

BOARD OF REGENTS
UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA
Nightingale Concert Hall, Church Fine Arts Building
University of Nevada, Reno
Thursday-Friday, August 14-15, 2003

Members Present:

Dr. Stavros Anthony, Chair
Mr. Mark Alden
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. Douglas Seastrand
Mr. Steve Sisolak
Mr. Bret Whipple

Others Present:

Chancellor Jane Nichols
Interim Vice Chancellor, Finance & Administration Larry Eardley
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 Ms. Mitzi Ware, CCSN; Mr. Alan Gertler, DRI; Dr. Frank Daniels, GBC; Dr. Erika Beck, NSC; Ms. Bridgett Boulton, TMCC; Dr. John Readence, UNLV; Dr. Trudy Larson, UNR; Mr. Michael Hardie, WNCC; and Mr. John Tully, System Administration. Student government leaders present included Ms. Evelyn Flores, CCSN; Mr. Steve Houk, GBC; Ms. Janell Mihelic, NSC; Ms. Monica Moradkhan, UNLV; Ms. Jocelina Santos, UNLV-GPSA; and Ms. Jessica Muehlberg, UNR-GSA.

NOTE: Due to last minute changes, there was no Ref. D, E, F, or G.

Chair Stavros Anthony called the meeting to order at 11:48 a.m. on August 14, 2003 with all members present except Regent Seastrand.

Reverend Ruth Hanusa, Campus Minister, Campus Christian Association, University of Nevada, Reno, offered the invocation.

Regent Seastrand entered the meeting.

Chair Anthony related that the Board was testing a new sound system and explained the proper method for using it to be recognized by the Chair.

1. Introductions – President Wells introduced DRI's newly elected Faculty Senate Chair, Dr. Alan Gertler, and DRI's new Vice President for Research, Dr. Chris Maples.

President Ringle introduced TMCC's new Vice President for Finance and Administration, Ms. Delores Sanford.

President Killpatrick introduced GBC's newly elected Faculty Senate Chair, Dr. Frank Daniels.

2. Chair's Report - Chair Stavros Anthony discussed the future directions he envisions for the Board and announced the appointment of several new committees. He also honored former Vice Chair Thalia Dondero and the Regents' workshop leader, Dr. Rafik Beekun.

Chair Anthony thanked Regent Seastrand for his leadership as the prior Board Chair. He then honored Regent Thalia Dondero with a resolution thanking her for her service as the Board's previous Vice Chair (Resolution 04-01 on file in the Board office). Chair Anthony expressed his gratitude to Regent Bandera for serving as the Board's current Vice Chair. He thanked the Board for electing him as Board Chair and promised to do the best he could to ensure the Board was moving in the right direction. Chair Anthony then expressed his gratitude to Dr. Rafik Beekun who led the Board's June Workshop. Since Dr. Beekun was teaching a class, Chair Anthony said Dr. Beekun would be recognized later in the meeting.

Chair Anthony then provided highlights from the Board workshop:

- Focus on teamwork – the importance of Board members working together as a team.
- Focus on sharing ideas – being respectful of one another.
- Focus on leadership – the Board's responsibility to lead higher education in Nevada.
- Focus on partnerships – bringing the community into the higher education effort.
- Focus on innovation – the need for new ideas and methods to move education forward.
- Focus on success – the need to focus on the positive things UCCSN is doing and let the public know.

Chair Anthony asked the presidents to share information with System Administration regarding individual successes. He will write a congratulatory letter to the individual on behalf of the Board. He observed that the backup material provided for the individuals recommended for tenure was outstanding.

- Focus on stewardship – the Board must continue critical analysis of the business brought forward.
- Mission oriented – constant focus on the mission and how the Board's business addresses that mission.
- Monitor Master Plan Goals – a wider awareness of the Master Plan goals is necessary; everyone needs to be working in the same direction.
- Each meeting, the presidents will address a particular goal and how they are furthering that goal at their institution.
- Master Plan Goals will be visually displayed on overhead screens at each Board meeting. Chair Anthony praised Mr. John Kuhlman's work in preparing the video representation of those goals.
- Every year, each president will spend time describing their vision for their institution's future. Presidents Romesburg and Wells will initiate the process for this meeting.
- Create UCCSN Values Statement – the Board will create a values statement.
- Publish Semester Reports – similar to private industry's quarterly reports. System Administration will prepare semester reports providing total enrollments, FTE, etc. Chair Anthony praised the new format of the Regents' Review.
- Meeting agendas and references 2 weeks in advance – meeting material will be made available earlier in an effort to provide Board members more time to digest the information. No handouts will be permitted at future Board meetings, unless it comprises additional information requested by a Regent or it was submitted too late for the regular mailing. Only rare exceptions will be made.
- Athletics Committee – Chair Anthony has asked Chancellor Nichols to research what other institutions' athletics committees are doing throughout the country. A presentation will be made at the next Board meeting in an effort to help the Board determine the need for such a committee for the UCCSN.
- President Harter Evaluation Committee – Chair Anthony selected Regents Bandera and Sisolak to conduct President Harter's evaluation.
- President Remington Evaluation Committee – Chair Anthony selected Regents Rosenberg and Seastrand to conduct President Remington's evaluation.

Chair Anthony said that he felt it would be a good year and that the Board would accomplish much working together as a team.

3. Presidents' Reports - The UCCSN presidents presented a progress report on their institution's activities over the past year to fulfill the Quality Education goal of the UCCSN Master Plan as well as their plans for continuing to meet this goal in the next year. (Ref. A on file in the Board office)

President Romesburg, NSC – (handout on file in the Board office). NSC has adopted an ability-based learning assessment model, based upon the nationally recognized program at Alverno College in Milwaukee, Wisconsin. NSC established a college-wide assessment program based upon three outcomes of student learning:

- Critical thinking.
- Communication.
- Effective citizenship.

Each outcome has four identified levels of performance, which have been incorporated into every syllabus for every course at the state college. A faculty structure has been created to reflect the ability-based assessment model, with the following

committees:

- Institute Committee (Core Curriculum Coordinator, Majors Curriculum Coordinator, Dean of Arts and Sciences).
- Critical Thinking Curriculum Committee.
- Communication Curriculum Committee.
- Effective Citizenship Curriculum Committee.

NSC will serve as a beta-test site, along with DePaul University in Chicago, for the diagnostic digital portfolio (DDP) to be developed for each student. DDP is a computer-based portfolio reflecting the performance and progress of students as learners by cataloging key performances and reflective faculty and student feedback. The following activities were accomplished during 2002-03:

- Faculty met with representatives from Alverno College both at Alverno and at Nevada State College.
- Key faculty attended a week-long training conference at Alverno to better understand the ability-based assessment model and its applications.
- A series of in-service training sessions were held for all NSC faculty to become familiar with the assessment model.
- Demonstration course syllabi have been amended to reflect the assessment and digital portfolio across the curriculum.
- Core Coordinator and Majors Coordinator have been appointed, thereby creating the Institute Committee.

