to encourage carpooling. The new garage will include increased handicap parking spaces and greater accessibility for Lawlor Events Center and Mackay Stadium. Regent Sisolak asked about an ADA (American Disabilities Act) issue. Mr. Zurek replied that an ADA settlement asked UNR to enhance the number of handicap spaces. Regent Sisolak asked whether the 1,950 spaces would be provided in the same spot as the 1,000 removed. Mr. Zurek replied they would not. Regent Sisolak asked about the number of stories. Mr. Zurek replied there would be four stories above ground and two below. Regent Sisolak asked about the maximum height. Mr. Zurek replied that it was more a financial issue than an engineering one. Regent Sisolak asked how much an additional floor would cost. Mr. Zurek replied that it would cost in excess of \$3 million. He introduced Ms. Melody Bayfield, Director of Parking and Transportation Services-UNR, and Mr. Buzz Nelson, Director of Facilities-UNR. Mr. Nelson reported that adding a 7th floor would cost approximately \$4.6 million. Regent Sisolak asked why the cost was so high. Mr. Nelson replied there were structural considerations when increasing the height. Regent Sisolak said that he was trying to avoid running out of spaces in the future. Mr. Nelson stated there were many considerations including appearance and cost. The garage would be approximately the same height as Lawlor Events Center and the Mackay Stadium skyboxes. The cost estimate was provided by the consulting team. President Lilley assured Regent Sisolak that UNR had definitely considered additional floors. Regent Sisolak asked whether the decision was based on economic or esthetic considerations. President Lilley and Mr. Zurek replied it was an economic consideration.

Regent Kirkpatrick acknowledged that UNR requires parking, adding that most of the complaints he receives are about that very issue. He related that he had not heard any from UNLV in awhile. President Harter said that complaints would likely begin in another year. The new parking garage has helped relieve the situation considerably. UNLV's master plan calls for three more garages over the next 10 years. She related that the cost would be generated entirely out of fees. Regent Kirkpatrick observed that the revenue bonds would be retired through increased parking fees ranging from \$30-\$55. He asked for comments from the student and faculty representatives. He was also bothered by the 10-15 minute walk in inclement weather. Dr. Trudy Larson, Faculty Senate Chair-UNR, replied that faculty was accustomed to paying high fees for enclosed parking. They anticipate increases so they can park closer. She reported that the shuttle system was very effective, especially in inclement weather. Ms. Marilou Woolm, GSA Student Body President-UNR, said that she and many other graduate students park in the farthest lot and take the shuttle, adding that it was very effective. She related that UNR really required additional parking. Regent Kirkpatrick asked whether the increased fees troubled her. She replied they did not, adding that UNR needed the facility. Mr. Chul Yim, Student Body President-UNR, said that UNR's biggest problem is parking. The new garage and shuttle service would eliminate some of the problems that students encounter. He related that, with new quad, it would actually beautify the campus. He said that he and the ASUN Senate support it.

Regent Kirkpatrick asked whether UNR was required by law to have additional parking. Mr. Zurek replied that they were. Before the new library and student union can be built, this additional parking must be in place. He related that the growth alone required it. Regent Kirkpatrick asked whether UNR had weighed the need for a new parking garage against the need for extra classroom space. Mr. Zurek replied that they had, adding that this project would be self-supporting. He related that the shuttle service was also paid for with parking fees. It moves 5,000 people/day and runs between 3-4 minutes during peak class time.

Regent Howard asked about the type of parking permit system used for students. Mr. Zurek referred her to the reference material which elaborated on the different kinds of permits. Any are available to students. Regent Howard asked whether there was free parking for students. Mr. Zurek replied there was no free parking on campus. Regent Howard asked about problems with people parking on campus, sitting in cars, and doing drugs. Ms. Bayfield said that she had not heard any such concerns. The parking enforcement officers work closely with the police department and report anything suspicious. Regent Howard asked what could be done about people parking on campus for inappropriate reasons. Regent Sisolak stated that those concerns had not been expressed by UNR. Chair Seastrand directed the Board to stay on subject.

Regent Rosenberg said that he would prefer classroom space over parking spaces. He questioned spending \$30 million to build a garage when UNR does not have enough classroom space to accommodate students and lines of students waiting to get into classes. He said that, if students could not get into class, they would not bring their cars to campus. He asked how much had been raised for the new library. President Lilley said that he did not know, adding that it was the number one fund

raising priority. A new development and alumni relations team is working on that priority. UNR knows that a deadline to match state funds is approaching June 30, 2005. Regent Rosenberg observed that \$30 million was owed on the Fire Science Academy, for which the students were paying. He asked about student parking fees for the new garage as well as for existing facilities. Ms. Bayfield replied that the current cost was \$285/year for the parking structure. In 2005-06 those fees will increase to \$340. Mr. Zurek observed that students could choose to park in the garage or pay less (\$45) by parking at the north end of campus. Regent Rosenberg said he could support the project if part of it were converted to classroom space. He acknowledged that the funding came from different sources, adding that he would not support the project.

Regent Schofield agreed with Regent Sisolak about providing ample parking now, rather than revisiting the issue in the future. Mr. Zurek stated that it could be done, but it would substantially increase the parking fees already proposed. He said that when the new library is built the old library will be converted into classroom space, though it will take some time.

Regent Bandera called for the question. Regent Alden seconded. Upon a role call vote the motion failed. Regents Alden, Anthony, Bandera, Dondero, Hill, Schofield, and Seastrand voted yes. Regents Derby, Howard, Kirkpatrick, Rosenberg, Sisolak, and Whipple voted no.

Regent Sisolak was concerned about ending up with another Fire Science Academy. He felt it was important to cast an intelligent vote. He asked about the cost per space. Mr. Zurek replied the cost per parking space was \$10,700 based upon construction costs of \$21 million. Regent Sisolak said that costs could be reduced by adding 3,000 spaces. Mr. Zurek stated that adding three floors would be another set of circumstances. Regent Sisolak clarified that UNR was not building the facility with the idea of adding floors later. Mr. Zurek agreed. Regent Sisolak asked about the cost for a 10-story facility. Mr. Zurek replied that taller buildings changed the dynamics of the design. UNR considered the optimal mix that could be afforded with the proposed fees. The balance of surface and tower parking made the most sense. Regent Sisolak said that more fees could be collected by providing additional spaces. Chair Seastrand stated that Regent Sisolak had made his point. Mr. Nelson said that a balance must be achieved between the demand for parking and the cost of construction. Building three more floors would force students to pay additional fees. Students usually prefer paying the lower fees and parking at a greater distance. If the garage is not filled, the cost cannot be amortized. He said that if the cost estimates indicate that a 7th story could be afforded within the requested bonding they would seriously consider it.