Plans for 2003-2004 include:

- Creating diagnostic digital portfolios for all incoming first-year students.
- Developing outcomes and assessments in majors.
- Adapting the DDP for assessment in the majors.
- Developing and offering a new course or course sequence in the use and application of the DDP by/for students.
- Revising all course syllabi to reflect adoption of the ability-based assessment model throughout the curriculum.
- Identifying and cataloging key performance indicators and records for each outcome and level of performance.
- Revising promotion and tenure policies to reflect emphasis on the assessment process and digital portfolio adoption.

Regent Derby felt that President Romesburg had presented an outstanding model for assessment and for guaranteeing quality education. President Romesburg said that one exciting factor was the involvement of the students. As a result of using this model, Alverno has a 99% student satisfaction ratio, one of the highest in the nation.

President Lilley, UNR – (handout on file in the Board office). The UNR strategic planning process is a major on-going effort to determine specifically how the university will meet Goal 2 (Quality Education) of the UCCSN Master Plan. Included in the Strategic Plan are activities aimed at increasing the learning experiences available to undergraduate and graduate students. Performance indicators are identified in order to measure the degree of success in meeting the goals at the program and institutional levels. The University of Nevada, Reno is implementing a plan, recently approved by the Northwest Association of Schools and Colleges, to assess how effectively its academic and student services programs contribute to undergraduate and graduate student learning and success. Assessment results are used to:

- Improve the quality of academic and student services programs.
- Address accountability needs, including regional and specialized accreditations.

The major components of the University's assessment plan include:

- Each academic program including the Core Curriculum, and each major student services program designs and implements a plan to assess their students' performance outcomes.
- University-wide assessment information that also is disaggregated and disseminated to individual colleges, departments, and programs includes the results of :
 - Alumni surveys of undergraduate and graduate programs 1, 3, and 5 years post-graduation.
 - Surveys of graduates' employers one year post-graduation.
 - The National Survey of Student Engagement and the Faculty Survey of Student Engagement.
 - The Graduate Record Examination (general, not discipline specific) taken by UNR students.

UNR is developing an online, integrated database of these assessment results and other student information that will enable university personnel to answer questions, posed by individual programs, departments, colleges, and the University at large, that will significantly contribute to UNR's understanding of the quality of education at the university and how to improve it.

The Regents' mandated program review process has been redesigned to complement the strategic planning and learning outcomes assessment objectives in Goal 2 (Quality Education). Thus, program review has become another tool for enhancing the quality of education at the university.

Regent Whipple was impressed with the amount of information UNR is attempting to gather. He asked about results received thus far. Mr. John Mahaffy, Director, University Assessment-UNR, replied that results had been received on the alumni and employer survey for the first year. He said the results were very positive with over 80% of the respondents saying they would attend UNR if they were to do it all over again. When asked whether a degree from UNR was seen as an asset, a detriment, or neither, very few employers indicated that they viewed a degree from UNR as a disincentive for hiring. Employers were very positive about UNR graduates. The remaining data has yet to be compiled.

Regent Hill asked whether there was any standardization on the data comparative to other institutions. Mr. Mahaffy replied that the National Survey of Student Engagement is a national instrument. UNR has normative information nationally and will be able to get information for a peer group of institutions for comparison. The alumni and employer surveys are unique to UNR. The program assessments are individually created by and are unique to the programs. There is national normative information available on the Graduate Records Examinations.

President Killpatrick, GBC – (handout on file in the Board office). GBC has created an academic master plan with 12 goals, six of which match the Board of Regents'. In coordination with Academic Affairs, Administrative Services, Student Services, and foundation, educational assessment occurs through institutional research, assessment, and planning to enhance student success and institutional effectiveness. Educational assessment at GBC is utilized to accomplish the campus mission and academic objectives outlined in the GBC Academic Master Plan and subsequent addenda. Directly, assessment and quality education are identified in GBC's Academic Goals 1 and 3:

- GBC Academic Goal No. 1 – Enhance general education by including essential knowledge undergraduates need in science and technology, humanities and fine arts, social sciences, and western and non-western cultures and interdisciplinary programs.
- GBC Academic Goal No. 3 – Assess general education by including essential knowledge undergraduates need in science and technology, humanities and fine arts, social sciences, and western and non-western cultures and interdisciplinary programs.

The GBC 2002-03 Educational Assessment Plan consists of the following primary components:

- General Education.
- Planning & Institutional Effectiveness (PIE) Committee.
- Data-enrollment Management Warehouse.
- Administration of surveys.
- Focus groups.
- Multi-media digital portfolio.

Indirectly, assessment and institutional effectiveness are themes that are integrated into GBC's Academic Goals and Objectives, for the college's achievements are measured against accomplishing its mission and academic goals. Examples include:

- General Education Assessment.
- Multi-media Digital Portfolio.
- Data-enrollment Management Warehouse.
- Focus Groups.
- Alumni Surveys.
- Education Testing Services.

The overall goal of Great Basin College's assessment plan is to utilize multiple student- and institutional-level methods and measures to enhance student success and achievement. Educational planning and assessment play an integral role at GBC. By advancing the academic and professional endeavors of the rural communities and by providing access to quality certificate, associate, and baccalaureate programs, GBC's mission of addressing workforce needs of the regional economy is enhanced. The utilization of student-level and institutional assessment results contributes to effective campus planning, increases campus accountability and efficiency to the public, and maximizes resources.

Regent Bandera asked about the faculty review of the general education objectives, what the process would include and when it would be completed. Dr. Betty Elliott, Vice President, Academic Affairs-GBC, replied that, in preparation for their accreditation visit, Dr. Karen Paulson was invited to conduct several workshops with the faculty regarding student outcomes. GBC also conducted a major overhaul of the general education requirements (core curriculum). With Dr. Paulson's help, GBC established a process whereby the Gen Ed Committee requires courses to submit their syllabi and outcomes to be approved in order to be in the Gen Ed-approved course list. Those courses will now be surveyed to ascertain whether they are meeting the Gen Ed objectives. The first Gen Ed requirement to be tackled will be communication. Each objective will be worked through in this manner.

Regent Whipple asked whether a president could walk into the classroom and observe the daily operations and speak with the students. President Killpatrick replied that they could do so, adding that he likes to do that from time to time. He related that he tries to alert faculty to that possibility before doing so, so as not to alarm them.

President Remington, CCSN – (handout on file in the Board office). President Remington said that he too visits classrooms periodically. CCSN faces several challenges with enrollments increasing by 1,200-1,400 FTE per year. CCSN provides critical access to the community with 48% of the minority students enrolled in Nevada's System of higher education enrolled at CCSN. Three years ago it was determined that CCSN requires new facilities to accommodate the growth. CCSN is somewhat behind in the facilities required. The phenomenal growth has allowed the college to develop out of balance. They do not have the support staff to provide the desired level of quality. For years, there was a focus on hiring more part-time faculty and student services lagged behind. CCSN needs to significantly bolster safety and security. CCSN has developed three large campuses without core libraries. An earlier philosophy suggested that virtual libraries would suffice. CCSN needs to build core libraries and have holdings on the three major campuses. This will require an innovative approach. CCSN has a wonderful partnership with UNLV and an inter-library loan arrangement. CCSN has 17,000 FTE students, yet fewer than 1,500 graduate or receive certificates. The understaffed Student Services personnel have created quality, innovative techniques to alter this pattern.