Chair Seastrand said that he would like to bring the matter to a vote.

Regent Hill agreed that insufficient classroom space was a valid complaint. He observed a 66% enrollment growth at the community colleges and a 29% increase at the universities. He observed that parking must be provided in order to offer more classes. The situation exists because a larger portion of land was not initially requested for the university. He said that no new construction would be approved without the additional parking. He observed that professionals had provided the recommendation and their best estimate. He urged the Board to approve the request.

Chair Seastrand said that he would like to get to the vote.

Regent Rosenberg observed that new buildings could conceivably include parking. He asked about the length of time required to convert the old library into classroom space should the new library complete on schedule. Mr. Zurek stated that construction on the new library would occur in FY 2005-06. He estimated 1-1½ years to renovate the old library, approximately 2006.

Regent Kirkpatrick noted that UNR would still be short parking spaces when the new garage was built. Mr. Zurek acknowledged a 450-space shortfall. Regent Kirkpatrick agreed with Regent Sisolak that, since UNR was landlocked, taller structures were required. Mr. Zurek said that parking fees would need to increase from \$45 to \$285 in order to amortize the cost.

Regent Alden requested a role call vote.

Upon a role call vote the motion carried. Regents Alden, Anthony, Bandera, Derby, Dondero, Hill, Kirkpatrick, Schofield, Seastrand, and Whipple voted yes. Regents Howard, Rosenberg, and Sisolak voted no.

Regent Bandera requested that staff bring forward recommendations regarding the appropriate height for parking garages to save the cost of building on ground that is expensive, and compare that information with what is done at other landlocked universities or institutional complexes in the U.S. Chancellor Nichols agreed to do so for the August meeting.

The meeting recessed at 10:15 a.m. and reconvened at 10:30 a.m. with all members present except Regents Alden, Derby, Schofield, Sisolak, and Whipple.

27. Approved-Sale of Land Only, Belmont Square Shopping Center, UNR – The Board approved President John M. Lilley's request for the sale (land only) of Belmont Square Shopping Center located at 3100 E. Lake Mead Boulevard, Las Vegas, Nevada. At the January, 2003 meeting, the Regents approved a request to negotiate the sale of land. The sales price is \$365,013. (Ref. P on file in the Board office)

Mr. Zurek stated that one bid had been received from Mer-Car Corporation.

Regents Schofield, Sisolak, and Whipple entered the meeting.

Regent Hill moved approval of the sale of land comprising the Belmont Square Shopping Center in Las Vegas for UNR. Regent Bandera seconded.

Regent Sisolak asked whether all reasonable and customary costs were attributed to the buyer and seller and whether the bid came in at the appraised value. Mr. Zurek replied in the affirmative.

Chair Seastrand observed that Regent Alden had requested a role call vote since he wanted to abstain from voting. Since Regent Alden was not present a regular vote transpired.

Motion carried. Regents Alden and Derby were absent

28. Approved-Acquisition of Real Property, UNR – The Board approved President John M. Lilley’s request for the purchase of real property located at 1680 and 1682 North Virginia Street, Reno, Nevada. Subject property (APN 003-381-03) is comprised of two houses located on one .58-acre parcel currently zoned multi-family MF30. (Ref. Q on file in the Board office)

Fiscal Impact: Expenditure of \$208,700 in property acquisition funds to purchase property.

Mr. Zurek reported that the total cost was \$208,700 for .58 acres located within the boundary of the university. The property appraised for \$200,000. He requested approval of a 4.4% premium to be reflected in the price. It has become a seller’s market around the campus. UNR had hoped to bring another piece of property forward for approval, which was lost to a higher bidder. He recognized that a premium was somewhat out of the ordinary, but felt the location justified the request.

Chair Seastrand asked about regulations preventing the Board from purchasing property above the appraised value. General Counsel Ray replied there were none. The statute provides that the Board can buy and sell property and hold title in its name. It does not place any such requirement on property. Board policies stipulate that such transactions must be “arms-length”.

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

Regent Sisolak was concerned about not using normal closing costs. He asked whether this was a new strategy to be used when acquire property. He could not recall a transaction where reasonable buyer/seller closing costs were applied. He asked whether other Board members had any objections. He felt the Board was setting a dangerous precedent. Mr. Zurek stated that UNR had intended to have full disclosure on this transaction with the appraised value separated from the premium cost. Regent Sisolak asked why they didn’t pay the \$208,000 with normal and reasonable closing costs. Mr. Zurek replied that it could have been done, but UNR had thought this comprised full disclosure. Regent Sisolak asked whether this had been done before. Mr. Buzz Nelson replied that, when acquiring property there are sometimes two appraisals are offered (one by the buyer and one by the seller). If those appraisals differ substantially you have to arrive at a compromise. He related that UNR was told that the state lands office indicated that when acquiring property near campus boundaries one needs to be prepared to pay the market value rather than the appraised value. He related that one lot was purchased above appraisal last year. Regent Sisolak was concerned about sending a message to property owners that UCCSN wants the property so badly that they will pay more than appraised price. Mr. Nelson said that UNR had been very fortunate in most land acquisitions to pay only the appraised value. There has been cooperation between the sellers and the university. These people approached UNR knowing that the university was interested in the property. He did not believe they intended to gouge the university.

Regents Alden and Derby entered the meeting.

Regent Bandera clarified that the appraised value was \$200,000. UNR would purchase the property for \$208,700. Additionally, UNR had clearly identified the fees to be paid. The difference of \$8,700 was outlined in the reference material. Mr. Zurek agreed.

Chair Seastrand asked about setting a precedent for future transactions. Mr. Zurek replied that UNR made the offer and could ensure they not do that again in the future. He related that market forces will ultimately control the sell price. He said that the seller did approach the university through a realtor who charged 3% of the sale. He said that UNR was attempting to make cost effective purchases whenever possible.

Motion carried.