Ø Peer assistance is available via the Coyote Student Coaches, who make personal connections with students and motivate and assist students to achieve success. The coaches undergo a rigorous selection/approval process and receive continuous training. PATHS Club (Peers Advising, Tutoring and Helping Students) is an offshoot of the Coyote Student Coaching program. Cram Jams are conducted by the student coaches during finals week and offer students tutoring assistance, beverages, and snacks during the stressful finals period.

- Early warning systems identify students having difficulties in class. Faculty can access E-Alert via a special website and advise student retention staff of students who might benefit from intrusive retention assistance. Students are contacted by staff, or they may self-refer, and are offered a Success Planning Appointment to outline strategies to achieve academic success. Probationary Outreach attempts, via collaborative workshops designed to assist those on academic or financial aid probation, to get students off of probation and on with their academic lives.
- Outreach services are utilized to reach minority and low-income families for the purpose of disseminating information early in the academic process, and to facilitate student retention. The Students First program provides orientation and faculty mentoring for first semester freshmen. Students enrolled in developmental classes are also approached to discuss how to achieve individual academic success.

A number of assessment activities also measure outcomes related to quality, services, and student success.

Regent Whipple asked whether CCSN's need for supporting staff and for security personnel were one and the same. President Remington replied that CCSN requires more support staff in the areas of Student Services, institutional support, and academic support. For many years, CCSN has focused on hiring faculty to address the student growth. Now they need to find a balance for the institution. Safety and security is a special need upon which CCSN needs to focus.

4. Public Comment – Regent Sisolak suggested honoring the fine work of former Vice Chancellor Dan Miles.

5. Approved-Consent Agenda – The Board approved the Consent Agenda. Chancellor Nichols stated that item (5) (Handbook Revision, Update of Transfer Policy) added Nevada State College to that section of the Handbook.

(1) Approved-Minutes – The Board approved the minutes from the regular meeting held June 18-19, 2003 and the Board Workshop held June 19-20, 2003.

(2) Approved-Update P-16 Council Membership – The Board approved Chair Stavros Anthony's request to appoint Vice Chair Marcia Bandera to replace Regent Douglas Seastrand as a voting member of the P-16 Council. Regent Mark Alden will continue as an alternate member of the Council. (Ref. C-2 on file in the Board office)

(3) Approved-Tenure Upon Hire, UNLV – The Board approved President Carol C. Harter's recommendation for tenure upon hire for the following faculty members:

- Dr. Nader Ghafoori, Full Professor and Chair in the Department of Civil Engineering, effective July 1, 2003. The department faculty voted unanimously to recommend tenure upon hire. (Ref. C-3a on file in the Board office)
- Dr. Charles D. O'Connor, Full Professor and Chair in the Department of Art in the College of Fine Arts, effective July 1, 2003. The department faculty voted unanimously to recommend tenure upon hire. (Ref. C-3b on file in the Board office)

(4) Approved-Tenure Upon Hire, UNR – The Board approved President John M. Lilley's request for the tenure upon hire of Dr. Thomas Cowan to the Department of Physics and Director of the Nevada Terawatt Facility in the College of Arts and Science, University of Nevada, Reno. Dr. Cowan is a respected scientist and

internationally recognized leader in the field of high-energy density plasmas. He also has a distinguished publication and research record as shown on his curriculum vitae. This appointment is supported by the faculty, Chair of the Department, and Dean of the College of Arts and Science as shown on the referenced memorandum. (Ref. C-4 on file in the Board office)

(5) Approved-Handbook Revision, Update of Transfer Policy – The Board approved the addition of several revisions to the Board Handbook (Title IV, Chapter 14, Sections 13 and 15). These changes serve the purpose of enhancing student transfers between UCCSN institutions. These policies were previously approved by the Board in 1998 but were not added to the Handbook at that time. (Ref. C-5 on file in the Board office)

(6) Approved-Handbook Revision, School of Law Tuition and Fees, UNLV – The Board approved President Carol C. Harter's request for final action on an amendment to the Board of Regents' Handbook (Title IV, Chapter 10, Section 15) to increase tuition and registration fees for the 2003-2005 biennium for the William S. Boyd School of Law (as approved by the Board at its May 2003 meeting). Per Board policy, this item was presented for information at the March 2003 meeting. (Ref. C-6 on file in the Board office)

(7) Approved-Utility Easement, TMCC – The Board approved President Philip M. Ringle's request for a Grant of Easements for Utility Facilities to insure completion of the V. James Eardley Student Center on time. The easement will also allow for future utility service needs. (Ref. C-7 on file in the Board office)

(8) Approved-Paving Project, CCSN – The Board approved President Ron Remington's request for a paving project to complete the access to the new Science Building (Charleston Campus), scheduled to open for students at the beginning of Fall semester 2003. This project is necessary to meet Fire Code and ADA Code requirements. (Ref. C-8 on file in the Board office)

(9) Approved-Grant of Easement for Utility Facilities, New West Stadium Parking Complex, UNR – The Board approved President John M. Lilley's request for an easement to provide utility service for the new West Stadium Parking Complex located at 1660 N. Virginia Street, Reno, Nevada. (Ref. C-9 on file in the Board office)

(10) Approved-Acquisition of Church Lane, UNR – The Board approved President John M. Lilley's request to accept the street abandonment of Church Lane from the City of Reno. (Ref. C-10 on file in the Board office)

(11) Approved-2003-2004 & 2004-2005 Cloud Seeding Program, DRI – The Board approved President Stephen G. Wells' request to approach the Interim Finance Committee for funding of the 2003-2004 and 2004-2005 Cloud Seeding program as authorized by the 2003 Legislature. The funding request range for each year of the biennium will be between \$465,000 and \$485,000.

Regent Alden moved approval of the Consent Agenda. Regent Kirkpatrick seconded. Motion carried. Regent Rosenberg abstained.

6. Approved-Resolution 04-02 UNR Integrated Marketing Communications Team– The Board approved Chair Stavros Anthony's request for a resolution in honor of the University of Nevada, Reno's Integrated Marketing Communications Team for winning the 2003 National Student Advertising Competition. (Ref. B on file in the Board office)

Regent Alden moved approval of Resolution 04-02 honoring the UNR Integrated Marketing Communications Team. Regent Rosenberg seconded.

President Lilley reported that on June 9th, UNR's Integrated Marketing Communications Team won first place in the national competition sponsored by the American Advertising Federation. The interdisciplinary course was taught by three professors: Ms. Bourne Morris and Mr. Bob Felten, Reynolds School of Journalism-UNR, and Dr. Judy Strauss, College of Business Administration-UNR. Twenty-seven Marketing and Journalism seniors worked all Spring semester on a campaign for the Toyota Matrix. The rules required that the students do the entire presentation of a complete integrated marketing plan. In the four years since UNR's Integrated Marketing Communications course was created this is the second time that UNR won first place at the regional competition, beating U.C., Berkeley, and the first time that UNR won the nationals. The Nevada team surpassed fifteen other regional finalists representing 210 campuses and 6,000 students from all over the U.S. The \$3,500 prize will be used to fund expenses for future competitions. Toyota congratulated the team with a full-page advertisement in USA Today.