29. Approved-Reno Orthopaedic Clinic Ground Lease Extension, UNR – The Board approved President John M. Lilley’s request to extend the current lease agreement the University of Nevada, Reno Department of Intercollegiate Athletics has with the Reno Orthopaedic Clinic for an additional ten years. (Ref. R on file in the Board office)

Regent Alden moved approval of the ground lease extension between Reno Orthopaedic Clinic and UNR. Regent Rosenberg seconded.

Regent Howard asked for the reasoning behind the 10-year extension and the number of years remaining on the current lease. Mr. Zurek replied that the ground lease was between UCCSN on behalf of UNR and University Investors, Ltd., currently doing business as Reno Orthopaedic Clinic. He thanked General Counsel's office for their assistance on this project. In August 1992, the university entered a 40-year ground lease with Reno Orthopaedic Clinic on behalf of intercollegiate athletics. The cost of the ground lease at that time was \$1.00. The Roc Group agreed to construct a sports medicine complex adjacent to Mackay Stadium. The complex included a training facility and weight room for intercollegiate activities and a practice sports medicine clinic for the Roc Group. The cost of the building they built was \$2 million (17,500 sq. ft.). 53% of the building is used by the clinic. The balance is used by intercollegiate athletics. The current lease value of that space (conservatively valued at \$1/sq. ft.) is approximately \$98,000/year. They also purchased \$100,000 in new weightlifting equipment and remodeled the Bob Cashell Field house (3,100 sq. ft.). At the conclusion of the lease, now valued at \$2.5 million with improvements, it will be donated to the university. Roc Group proposed a lease amendment to modify the current lease for an additional 10 years in consideration of \$300,000 (\$30,000 annually for ten years) to expand the sports medicine complex. The expansion is needed due to the growth in intercollegiate athletics, including the recent addition of women's softball, soccer and golf, and is key to Title IX goals and obligations. The significant part of the consideration is that should the Roc Group terminate the lease early or breach it (i.e., not provide medical services to student or neglect to provide a team physician to UNR teams) the entire building would immediately become UCCSN property. He felt this represented a significant enhancement to the current lease. Intercollegiate athletics believes this represents a strong incentive for the Roc Group to remain in that location. A conservative estimate for subsidizing a team physician has saved the university \$40,000/year. Roc Group agrees their physicians will treat the orthopedic injuries of UNR's athletes, a service valued at \$125,000/year. The combined benefit over ten years totals \$1,650,000. The extension would lock in those benefits for an additional 10 years and would also protect the university in case of early termination or breach.

Intercollegiate Athletic Director-UNR, Mr. Chris Ault, stated that Roc Group had played a significant role in new athletic programs at the university. When Nevada became a Division I program in 1992, the training room consisted of a 20 ft. by 40 ft. converted mobile home in which male and female athletes could not be treated simultaneously. The new facility was a great improvement and the business relationship has been fruitful. He felt that procuring the future was important for the university.

Regent Alden indicated his support for the project.

Regent Sisolak was concerned about the financial arrangement for extending the lease 10 years. He observed a \$300,000 commitment for 10 years and a \$2.5million building. He related that Roc Group was getting the ground lease for a \$2.5 million building for \$2,500/month. Mr. Ault said that the larger consideration was the opportunities it would provide for UNR. He related that not paying a team physician was a significant savings. Should Roc Group decide to terminate the lease early, the building would revert to the university. Regent Sisolak questioned whether extending the lease for \$2,500/month would be more than what the leasehold improvements would be worth in 2033. Mr. Ault noted that, under the current lease, Roc Group could terminate early with no penalty. UNR would then need to pay them fair market value for the remainder of the lease. The extension provides a valuable means of protection should such a scenario arise. Regent Sisolak questioned the terms of the initial lease. Mr. Zurek replied that the formula was the fair market value times the number of years remaining on the lease divided by the total amount of the lease. Regent Sisolak questioned how the Board's Counsel could have approved such an arrangement 10 years ago. He did not want future Board members to question the reasonableness of transactions approved by the current Board.

Chancellor Nichols stated that this lease came to System Administration's attention approximately 6 months ago. She agreed that the original lease should never have been approved. When System staff reviewed the request for extension they realized that it was not a good deal for UCCSN. Mr. Mark Ghan worked with UNR and the Roc Group to negotiate an amendment to the original lease to make it in better for UCCSN long term. She explained that they were giving up 10 years of potential use of that building, but were gaining a lease that benefited the System.

Regent Derby recalled the Board having doubts and concerns (10 years ago) but was swayed by the great opportunities and partnerships. After the fact it was revealed that it was not as advantageous as originally thought. She felt that tough questions were appropriate for a Board. She said that she was initially skeptical about the extension, but felt the amendments made it a better deal for the Board.

Regent Hill surmised that it likely seemed like a great idea at the time. He related that the extension would resolve some of the problems. He did not believe that Roc Group would ever walk away from the building.

Regent Kirkpatrick observed that the Board currently had a "bad" lease with 30 years remaining. He felt that the 10-year extension would improve the quality of the lease, adding that he would support it.

Regent Sisolak said that initially he was not going to support the request. He was grateful for the explanations provided and indicated that he would support the request.

Motion carried.

30. Approved-Naming of DRI Great Basin Environmental Research Laboratory – The Board approved President Stephen G. Wells' request to name DRI's Great Basin Environmental Research Laboratory in honor of former Regent Dorothy S. Gallagher. (Ref. S on file in the Board office)

Regent Alden moved approval of the laboratory naming for DRI. Regent Howard seconded.

President Wells reported that it was a unique facility benefiting the Great Basin through research studying ecosystems and global climate change. Naming the facility for Mrs. Gallagher would honor her 22 years of service to higher education and the support she has given to DRI. He related that she had a mutually respectful relationship with DRI faculty.

Motion carried.

31. Approved-Naming of DRI SNSC Phase II Science and Technology Building– The Board approved President Stephen G. Wells' request to name DRI's Southern Nevada Science Center Phase II Science and Technology Building in honor of Frank H. Rogers. Mr. Rogers' son, James Rogers, made a leadership gift to the SNSC Phase II campaign and wished to honor his father through this naming. (Ref. T on file in the Board office)

Regent Alden moved approval of the building naming for DRI. Regent Hill seconded.