Motion carried.

7. Approved-Academic, Research & Student Affairs Committee Recommendations - Chair Jill Derby reported the Academic, Research & Student Affairs Committee met August 14, 2003. Dr. Lois Becker, Associate Vice President, Academic Affairs-NSC, presented an outline of several planning initiatives now being advanced by Nevada State College in cooperation with TMCC, WNCC, and CCSN. These initiatives involve offering upper-division courses through a variety of

modes in order to provide several baccalaureate degrees at the three receiving institutions. Regent Derby requested Board action on the following Committee recommendations:

- New Unit Proposals – The Committee reviewed the following new unit proposals:
 - Institute for Security Studies, UNLV. (Ref. ARSA-3 on file in the Board office)
 - Center for Cybermedia Research, UNLV. (Ref. ARSA-4 on file in the Board office)
 - Oral History Resource Center, UNLV. (Ref. ARSA-5 on file in the Board office)
 - Center for Research Design & Statistical Methods, UNR. (Ref. ARSA-6 on file in the Board office)
- New Program Proposals - The Committee reviewed the following new program proposals:
 - Ph.D., Sports Education and Leadership, UNLV. (Ref. ARSA-2 on file in the Board office)
 - BA, Speech Pathology, NSC. (Ref. ARSA-7 on file in the Board office)
 - AAS, Electronics Engineering Technology, WNCC. (Ref. ARSA-9 on file in the Board office)
 - AAS, Electrical Engineering Technology, WNCC. (Ref. ARSA-10 on file in the Board office)
 - AAS, Computer Engineering Technology, WNCC. (Ref. ARSA-11 on file in the Board office)

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

Regent Alden asked about the strain on resources the new programs presented. Regent Derby replied that the Committee had considered that question for each of the new program proposals. Many will not require new resources. Regent Sisolak agreed. He related that the Committee discussed financial resources for every program. There has been some repackaging of existing programs into new degree offerings that are self-supporting. He related there were ongoing negotiations between the presidents regarding a cooperative effort between NSC, UNLV, and CCSN (upper division courses for BA in Elementary Education). Regent Alden asked whether a continuous review of all programs at all campuses was being conducted on a periodic basis. Regent Derby replied that programs approved by the ARSA Committee must report back to the Committee within a 1-2 year period providing information about how well those programs are serving their purpose and meeting a specific need. The process was initiated by Regent Seastrand. Chancellor Nichols explained that the Board has a requirement for program review of all new programs within 5 years. That report is presented to the ARSA Committee on an annual basis. Program review will also be a part of the charge for the Committee to Evaluate Higher Education Programs for the legislative study.

Regent Bandera said that, as the baccalaureate discussion unfolds with the Council of Presidents, instructional vice presidents, and the ARSA Committee, she would be interested in ARSA sponsoring a full discussion of that topic amongst the entire Board regarding how the process unfolds and how those decisions are made.

Motion carried.

President Harter reminded the Board that several of these new programs were research- and grant-based institutes and centers. The faculty involved in many of them are already teaching regular academic programs. Creation of these centers will maximize their ability to bring in research grants and external funding.

8. Approved-Finance & Planning Committee Recommendations - Chair Mark Alden reported the Finance & Planning Committee met August 14, 2003 to review responses to requests for information from the previous Committee meeting, to approve the fiscal year 2003-2004 State Supported Operating Budget, to review several budget status reports for fiscal year 2002-2003, and to discuss a budget preparation timeline for the Committee for the next biennium.

- At the June meeting, the 3rd Quarter Fiscal Exception Report, which included the status of the state supported operating budget, was presented. The Committee requested additional information reporting the state mandated general fund reversion amounts by institution for fiscal year 2002-2003.
- The Committee reviewed the 4th Quarter Fiscal Exceptions Report. This report is used to provide quarterly updates on self supporting budgets that experience deficits or negative cash balances. The Fire Science Academy accounts at UNR were reported in a deficit cash position. The combined current deficit is \$8.98 million. A revised business plan is scheduled to be presented at the October 2003 Audit Committee meeting.
- The Committee reviewed the fiscal year 2002-2003 Annual Self Supporting Budget Revisions Report. Board policy requires that budget revisions greater than 10% of planned expenditures in self supporting budgets, or \$50,000 when the budget exceeds \$500,000, must be reported to the Committee. These revisions occur when projected revenues or expenditures are significantly higher or lower than planned. Budget revisions reported for fiscal year 2002-2003 totaled \$19 million and generally represent adjustments in revenue received.
- The Committee reviewed the fiscal year 2002-2003 Annual Budget Transfer Report for State Supported Budgets. Board policy requires that any transfers greater than \$25,000 between functional areas within state budgets must be reported to the Board. UNR reported transfers related to reorganization activity. WNCC reported transfers to address operating cost increases and mandated general fund reversions. NSC reported transfers to cover remodel of classroom space, and DRI reported a transfer to cover operating costs.
- The Committee also reviewed the Annual Report of Transfers of Non-State Budget Expenditures to State Funds after May 1st. Transfers of expenditures to state funds after May 1st each year must be approved by each president and

reported to the Board. The report contained five minor transfers required, in most cases, to correct duplicate processing of transactions.

- The final report reviewed was the Institutional Resource Reassignment/Allocation Report. The report is used to provide semi-annual updates of institutional resources that have been reassigned or allocated to another institution or unit. The report shows four institutions provided various academic and financial support services to NSC during fiscal year 2002-2003.
- A 2005–2007 Biennial Budget Preparation Timeline for the Committee was discussed.

Regent Alden requested Board action on the following Committee recommendation:

- Fiscal Year 2003-2004 UCCSN State Supported Operating Budget – The Committee approved the fiscal year 2003-2004 UCCSN Operating Budget. (Bound Report on file in the Board office)

Regent Alden thanked Committee members for their input at the meeting. The Committee plans to provide workshops on formula funding and the budget in the future. He encouraged all Board members to attend. He noted that this was the first time in nine years that he had voted affirmatively for approval of the state operating budget.

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

9. Approved-Investment Committee Recommendation - Chair Bret Whipple reported the Investment Committee met June 24, 2003. Mr. Lindsay Van Voorhis, Cambridge Associates, reviewed the profiles of six U.S. small cap managers for the Committee's consideration. Regent Whipple requested Board action on the following Committee recommendation:

Manager Selection – After hearing reports from the small cap managers, the Committee decided to terminate Navellier & Associates, Inc. and replace them with Hoover Investment Management Company, a U.S. small cap opportunistic company.

Regent Whipple moved approval of the Committee recommendation and acceptance of the report. Regent Rosenberg seconded. Motion carried.

Regent Bandera thanked Committee Chair Whipple and System staff for providing interactive video participation.

Chair Anthony praised Regent Sisolak for his good work on the ad hoc Executive Evaluation & Compensation Committee. Regent Sisolak thanked the Chancellor, System staff, community support, and Committee participants for their contributions.

10. Approved-Ad Hoc Executive Evaluation & Compensation Committee Recommendations - Chair Steve Sisolak reported the ad hoc Executive Evaluation & Compensation Committee met July 2, and August 1, 2003. At the July 2nd meeting, the Committee discussed the principles and procedures for the annual and periodic evaluations of the UCCSN presidents and the Chancellor. The Committee also discussed the salary procedures and contract terms for the Chancellor and presidents. In each of these areas, the Committee discussed and acted upon recommendations which were brought forward for consideration by the full Board. Should the Board concur with the Committee's recommendations, it was suggested that specific language for the Board Handbook be considered for approval at the October Board meeting. On August 1st, the Committee approved the minutes of the July 2nd meeting and reviewed national survey data on the market competitiveness of the salaries for the Chancellor and presidents. The Committee determined that no action was required at this time on executive salaries. The Committee discussed sources of compensation and approved a recommendation to add language to the Board Handbook related to allowable sources of compensation. This recommendation will be brought to the Board at the October meeting for further discussion and action. The Committee determined that no changes to current executive perquisites were recommended at this time, although a recommendation will be brought forward in October to delete host accounts from the description of perquisites in the Board Handbook, as there was consensus that these accounts are not personal compensation to an individual. (Ref. C on file in the Board office)

Regent Sisolak moved acceptance of the report and requested that separate action be taken on the Committee's recommendations as noted in Reference C. Regent Alden seconded.

Regent Sisolak presented the Committee's specific recommendations from the July 2nd meeting, highlighting those that could be considered substantive:

1. Under the recommendations for the annual review of the presidents (Ref. C, Page 1, Paragraph 1), the Committee recommended allowing the Chancellor to conduct the annual evaluations of the presidents without holding a closed session with the Board, unless a critical performance issue arose in the review. Rationale: It would allow the Board to focus its time and input on the periodic review of the presidents, which typically occur every two years.
2. The Committee recommended allowing the Chancellor to conduct the annual evaluation of General Counsel

Tom Ray. This recommendation follows up on a suggestion from an external consultant last year, and the Committee believed it would reinforce and make more direct the reporting relationship between the Chancellor and the General Counsel.

3. The Board would continue to conduct the evaluation of the Chief Administrative Officer, since she reports directly to the Board. However, it was recommended that written procedures and criteria be established for the CAO's evaluation.

4. The Committee recommended deleting the provision that salary recommendations must be heard over the course of two Board meetings, provided that complete information supporting the recommendations is provided to the Board in advance of the meeting.

5. The Committee recommended allowing the Chancellor to approve annual salary increases for the presidents according to a set of Regent-approved guidelines, with a follow-up report to the Board.

6. The Committee recommended five guidelines that would govern any salary recommendations for executive employees.

Regent Sisolak related that if the Board concurred with these recommendations, it would be the intention of the staff to bring back appropriate Handbook language for consideration at the October meeting.

Regent Hill said he generally agreed with the report, but had three concerns. He was very concerned about expanding the sources of compensation. Chancellor Nichols explained that the issue was with the president's salary. System Administration has always looked for non-state dollars for perquisites. Some institutions fund presidential perquisites (i.e., housing, automobile) with non-state dollars, while others seek assistance from their foundation. Regent Hill said that he would have been greatly concerned about using outside sources for presidential salaries. Regent Sisolak asked General Counsel to clarify the language. General Counsel Ray said that he was asked to address whether or not foundation resources could be used to supplement a president's compensation. He concluded that it could be done, provided that steps were taken to ensure adherence to all state laws and compliance with Board policy:

- It would require the use of unrestricted gifts or gifts earmarked for this specific purpose given to the foundation.
- It would require the Board of Regents to approve the compensation scheme.
- Upon approval, the foundation resources would be paid to the Board of Regents and then paid directly from the Board of Regents to the president.

Regent Sisolak related that an inordinate amount of time was spent on this issue, with input from both foundations and all Committee members. Regent Hill said that he would prefer to not go there or to have some real locked-in policies and procedures before doing so. His second concern related to the annual reviews. He felt the annual reviews were one of the most important things the Board does. He felt it provided an opportunity for Board members to talk one-on-one with the presidents and that they were very educational experiences. He felt that if the Board did not conduct annual reviews it could set up the presidents by eliminating the opportunity to discuss matters regularly. He felt the Board should take the time to conduct the annual reviews. His final concern related to the restriction on increases for meritorious performance (not being awarded across the board). He did not object to withholding a merit increase if a president did not deserve one, but felt there should be no restriction on granting merit increases to all of the presidents due to lack of funds.

Chair Anthony clarified that the Board was voting on accepting the Committee's report. The specific changes will be presented at the October meeting.

Regent Howard said that Senator Bernice Martin-Mathews had told her that the Board had best not increase presidential salaries. Regent Howard said that a newspaper article had reported that each community college and state college president is paid at least \$10,000 more per year than the presidents of comparable institutions. She asked whether the Committee had considered that remark. She expressed concern for a newspaper statement regarding the average pay of a president being \$179,000/year, while NSC's president makes \$195,000 at an institution that does not grant masters degrees.

Chancellor Nichols said that the news story revealed the complexity of running comparables on presidential salaries. System Administration was asked to run comparables on institution-established salaries as well as those established by using a
10. Approved-Ad Hoc Executive Evaluation & Compensation Committee Recommendations – (Cont'd.)

national database providing a range of salaries. This did not consider years of experience as a president, years of experience as a president at an institution granting masters degrees, or the size and complexity of an institution. She said that the best that could be done was to establish a range and then to look at a particular individual within that range. She advised against a policy for paying the mean of a range, adding that the Committee had to grapple with that complexity.

Regent Sisolak explained that there were so many annual reviews to conduct at one time, that the Committee felt it would be better to allow the Chancellor some leeway, adding that as the System grew the process would become more time consuming. He related that many variables and options were considered. The time spent on annual evaluations in addition to the periodic evaluations was a determining factor. He related that not providing merit for every president had been advocated by the two foundation representatives and the community leaders. Very pointed comments were made that UCCSN enjoys 8

quality and talented individuals who are paid a lot of money for doing their job very well. Meritorious pay would only be warranted for performance above and beyond a great job. Not receiving merit was not to be viewed as not doing their job. The Committee determined there is a fine line between using foundation funds for perquisites but not for salaries. An influence issue arises when funds are used for cars, country club allowances, etc. Due to these concerns, coupled with extremely limited state resources, there was a consensus that there was no appetite for an immediate increase in the presidential salaries. Other funding sources were only considered out of concern for extremely limited state resources. He related that the Committee recommendations were very seriously considered.

Regent Rosenberg agreed with Regent Hill that the annual presidential evaluations were very important. He was also opposed to using foundation funds. He noted that President Harter had written three very strong letters objecting to misinformation in the newspaper. He advised Board members not to pay so much attention to the media's take on these issues, and urged the importance for Board members to set the record straight. He thanked President Harter for attempting to clarify past misinformation.

Regent Seastrand shared Regent Hill's three concerns. He said that he would not like to miss the opportunity for meeting with the presidents annually. He was concerned about the perception that would arise if the Board only held closed sessions with presidents when there was potential for reprimand. He agreed that annual presidential reviews were an important Board function and felt the Board should continue to conduct annual reviews of the presidents. He was also concerned about the recommendation for merit increases. He suggested the Board require clear expectations for the presidents and the Chancellor and a means for clearly measuring those expectations. He felt the presidents should be measured individually and not against one another so as to avoid them competing against one another for merit. His third concern regarded private donations. If private funding were allowed, he asked about procedures in place to help mitigate the possibility of influence over presidents serving two different groups.