President Wells reported that Mr. Jim Rogers had pledged \$3 million to DRI's campaign conducted in partnership with the NTS Historic Foundation. Campaign funds will be used for the construction and finishing of this building as well as the atomic testing museum, which will be on the first floor. Those funds will also help start an endowment for the new Center for Environmental Remediation and Monitoring. The new building will be completed early and on budget by Clark & Sullivan. The grand opening is scheduled for October. Mr. Rogers requested the building be named in honor of his father, who played a critical role in the establishment of the Nevada Test Site. He then introduced Mr. Troy Wade, NTS Historic Foundation.

Mr. Wade said that the Foundation was delighted with the project. He said that he worked for and with Mr. Frank Rogers in the late 1950's. He felt that the naming of this building honored the people who worked at the test site over its 50-year history.

President Wells acknowledged support of Dr. Claudia Miner, Mr. David Schafer, and Faculty Senate Chair, Ms. Lynn Fenstermaker.

Regent Schofield related that Mr. Frank Rogers was a friend and an outstanding man. He said the Rogers were a wonderful family and that Mr. Rogers was deserving of the honor.

Motion carried.

32. Approved-Resolution 03-06, Refunding of 1993 State G.O. Bonds – The Board approved Vice Chancellor Dan Miles' request for a bond resolution to refund the 1993 State General Obligation bonds. (Ref. U on file in the Board office)

Fiscal Impact: The savings from the refinancing will be used by UNR and UNLV to defray operating and maintenance costs of the facilities that were financed by the State G.O. Bond.

Regent Sisolak moved approval of Resolution 03-06 concerning the refunding of 1993 State general obligation bonds. Regent Rosenberg seconded.

Vice Chancellor Miles reminded the Board that these were State General Obligation Bonds (SHECC bonds) retired from the Special Higher Education Capital Construction Fund. The bonds are issued by the State Board of Finance. The Board previously passed a resolution urging the State Treasurer's Office and the Board of Finance to refinance the bonds. The formal bond resolution will go back to the State Board of Finance which meets next week.

Chair Seastrand asked if a further report would be provided. Vice Chancellor Miles replied that System staff could report back on the final outcome, interest rate, and the amount of savings. Chair Seastrand was interested in knowing how much was saved.

Motion carried.

33. Approved-Resolution 03-07, Sale of Revenue Bonds, UNLV and UNR – The Board approved Presidents Carol C. Harter’s and John M. Lilley’s request for a bond resolution to sell up to \$54 million in revenue bonds. Up to \$24 million will be used for UNLV student housing and up to \$30 million will be used for a UNR parking garage. (Ref. V on file in the Board office)

Vice Chancellor Miles related that bond consultants, Mr. Scott Nash and Ms. Kendra Follett, were present to answer any questions. The request represents a combination of two bond issues and an opportunity to save money and lots of staff time. Both projects will start about the same time.

Regent Dondero moved approval of Resolution 03-07 concerning the sale of revenue bonds for UNLV and UNR. Regent Kirkpatrick seconded.

Regent Kirkpatrick asked about the interest rates for bonds. Mr. Nash replied that rates were very favorable at this time, which made it a good time to lock in long-term financing.

Motion carried. Regent Alden voted no.

34. Approved-Resolution 03-08, Loan for Intramural/Practice Fields Renovation, UNR – The Board approved President John M. Lilley’s request to secure a ten-year loan in the amount of \$2 million to fund the renovation of intramural and practice fields on the main campus. (Ref. W on file in the Board office)

Fiscal Impact: The \$2 million bank loan will be amortized from funds allocated by the ASUN, Intercollegiate Athletics, the Facilities Services Department and the University administration.

Regent Alden moved approval of Resolution 03-08 concerning a loan for the renovation of intramural and practice fields at UNR. Regent Howard seconded.

Dr. Shannon Ellis, Vice President, Student Services-UNR, reported that the university desired to provide accessible and safe intramural playing fields on campus. UNR requests Board approval of a 10-year bank loan of \$2 million to fund the installation of synthetic turf, sports field lighting, and security fencing for existing intramural and practice fields. The loan will be amortized from funds allocated by the undergraduate student government (ASUN), the Athletic and Facilities Service departments, and university administration. The project was initiated by student leadership, expressing a desire to create more opportunities for more students to play sports on campus in a safe and secure environment. ASUN approved a fiscal allocation of \$100,000/year for the next 10 years to pay off half of the loan. A number of problems can be resolved with this project and the needs of a wide range of students can be met. Taking advantage of low interest rates allows UNR to take advantage of favorable financing. Board approval would help the university achieve a strategic goal for current and future students.

Chair Seastrand asked about the life expectancy of synthetic turf. Dr. Ellis replied that 8-10 years was expected. Chair Seastrand asked about the university’s plan following the 10-year period. Dr. Ellis replied that it would be replaced. She said that Mackay Stadium also has synthetic turf and that they were very pleased with it in terms of safety, no maintenance, and water conservation.

Regent Derby asked why artificial turf had been chosen and about the cost differences. She was concerned that more injuries occur on artificial turf and asked what UNLV uses. President Harter stated that UNLV uses the new kind of turf that doesn’t have the injuries the older turf encountered. Dr. Ellis stated that dramatic improvements had been made with synthetic turf. There are now more injuries on natural grass because it wears faster.

Regent Sisolak noted a difference between college athletes and young people playing on an intramural field, adding that artificial turf is hard. Intercollegiate Athletic Director-UNR, Mr. Chris Ault, replied that he used to be opposed to artificial turf. Use of the new field turf has dramatically reduced football players’ injuries, and the upkeep and consistency are better for the ankles and knees. Regent Sisolak asked about the interest rate. Director of Banking & Investments-UCCSN, Ms. Kathleen Payne, reported that the loan was put out to bid to 50 banks. Five responses were received ranging from 3.9% to 4.28%. The least expensive proposal chosen was also the cleanest bid with no prepayment penalties. Regent Sisolak recalled discussions about pooling investment money. UCCSN earns 1.1-1.2% on investments and then borrows at 3.9%. He asked about borrowing some of the System’s funds. Ms. Payne replied the endowment and operating funds includes an asset allocation (partial equities/partial fixed income). If money were borrowed from one of those funds, UCCSN would be taking money away from the fixed income portion (bonds/treasuries) to maintain the same asset allocations. These bonds currently earn 8% in that asset class. So UCCSN would exchange 8% earnings for a 3.9% interest rate. She noted that a conflict of interest also exists. The Investment Committee’s mission is the investments, not to help UNR buy turf. Regent Sisolak observed that the endowment was not earning 8%. Ms. Payne stated that the endowment was currently earning 1.0-1.5%. Regent Sisolak felt that 2.9% in today’s economy was an enormous difference on the return vs. expenditure. He felt that borrowing money at a higher interest rate, while earning returns at a lower rate, did not make sense. He asked about a means for “fixing” the problem. Ms. Payne stated that UCCSN’s current investments are readily available. Regent Sisolak asked whether \$2 million in cash was available in the portfolio. Ms. Payne replied that there was, adding that a money

market element existed in both the endowment and the operating pool. The entire pool (\$200 million operating fund/\$200 million endowment) is completely liquid and could be turned into cash at any time, except for partnerships. If UCCSN lends money to an institution, the money is tied up. A 30- or 40-year bond would tie up those funds that much longer. Regent Sisolak agreed.