Regent Bandera felt the Committee recommendation to move to a different kind of annual evaluation was very important. She felt it was essential for the Board to consider the quality of time vs. the quantity of time spent with the presidents. The presidents will now discuss their progress toward goals and future plans at each meeting. She observed that the Board would still conduct the periodic reviews, which allowed for a more in-depth analysis of their performance. She asked the Board to carefully consider these factors prior to making changes to the annual evaluation. She felt it also related to the direct participation and authority of the Chancellor in working with the presidents. She suggested the next meeting should include more of the Committee's discussion about the flexibility of perquisites or additional benefits. She felt the Board should have an opportunity to look individually at each president (or potential president) to determine where they are in their career and what is most meaningful to them. Then a set of perquisites could be determined with a limit that could then be negotiated with the Chancellor (i.e., deferred compensation, retirement, life insurance, straight salary). She felt the use of private sources for additional compensation should not be limited to the foundations. She felt there was opportunity to seek additional dollars to help supplement compensation packages for presidents that were not solely from the foundation. She noted that during the Committee meetings, Regent Derby made a point of cautioning members about bifurcating presidential reporting lines. Regent Bandera felt it would behoove the Board to set in place the kinds of protections they might need now, prior to identifying private funding sources.

Regent Kirkpatrick observed that the Committee reviewed a great deal of data and that staff did a lot of work to provide that information. The Committee reviewed presidential salary ranges from two national studies and a WICHE survey. He noted that university presidential salaries ranged from \$110,000-\$600,000. The Committee considered the average and the median for people in this area and comparable institutions in an attempt to determine whether UCCSN presidential salaries were comparable. He stated that UCCSN was within the range for every president except Dr. Killpatrick (who is underpaid) and Dr. Wells (no comparable information). He felt the Board should consider salary carefully in order to attract highly-qualified, competent individuals. In order to attract such individuals other non-state sources need to be identified.

Regent Howard said that she was interested in seeing the results of the survey. She was disappointed to hear that a president of color was below the range, adding that she would like the Board to re-visit his salary. She asked whether the Committee had discussed this issue. Chancellor Nichols replied that the Board would have the opportunity this Fall to take the work of the Committee and make adjustments if so desired. The salary schedules will be adjusted. The individual presidential salary is normally adjusted in the year of contract renewal (excluding merit and equity). Six of the eight presidents will have a contract renewal this year. The Board has the opportunity to make salary adjustments through merit, equity, and new contracts. She related that new contracts were considered during the presidential periodic evaluation.

Regent Whipple complimented Regent Sisolak on the good work of his committee. He too felt it would be difficult to forego time with the presidents. He asked why the Committee recommended that the General Counsel should be reviewed by the Chancellor instead of the Board.

Regent Seastrand indicated his appreciation for the Committee's work and thanked Regent Sisolak for his efforts. He felt it was critical to put the Chancellor in the position of "boss" for the presidents and agreed that she should evaluate the presidents with Board support. He was hoping not to lose the opportunity to meet with the presidents annually in closed session, if only to discuss the Chancellor's evaluation of that president.

Regent Alden agreed that General Counsel should report to the Chancellor, adding that he was not the Board's attorney, but rather the counsel for the System and that the Chancellor was the CEO.

Regent Sisolak agreed with Regent Alden's assessment. There was discussion about putting the attorney in a difficult position in providing opinions and advice for 13 Regents, 1 Chancellor, and 8 presidents. Regent Sisolak observed that General Counsel provides answers he believes to be defensible and in the best interest of the System. There was much concern about strengthening the Chancellor and putting her in a stronger position to advocate for the System and UCCSN students. The Committee felt the Board should support the Chancellor as the chief executive officer.

Regent Sisolak asked about the percentage of faculty that is eligible for merit. Chancellor Nichols replied that it was different at each institution level:

- Community colleges – all faculty who are not at the top of the salary schedule are eligible.
- Universities and state college – merit based and discretionary. Not all faculty get merit.

Regent Sisolak stated that the general consensus was that, if goals were set that everyone was capable of meeting, the goals may have been set too low. Private industry representatives felt that if you are paid well you are expected to do extremely well. Currently, not receiving merit is perceived as not doing a good job, which is not the impression that is desired. Much of the discussion concerned preparing the Board for a situation when a higher salary cannot be considered. He related there was a lot of discussion about reporting lines. The overall consensus was that the presidents would still report to the Board and the Chancellor. The Board would be the hiring and firing authority of the presidents and would determine the salaries. These difficult issues and alternate funding sources were discussed in light of limited stated funding. He emphasized that Chancellor Nichols and Deputy to the Chancellor Nancy Flagg put an incredible amount of work into this effort.

Regent Anthony said that the issue would be discussed further at the next meeting.

Regent Kirkpatrick noted that Ms. Carla Henson, Director of Human Resources-UCCSN, had also been very helpful. Regent Sisolak apologized and agreed that she had been fabulous.

Motion to accept the report carried.

2. Chair's Report – (cont'd.)

Chair Stavros Anthony honored Dr. Beekun with a gift of thanks for his presentation at the Board's June workshop.

11. Approved-AGB Distinguished Service Award in Trusteeship – The Board approved Chair Stavros Anthony's request for the Board of Regents to submit the name of Regent Jill Derby for the 2004 AGB Distinguished Service Award in Trusteeship for recognition of her service to higher education and her contributions to this Board's effectiveness. (Ref. H on file in the Board office)

Regent Alden moved approval of nominating Regent Jill Derby for the AGB Distinguished Service Award in Trusteeship. Regent Bandera seconded. Motion carried.

Regent Derby thanked the Board for the honor.

12. Approved-Appointment, Interim Vice Chancellor for Finance & Administration – The Board approved Chancellor Jane Nichols' request to appoint Mr. Larry Eardley as Interim Vice Chancellor for Finance and Administration at a salary of \$125,040, effective upon approval by the Board and continuing until a permanent appointment is made at the conclusion of a search. Mr. Eardley has been serving as UCCSN Budget Director since 1987.

Regent Alden moved approval of the appointment. Regent Whipple seconded.

Chancellor Nichols said that she was delighted to bring forward someone the Board knows so well, adding that she knew he would do a wonderful job and have the Board's support.

Motion carried.

Regent Howard asked when the position would be filled permanently. Chancellor Nichols replied that the target date is January 1, 2004.

Regent Alden urged the Chancellor to try to find someone who knows Nevada and would be effective in the legislature. He said that Mr. Miles had served the Board well.

Regent Sisolak asked whether an interim position holder could apply for the permanent position. Chancellor Nichols replied that sometimes she has specifically asked that the interim not be a candidate. She did not believe that Mr. Eardley would be

a candidate, but nothing prohibited him from applying. Regent Sisolak asked whether there was a policy. Chancellor Nichols replied there was not. Chair Anthony clarified that Mr. Eardley could apply for the position if he so desired.

The meeting recessed at 2:15 p.m. and reconvened at 2:35 p.m. with all members present except Regent Sisolak.