Chair Seastrand suggested the Investment Committee could have this discussion. Regents Derby and Sisolak indicated that it had occurred. Regent Sisolak understood that it could not be done for long-term projects, but thought that a short-term project would be feasible. He asked whether it could be done for this project. Ms. Payne replied that it would need to go to the Investment Committee. Regent Alden said that it could be addressed at the next Investment Committee meeting.

Chair Seastrand asked about the impact to this agenda item request. General Counsel Ray stated that the question raises a conflict for the Board because they would be loaning money and setting the interest rate while also determining the fees that would repay the loan.

Regent Kirkpatrick asked whether the project could be accomplished for less. Dr. Ellis replied that the \$70,000 saved would be reallocated. Regent Kirkpatrick felt that the expenditure would provide something more useful and functional, and could be used for a longer period of time. Dr. Ellis agreed.

Regent Anthony urged Board approval, adding that involving students in sports helped prevent them from using their energies in more deviant ways. He acknowledged that Regent Sisolak's concerns should also be considered. He asked how the \$2 million would be repaid. Dr. Ellis replied that student government had committed an annual allocation of fees. Money saved from not having to maintain natural turf will also be reallocated to the debt. The remainder will be covered by pooling funds from other university sources (Recreation Wellness, Athletics, general university administrative costs). She related that the students supported the project.

Chancellor Nichols said that Regent Sisolak's suggestions seemed to make sense. She related that part of the complexity is that the money that would be loaned belongs to all of the institutions. Doing so would bind the other institutions to a low interest rate, when they could be making more on their money in the future. Because of the complexity, she suggested continued review, discussions in the Investment Committee, and comparisons with other institutions. She suggested the Board move forward in the traditional manner for this project.

Motion carried.

The meeting recessed at 11:35 a.m. and reconvened at 12:05 p.m. with all members present except Regents Kirkpatrick and Sisolak.

35. Information Only-Strategic Plan Presentation, UNR - President John M. Lilley presented UNR's strategic plan to the Board.

President Lilley stated that his express charge from the Board 2 years ago was to lead the university to the next level.

Regent Kirkpatrick entered the meeting.

President Lilley reported that the strategic process incorporated the best ideas from faculty, staff, students, and friends of the university for how to be more effective and cost effective. The process was led by Executive Vice President and Provost Dr. John Frederick who asked all university units to prepare strategic plans. The plans were to explain how they would marshal the necessary resources to achieve their goals. After the recommendations were received, President Lilley embarked on a series of sixty hour-long conversations with various groups from every area of the university for over two months. He listened closely to their reaction to the University Planning Council's (UPC) recommendations and especially to their suggestions for improving the plan. The plan changed substantially based on that consultation. The results of the first year of strategic planning were announced to the university community May 31, 2002. The strategic plan is not a static document. It continues to evolve and will be an annual endeavor.

President Lilley related that the University of Nevada, Reno is the state's land-grant university and its historic flagship institution. Over the years the university has steadily improved and expanded its outreach to the state through its core activities of teaching, research, and service. The university strives to improve the quality of life and to build and diversify the state's economy. As the university pursues that mission it must continually strive to become more effective and cost effective.

President Lilley reported that the UPC's recommendations identified a series of institutions with characteristics similar to UNR that might serve as a model on which to pattern themselves. An analysis of those institutional characteristics provided benchmarks that helped UNR assess its performance. Benchmarks included:

- The percentage of students graduating within 6 years.
- Scholarship funds awarded to students relative to tuition and fees collected.

- Endowment income earned by the university.
- The number of research faculty employed on soft money accounts (external funding).
- The number of research faculty.
- The percentage of doctoral degrees awarded.

UNR adopted a general culture of improvement and accountability consistent with the master plan. The purpose of the planning process was to ensure that UNR adopts a culture of “cheerful dissatisfaction”—a constant yearning to be both more effective and more cost effective. Nevada is facing uncertain economic times. Enrollment increases of 50% are anticipated over the next decade. This situation poses considerable challenges. The university must meet its growing needs through a variety of means including private fundraising, community partnerships, and research funding in addition to the state appropriation. In order to make the kind of improvements described in the plan, the university must seek new sources of funding and be willing to reallocate dollars and space within the university.

President Lilley then discussed university objectives and strategies. Primary objectives include:

- Educating students through high quality, innovative instructional programs.
- Exploring the frontiers of knowledge through scholarly and creative activities.
- Engaging local, regional, national, and international communities through comprehensive outreach activities.
- Enabling faculty and students to achieve a culture of learning and scholarship by providing the necessary infrastructure to support the mission.
- Enhancing the campus as a welcoming environment for all students, faculty, staff, and visitors.

President Lilley related that the university already does many things very well. The faculty, staff, and student body continue to grow in quality and diversity. The quantity of externally funded faculty research and educational activities has surpassed \$110 million.

Non-funded research has attracted both national and international recognition. Outreach is central to many of UNR’s activities. Service to the entire state is provided through Cooperative Extension, Small Business Development Centers, Area Health Education Centers, Extended Studies, and the Agricultural Experiment Station. A number of strategies and themes will be pursued in the coming years:

- Improving the student experience through strengthening academic programs, encouraging a culture of diversity on campus, providing significant co-curricular experiences, and enhancing the campus environment.
- Building on academic strengths to create new cross-disciplinary opportunities and improving the national and international visibility of UNR’s programs.
- Assessing the outcomes of all activities so strengths and weaknesses are known and effective steps can be taken to improve performance.
- Communicating UNR’s story so the public can know and share in the university’s successes.
- Cultivating support from a variety of sources so the university can continue to flourish even in a climate of limited resources.