13. Information Only-Report on 2003 Legislative Session - Chancellor Jane Nichols reported on actions taken by the 2003 Nevada Legislature, including the final budget and legislative bills of interest to the UCCSN. Chancellor Nichols also outlined future directions for the UCCSN in preparation for the 2005 legislative session. (Ref. I on file in the Board office)

Chancellor Nichols reviewed the special session bills, which included:

- AB9-Nevada National Guard fee waivers.
- AB7-Nevada Commission on Minority Affairs.
- AB8-Allocation of \$45,000 for pediatric diabetes and Endocrinology Center and \$250,000 for SOM Residency Program.
- AB11-AHEC/SOM bill to enhance service to rural Nevadans.

Chancellor Nichols then discussed other bills of interest:

- AB313-Committee on Health Care Subcommittee; need UCCSN representative.
- AB353-Student Privacy Notice; currently being implemented.
- AB441-Board must ensure two defibrillators at events centers by July 1, 2004; currently being implemented.
- AB555-Pay Bill; effective 7/1/04, it provides a 2% COLA and allows increase in grades of university police officer classification based upon a salary review.
- SB309-Board must make a report on strategies for teaching participatory democracy.

Regent Sisolak entered the meeting.

Chancellor Nichols related that during the 2003 legislature, K-12 and higher education stood together, had the support of the Governor for adequate base funding, and gained in a difficult fiscal climate. Nevada was the only state to see double digit increases in higher education funding; 19 states saw increases; 25 states saw decreases. UCCSN's increase was due primarily to the highest growth rate in population, K-12 enrollment, and higher education enrollment in the nation. UCCSN raised tuition and fees by 4.5% to 8% per year. Other states raised tuition by much higher amounts. Enrollment is steady or decreasing in most states. California, with enrollment growth like Nevada, for the first time in 43 years, will not provide a slot for all students eligible for one of its four-year colleges. Enrollment will be capped, and students will be turned away by the thousands. UCCSN realized a 24% budget increase from 01-03 to 03-05. The state budgeted enrollment growth of approximately 7% each year, or 14.4% overall. Historically, actual enrollments have outpaced budgeted enrollment. Formula funding was raised from 81% to 84.5% (first year) and 84.1% (second year). Expenditures from the Estate Tax (\$89 million) were moved to the State General Fund. UCCSN now has the ability to spend in-state fees in excess of budgeted amounts without IFC permission, but those funds must be used for instructional salaries and benefits only. There was significant support for UCCSN capital projects with two new buildings: UNLV Science, Engineering & Technology Building (\$35 million) and CCSN Health Sciences Building (\$19.7 million) for a total of \$88 million for capital. Nevada State College's budget was cut significantly. However, NSC will come under the budgeted formula in 2005. AJR 11 was introduced in this session, which would change the selection process, term length (4 years), and number (9) of members on the Board of Regents. This will return for a second passage in 2005.

Chancellor Nichols related that the following promises were made:

- Double enrollment in nursing programs. State funding for summer school for nursing.
- Fund athletic fee waivers to address gender equity at UNLV, UNR, & CCSN.
- Continue Master Plan implementation with emphasis on accountability and sharpening of institutional missions, including examination of selected baccalaureate programs at CCSN (promised to Assemblyman Wendell Williams).

Chancellor Nichols related there would be an increased legislative scrutiny of UCCSN:

- Committee to Evaluate Higher Education Programs – Do programs meet educational needs of Nevada? Do programs ensure economic progress and development in Nevada? Are new programs needed and, if so, can funds be reallocated to support these new programs? Are student fees and state appropriations efficiently distributed internally? Recommend to the Board of Regents and the legislature such action as may be needed for the efficient and effective operation of UCCSN.
- Legislative performance audit of the cost of athletic programs; cost of administration; capital construction projects; host accounts; validity and reliability of enrollment data; policies and procedures for the generation and distribution of investment income; contracting and bidding procedures, including construction, retrofit and repair projects and the use of "shared savings" programs for utility costs; statewide programs.

Tasks to be completed include:

- Letter of intent: Cost-neutral, revised taxonomy for formula funding.
- BCN/BCS study.
- Faculty workload study.
- Potential bills/study:
 - Fee reimbursement for state prisoners?
 - Public Works Board relationship.
 - Health insurance for employees (ACR 10).
- Prioritize needs and establish budget request for 2005 legislature.
- Set tuition and fees for Fall 05 and Fall 06.
- ACT Pilot project.
- Remedial Task Force.
- Show progress on part-time faculty salaries.
- Implement Technology Task Force recommendations.

Chancellor Nichols projected that for the 2005 legislative session the political climate is uncertain, revenue from new taxes is uncertain, and UCCSN will need to provide evidence of the benefits from money invested in higher education (i.e., doubling nursing enrollment, educating/graduating more students, providing support for economic growth). UCCSN will also need to build a constituency to support higher education.

Challenges for the 2005 legislative session include:

- Estate Tax income disappears, creating a state general fund deficit of about \$90 million.
- Growth in higher education is expected to continue with the Millennium Scholarships and increases in high school graduation rate, college-going rate, adult participation rate, and overall population.
- Nevada is #1 in rate of population growth
- Nevada is #1 in rate of increase in high school graduates; projected to be 71% by 2012. The closest state is Arizona with 38.9%.
- UCCSN is projected to grow by 60% from 2002 to 2010, making the System #1 in growth.
- Pressures continue on UCCSN institutions to provide workforce training and applied research. From 1998 to 2008, over half a million new jobs are projected for Nevada. Ten of the fifteen fastest growing fields require education at the associate degree level or higher.
- Master plan will provide accountability and vision. That vision will continue to drive higher enrollment. Cost effectiveness in serving more students will be critical. University admission standards will have a positive impact, as will removal of state-funding of remedial courses at universities. A shift to lower-cost options at the community colleges and state college will be essential to accommodate growth.
- Steps to take to ensure efficiency and effectiveness:
 - Credits to degree.
 - National Forum on College-Level Learning.
 - American Diploma Project.
 - Clear institutional missions.
 - Collaborations between institutions.

Chancellor Nichols reported there was strong support for higher education by Governor Guinn and the 2003 legislature. K-12 and higher education were seen as the key to Nevada's future. It is now UCCSN's task to demonstrate that this confidence was well-placed and that these resources will be used wisely, spending public dollars for the benefit of Nevada. There will be further emphasis on the importance of the reports from the Committee to Evaluate Higher Education Programs and the legislative audit. UCCSN's challenge will be to provide Nevada students access to the courses, degrees, training, or credentials needed for entering the workforce of the 21st century and for adapting to changes in the workforce over time.

Chair Anthony thanked Chancellor Nichols, the System lobbyists, UCCSN presidents, and those responsible for the System's success.

Regent Derby thanked the Chancellor for an excellent report, adding that there was much to celebrate. She noted that the Board's biggest challenge will be to seek ways to be more cost effective and efficient while not compromising the quality of the education delivered.