President Lilley reported that four major initiatives have been identified in which the university will concentrate its efforts and resources. These initiatives represent multidisciplinary and cross-college initiatives providing opportunities for many departments to participate in the unifying effort. In three of the four initiatives the university will create institutes to coordinate efforts, develop new curricula, and cultivate new revenue sources. Each of the institutes will be headed by a director reporting directly to the Provost. All institute directors will participate on the Academic Leadership Council, which includes the college deans. The programs of each institute will be determined by additional planning, and will be brought before the Board for approval. The four initiatives include:

- Core Curriculum – representing the cornerstone of UNR’s general education program for all undergraduates. It has been supported by the National Endowment for the Humanities and has been singled out for distinction by external reviewers on two separate occasions. Improving the already high quality in the face of large enrollment increases is a very important institutional priority. The director of the core curriculum will be responsible for its continuing assessment and for recommending staffing needs in key instructional areas to the Provost. Departments contributing to teaching and enhancing the quality of the core curriculum will receive a priority for the allocation of new and existing resources.
- Institute for the Environment – educating students and the public about environmental issues is an essential manifestation of the land grant mission in the 21st century, and will be a focus of UNR. The university will integrate its strengths in this area by forming an Institute for the Environment. Environmental areas in which the university currently has strengths and where new degree programs are planned include: Alternative and Renewable Energy, Arid Range Land Management, Atmospheric Science (in collaboration with DRI), Biodiversity, Climatology, Environmental Arts and Humanities, Environmental Chemistry, Environmental Engineering, Environmental Policy, Environmental Science, Geographic Systems, Hydrology and Hydrogeology (in collaboration with DRI), Land Use Planning, Life-Cycle Mining, Literature of the Environment, Resource Economics, Seismology, and Water Safety.

- Institute for Information Science and Technology – the university needs to respond more nimbly to changes in IST-related fields with degree programs that prepare students for the new marketplace. UNR will involve people in the area with talent and experience in this area. The Institute will: establish integrated degrees in Information Science and Technology, graduate a high-quality workforce, help the state attract new industries and sustain those already in place, coordinate with 2-year programs at TMCC and WNCC, create internship opportunities in IST areas, and attract top scholars in this discipline.
- Institute for Molecular Biosciences and Biotechnology – life and health sciences are the most heavily funded of the sciences in the U.S. This is an area where the university can effectively increase its external grants and contracts. The university has numerous strengths in the life sciences, including mature programs in the School of Medicine, Biology, Biochemistry and exciting new efforts in Genomics and Proteomics. Creation of this institute will help the university to develop multidisciplinary degree programs. The initiative will: enhance the visibility of all molecular bioscience programs, improve the recruitment of high-quality students and faculty, improve cooperation among contributing departments, and will attract biotechnology companies to Nevada. The institute will also encourage the participation of scholars with interests in bioethics issues.

President Lilley related that difficult choices must be made due to limited resources. Strategic planning will ensure that all current programs are routinely and rigorously assessed. Only those performing at high standards and central to the university's mission will be enhanced. Current programs could be restructured or deleted over time in order to reallocate resources to more critical university endeavors. New and existing funds will support the specific initiatives identified. Funds will also more closely follow student enrollment in order to meet the rising demand for courses. The same principle for devoting resources to university-wide needs will also apply to the distribution of indirect cost recovery funds from sponsored research. President Lilley said that reorganization was difficult work. The College of Engineering and the College of Business were created in the 1950's and the College of Human and Community Sciences and the Reynolds School of Journalism were created in the 1980's. Departments have moved from one college to another. Planning will ensure that all disciplines have comparable advocacy at the deans' level. President Lilley will propose a realignment of the university's academic structure. Increased advocacy on the part of deans is designed to: enhance the integrity of high-quality instructional programs, promote productive research relationships among faculty with similar modes of scholarship, and promulgate meaningful outreach activities. The changes will allow the university to make more effective use of its limited resources and to remain true to the state land grant mission. Input has been solicited from faculty, staff, students, and friends for over a year regarding the academic reorganization proposals.

President Lilley related that UNR faces significant infrastructure challenges. Priorities must be established and linked to specific funding sources. Information Technology, the library, space issues, land acquisition, and development and alumni relations comprise the most pressing needs. Stable funding must be identified for information technology, including life-cycle funding for hardware and software, support for technical staff, and support for viable solutions for Personnel, Finance, and Student Data Warehousing. Libraries must be funded at a level approaching institutions with similar scope and expectations. Space is a major challenge. Capital construction priorities have been identified for the next several years through the strategic planning process and include: Phases II and III of the residence halls, a Science and Math Education Center, renovation and expansion of Church Fine Arts, a \$100 million campus renovation package, engineering laboratory expansion, a Biotechnology Research facility, a mid-campus parking structure, an Academic Medical Center in Las Vegas, and a Cooperative Extension building in Las Vegas. Over the next five biennia a high priority must be placed on renovating aging buildings to ensure that space remains usable. Acquisition of additional property is a major need for the university for long-term growth and development. The acquisition of Manogue High School is the first priority. President Lilley was hopeful that the addition of the adjacent school district offices and Sierra Vista Elementary School would follow. UNR is working with Mayor Cashell to acquire the remaining land between the campus and I-80 and other major properties (east and north) through redevelopment. President Lilley has increased university support for development and alumni relations. Clear fundraising priorities will be determined through the strategic planning process. Once the office has been strengthened, a major, comprehensive campaign will be initiated to raise money for endowments supporting undergraduate scholarships, graduate fellowships, faculty positions, and programmatic enhancements at the university. Fundraising will also be a high priority for Capital Construction projects. Deans and department chairs have been asked to be more effective in seeking imaginative ways to finance the university's progress to the next level.

President Lilley related that the success of any planning was judged by its execution, which must be monitored with specific performance indicators. Those indicators will be used to set goals for greater quality. Data is being collected on the societal needs of the state and U.S. so that programs are closely attuned to those needs. He thanked Ms. Diann Laing, Coordinator, Media Services-UNR for her efforts on his presentation.

Regent Derby commended President Lilley for a renewed and greater emphasis on the core curriculum, adding that higher education was first about educating students.

Regent Alden said that it was an excellent presentation. Regent Dondero agreed.

Regent Whipple congratulated President Lilley on his presentation and asked how many students were out-of-state. Provost Frederick replied that 15-20% were from out-of-state. President Lilley related that approximately 25% were from Clark County, adding that the Millennium Scholarship had made it possible for Clark County to attend in Washoe and vice versa.

Regent Whipple asked whether Nevada residents or out-of-state students were targeted. President Lilley replied that UNR was delighted when out-of-state students come to the university as it contributes to the institution's diversity. The institution is heavily involved in recruiting in Washoe and Clark counties.

Vice President Ellis stated that over 80% of UNR's student population were in-state students. A small out-of-state population exists that is largely comprised of graduate students.

Regent Schofield said that he was proud of President Lilley's efforts and hoped the Board would help him lead in a direction leading to the finest university system in the U.S. President Lilley stated that Dr. John Frederick led the planning process and he expressed his gratitude to his colleagues.

Regent Rosenberg observed that a number of Las Vegas students were coming north while Reno students were going south. He said that the planning process had been a difficult time for some faculty, who were not the most open-minded. He related that faculty was slowly coming to grips with this difficult situation. He acknowledged that he had not been easy to get along with through this process.

Chair Seastrand thanked President Lilley for his presentation.

36. Information Only-Interpretation of Open Meeting Law - The Board reviewed General Counsel Tom Ray's interpretation of the Nevada Open Meeting Law as it applies to UCCSN faculty senates. An opinion on this subject from the Nevada attorney general's office was also discussed. (Ref. X on file in the Board office)

General Counsel Ray related that he had been asked to issue an opinion on whether or not the faculty senates are subject to Open Meeting Law. He reported that, in his opinion, the faculty senates do not have to comply with the Open Meeting Law because they do not meet the definition of a public body under the law. A complaint was made with the Attorney General's office charging the CCSN faculty senate with non-compliance. The Attorney General conducted an investigation and issued an opinion that essentially concurs with his opinion, and closed their file.

37. Information Only-Attorney General v. The Board of Regents, Update on Appeal - This case involved an interpretation and application of the Nevada Open Meeting Law. General Counsel Tom Ray discussed the Nevada Supreme Court's opinion and how it will apply to future Board meetings.

General Counsel Ray reported that he had to limit his comments due to the nature of the Nevada Supreme Court's opinion. He asked everyone else to not address anything relating to the case itself. The District Court ruled in the Board's favor finding that the Open Meeting Law had not been violated when the Board discussed a police investigative report. The Supreme Court reversed that decision finding that the discussion exceeded the description of the agenda item. The Supreme Court remanded the case back to the lower court for further proceedings to decide whether or not an injunction should be entered against the Board of Regents. The Court held that the discussion exceeded the scope of the agenda, but did not provide much guidance for what is within or beyond the scope of the agenda. He related that it was his job as Board Counsel to interject when he feels the Board has exceeded the scope of the agenda.

Regent Anthony asked about possible repercussions. General Counsel Ray replied that the issue before the lower court would be whether or not to enter an injunction. If an injunction were entered, future allegations of an Open Meeting Law violation could be brought back to court by the Attorney General for a hearing on whether the Court's order had been violated, a contempt proceeding, which could impose certain civil sanctions. He was optimistic that an injunction was not warranted.

38. Information Only-Update on UCCSN Teacher Education Activities Related to No Child Left Behind Act - Chancellor Jane Nichols provided an update on the steps UCCSN institutions are taking to respond to the provisions of the federal No Child Left Behind Act. The update included information on community college programs to meet the educational and/or testing requirements for paraprofessionals in public schools.

MASTER PLAN GOAL 1: DEVELOP AND INCREASE RESPONSIVE EDUCATIONAL PROGRAMS THAT FOCUS ON STATE NEEDS AND CRITICAL SHORTAGES.

MASTER PLAN GOAL 4: INCREASE PROGRAMS AND COURSES DESIGNED TO MEET THE NEEDS OF WORKING ADULTS.

Chancellor Nichols reported the Act requires each state to have a single, statewide system of accountability applicable to all pupils to establish academic content standards and to administer periodic examinations on those standards. The goal is to ensure that all children meet or exceed the minimum level of proficiency no later than 2014. As a result of those requirements, the legislative Committee on Education has proposed SB 191, which makes various changes to the Nevada Revised Statutes. The bill will require an extensive accountability report each year from the State Board of Education on approximately 50 data points. A copy of the report is required to be provided to the Board of Regents to assist them in ensuring that Teacher Education curricula meet the needs of Nevada's school districts. The State Board is also required to prepare a comprehensive plan to improve the achievement of pupils enrolled in public schools. Many UCCSN faculty are involved in that planning process. The improvement plan must also include strategies for providing pupils and their parents

with information about the requirements for admission to higher education, the opportunities for financial aid, the need for a pupil to make informed decisions about curricula in middle school, junior high school, and high school for success in college. UCCSN will likely work with K-12 colleagues to define what courses are necessary to predict success in higher education. Additionally, the bill requires each school district and each charter school to prepare a similar plan to improve the achievement of pupils enrolled in public schools. Most importantly, the bill requires certification of paraprofessionals in public and charter schools. Current paraprofessionals in schools receiving Title I funding must be certified by January 2006. All new hires must be certified immediately. SB 191 would extend the certification requirements to all paraprofessionals in every school, and not just those receiving Title I funds. Senator Raggio asked UCCSN to review its efforts to assist with the education and certification of paraprofessionals and to report back to the legislature.

The Board Chair responded on the Board's behalf saying that UCCSN would be engaged in partnering on that effort and would provide a report to the legislature and Board of Regents. A paraprofessional is anyone in K-12 providing one-on-one tutoring, assisting with classroom management, assisting in a computer lab, providing support in a library or media center, or providing instructional services under the direct supervision of a licensed teacher. Under the legislation, certification requires that paraprofessionals must either get a 2-year degree or pass an examination prescribed by the State Board of Education. UCCSN targeted paraprofessionals as a key audience for teacher education recruitment. This requirement provides UCCSN the opportunity to open a pathway for teacher certification, should they desire to do so.

Chancellor Nichols reported that CCSN has been engaged with the Clark County School District over the past year to determine the extent of the need and the preferred methods for addressing the certification requirements. A survey was sent to all teacher aids and generic courses were offered last Fall and this Spring to paraprofessionals interested in starting to work on the new certification. The most immediate priority has been to develop a curriculum that can be assessed by Title I teacher aids (over 500 in Clark County). When the Americans with Disabilities Act is reenacted it is likely that those 1,200 teacher aids in Clark County will have to be certified. This presents an enormous responsibility for UCCSN community colleges to step forward and assist in this effort. CCSN has established a steering committee to ensure college-wide participation and dissemination of information, and is developing a degree program for all paraprofessionals in education which should be on line by Fall 2003. The college will hire a part-time coordinator and is working rapidly to create a curriculum. CCSN is also working with the National Resource Center for Paraprofessionals to ensure the program is congruent with national objectives and standards, and with other federal and state agencies. It is hoped that federal dollars will be available to support this endeavor.

Chancellor Nichols reported that GBC has been working with the local school districts to provide test proctor and training and computerized on-line testing sites to remote sites. They are also working to provide remediation to paraprofessionals who failed to pass the test on the first attempt. GBC is also working on a program specifically designed for paraprofessionals and will include courses that are transferable and 2+2 agreements.

Chancellor Nichols reported that TMCC has offered to administer the certification exams for the Washoe County School District. It is developing a curriculum for paraprofessionals, which will not only lead to an associate degree but will also be transferable for those wishing to continue with a bachelor's degree in teacher education. TMCC is also working with UNR to ensure they can get a transferable 2+2 program.

Chancellor Nichols reported that WNCC has not received any requests from the school district, but anticipates this will evolve over time. President Lucey stated that the two-year degree is already in place.

Chancellor Nichols introduced Dr. Patrick J. Boylan, an elected member of the Nevada State Board of Education, who is the designated representative for the State Board of Education to the Board of Regents. He will attend Board meetings and report back to the State Board.

Regent Howard asked whether the Board had a representative to attend State Board meetings. Chancellor Nichols replied that they did not. Chair Seastrand related the Board could consider that.

Regent Alden asked whether the State Board met in Reno and Las Vegas. Dr. Boylan replied that it did. Regent Alden suggested a northern and southern Board representative to attend the State Board meetings. He volunteered to attend in Las Vegas.

Regent Kirkpatrick observed that the No Child Left Behind Act had not been funded and asked what the Board could do to encourage Congress and the President to provide funding. Chancellor Nichols acknowledged there was a debate over whether or not funding had been provided. What little there is, is not enough to bear the consequences of this mandate. She foresaw support coming for particular programs. She felt that UCCSN would be more likely to get support if they worked with the Congressional delegation for support for particular programs (i.e., teacher education and nursing). She did not see a mood in Washington D.C. to help the states out financially at this time.

Regent Bandera said that she was interested in the training or certification of instructional aides in bilingual education classrooms, sheltered English technique programs, or ESL and asked how that effort would work. She felt it would require a critical effort. President Remington replied that CCSN was fully aware of the problem. CCSN has a host of problems related

to English as a Second Language and needs more counselors fluent in Spanish. CCSN needs a concentrated effort to hire people in the curriculum with bilingual skills. He related there was an increased demand for that and that it would likely expand exponentially. CCSN anticipates the demand and hopes to be able to address it, though it will require resources. Regent Bandera said that she would like to hear more about how the focus of the program goes. She related that it was not just a southern Nevada issue. She related that it had been a struggle in northeastern Nevada and requested follow-up for how it was working.

Regent Rosenberg related that UNR has been encouraging secondary education students to consider Spanish or Italian as a minor, which seemed to be working.

39. Information Only-Demonstration of Academic Program, Information System (APIS) - Staff presented a demonstration of the newly developed web-based Academic Program Information System, a new information resource for both internal and external audiences which will allow an individual to ascertain which academic programs have been approved by the Board of Regents and which institution or institutions offer them.

MASTER PLAN PRINCIPLE: PROVIDE ACCESS TO COURSES, DEGREES, TRAINING, OR CREDENTIALS NEEDED FOR ENTERING THE WORKFORCE OF THE 21ST CENTURY.

Mr. Tyler Trevor, Assistant Vice Chancellor, Academic Affairs-UCCSN, reported that APIS is an on-line, searchable database of academic programs within the UCCSN. It is a master list of all Board-approved degree programs and provides a quick update as programs are approved or deleted. The program was developed by Dr. Sherwin Iverson with the assistance of his staff, Ms. Pat Casagrande and Ms. Sally Jackson, and System Computing Services. Mr. John Tully and Mr. Richard Elgin were the programmers.

There are seven capabilities for searching:

- Search by program.
- Campuses offering a selected program.
- Programs available at selected campuses.
- Any program name.
- Search by discipline area.
- Search by award area.
- Complete list of all degree programs available.

Mr. Trevor related that links to each of the campuses was provided and encouraged Board members to try the site themselves.

Regent Derby stated that the ARSA Committee reviewed a presentation at the previous meeting, adding that it was an incredible resource for UCCSN students. She felt it was a real step forward for students trying to access information about UCCSN programs.

Regent Howard asked whether degree requirements were included. Mr. Trevor replied that the list only included Board-approved degree programs. The searcher would need to link to a specific institution for that information. As the program evolves, more ways to include information will be explored. Regent Howard felt it would be helpful to have the requirements with the programs.

Regent Schofield noted that it had been an excellent presentation.

40. New Business – President Remington reported that Faculty Senate Chair, Dr. Joan McGee, was attending her final Board meeting. He related that she was voted the Outstanding Community College Teacher. He said that she had been a wise counsel and colleague throughout the past year. Ms. Mitzi Ware will become the new Faculty Senate Chair for CCSN.

Regent Bandera commended GBC's accreditation self study, adding that it was well written and comprehensive. She congratulated President Paul Kilpatrick, Vice Presidents Carl Diekhans, Betty Elliott, and Lynn Mahlberg, Mr. Danny Gonzales, and Faculty Senate Chair Mr. Pete Bagley. She said that it was an excellent self study and the visit had been extremely well coordinated.

Regent Derby requested the Board consider changing the System name from UCCSN which no longer accurately reflects institutional makeup. She suggested UCSN (University and College System of Nevada). Chair Seastrand requested that suggestions be forwarded to System staff. Regent Kirkpatrick asked that the cost for making such a change also be provided.

Regent Sisolak reported that 60 Minutes II featured a story on DRI and the hydrogen/General Motors project. He thought the Board would enjoy seeing the tape.

The meeting adjourned at 1:20 p.m.

Suzanne Ernst
Chief Administrative Officer to the Board