Regent Kirkpatrick thanked the Chancellor for an outstanding report. He noted that there was much work ahead. He asked about the reactions Chancellor Nichols encountered while attending a national chief executive officers meeting regarding Nevada's double digit budget increase. Chancellor Nichols replied that they were speechless, adding that it belied Nevada's national reputation for not being committed to education. She attempted to share with them her reasoning for why it happened. Nevada is in a different place from many of the more mature states.

Regent Hill praised the Chancellor's impressive presentation. He related that nothing would ever be accomplished without a dream. He said the UCCSN had accomplished more dreams in the last few years and still had more to address. He urged the

Board to support the System and the Chancellor. He observed that the Board owed much to the governor and the legislators, acknowledging that they were being severely criticized for raising taxes. Regent Hill stated that education and the legal system had brought society where it is today, and if we failed either they would take us no further.

Regent Sisolak thought that former Regent Tom Wiesner would have been very proud of the athletic fee tuition waivers. Regent Sisolak requested more information about the UCCSN's success with the CCSN high schools. He felt it would be beneficial to show the legislature the benefits of this program. He praised the use of student-oriented focuses in the Chancellor's presentation. He asked President Remington to provide more information to Board members about the high school program. Regent Anthony agreed to include it as an agenda item for the next meeting that addresses this issue. Regent Sisolak suggested including statistics about the graduates and what they have accomplished since graduating. Regent Kirkpatrick suggested the report include TMCC's high school as well. President Remington said that CCSN hopes in the future to partner with local high schools on a fast-track program for nursing students.

Chair Anthony asked about the timeline for breaking ground and completion of the two new buildings. President Harter replied that UNLV anticipates groundbreaking in January 2005 and completion in 2007. President Remington reported that a contract would go out in the next month and a half, adding that planning was complete. He hoped that construction would complete quickly as the health science building was very important for the college.

Regent Alden stated that it was very important to use Nevada architects and Nevada contractors and asked whether Nevada firms were being used on these projects. Chair Anthony said that Regent Alden's comments were beyond the scope of the agenda item.

14. Information Only-Affirmative Action/Admissions Policies - General Counsel Tom Ray provided an analysis of the recent United States Supreme Court opinions, *Grutter v. Bollinger* and *Gratz v. Bollinger*. UCCSN admissions policies were also analyzed in light of these opinions. (Ref. J on file in the Board office)

General Counsel Ray updated the Board on the current status of affirmative action as it relates to admissions practices in light of two recent Supreme Court opinions. The Supreme Court has endorsed two important principles:

1. The court recognized the importance of a diverse student body.
2. The court recognized the important role that higher education plays in society.

Two companion cases were decided by the court, both involving the University of Michigan. The first case involved the admissions policies at their school of law. The second case dealt with the admissions policies and practices for undergraduates. The law school's admissions policy used the standard objective factors that all admissions committees rely upon in making these decisions (i.e., GPA, LSAT), as well as subjective factors (soft variables). The policy noted that the aspiration was to achieve that diversity which has the potential to enrich everyone's education and thus make the law school class stronger than the sum of its parts. The policy recognized a commitment to racial and ethnic diversity and did not weight the different factors in any particular fashion, but recognized that race is a factor in reviewing an applicant's file as a whole. The policy was challenged by an individual who was denied admission to the law school. The basis of the challenge was:

1. A violation of the 14th Amendment, which provides the states must provide equal protection of the laws.
2. A violation of Title VI, the Civil Rights Act, which relates to a prohibition against discrimination on the basis of race or other factors.

The Supreme Court cited at length the opinion of Justice Powell in the *Bakke* case, a 1978 case involving the admissions practices at the U.C. Davis School of Medicine. The court struck the admissions policy of the medical school because it was a quota and not narrowly tailored to meet a specific goal. However, it was a diverse opinion with one majority theme coming from the *Bakke* case, which was that diversity in admissions in a student body is a compelling governmental interest, and therefore could be a factor taken into consideration. The court has never held that one cannot take suspect categories (i.e., race, sex) into consideration, but that it can only be done if there is a compelling governmental interest. The court rejected all of the traditional arguments made to support that (i.e., to remedy past wrongs, to rectify a past or present imbalance to benefit the individual). The court held that diversity in a student population (a diverse student body) is a compelling governmental interest because it benefits the individual, the entire student body, and society as a whole. General Counsel Ray provided a quote from the opinion, which he felt recognized the role of higher education:

"The court deferred to the school's educational judgment that diversity is essential to its educational mission. Our holding today is in keeping with our tradition of giving a degree of deference to a university's academic decisions within constitutionally prescribed limits. We have long recognized that given the important purpose of public education and the expanse of freedoms of speech and thought associated with the university environment, universities occupy a special niche in our constitutional tradition. The freedom of a university to make its own judgments as to education includes the selection of its student body."

General Counsel Ray explained that the court deferred to and accepted the university's wisdom in this practice. The court held that there is a compelling governmental interest in taking race or ethnicity into consideration regarding admissions decisions. This case only applies to higher education. The second step in the process involves determining whether the program or plan is narrowly tailored to meet a specific goal. Michigan's plan for the law school was appropriate because it determined that a critical mass of students was necessary in order to be effective because one individual would not create the desired environment. The court accepted the university's reasoning to include this factor for consideration amongst applicants. The court stated that to be narrowly tailored a race conscious admissions program cannot use a quota system. It cannot insulate each category of applicants with certain desired qualifications from competition with all other applicants. Instead, a university may consider race or ethnicity only as a plus in a particular applicant's file without insulating the individual from comparison with all other candidates for available seats. The court noted that the policy should be subject to periodic reviews to ensure that the current policies are in keeping with the current situation (Is it still necessary?, Does it need modification?). The court speculated that the use of racial preferences would no longer be necessary in 25 years to further the interests approved that day.

General Counsel Ray related that the second case involved an admissions policy that had gone too far. That policy took into consideration hard factors (i.e., SAT, GPA), as well as race or ethnicity, but used a point system. They assigned 20 points to race or ethnicity, which far outweighed every other factor under consideration. The court observed that it virtually assured admission to any applicant receiving the 20 points. The court felt it was not narrowly tailored and did not compare all applicants together.

General Counsel Ray provided a comparison with the Board's policy involving admissions and recruitment. He felt it was remarkable that the policy tracked so closely with the Supreme Court's findings. He related that the institutions had submitted their admissions policies in areas where there are limited admissions, which will be reviewed by the General Counsel's office. He said the Board should take a lot of pride in what it has been doing.

15. Information Only-Handbook Revision, Board Bylaws, Board Standing Committees - Board Chair Stavros Anthony requested consideration of revisions to the Board Standing Committees (Board Handbook, Title I, Article VI, Section 3) to update the charge of the Audit Committee and to change the title and charge of the Finance & Planning Committee. In accordance with the Board Bylaws, this request requires two hearings. Final action will be taken at the October 2003 Board meeting. (Ref. K on file in the Board office)

Chair Anthony reported that the Finance & Planning Committee's name would be changed to the Budget & Finance Committee. Language was added to the Committee's charge to better fit the Committee's purpose.

Regent Alden suggested adding a separate paragraph for self supporting budgets to the Budget & Finance Committee's charge.

Regent Hill disagreed with the addition to the Audit Committee's charge involving monitoring of institutional bank accounts. He felt that was limiting and would have preferred "evaluating and making recommendations on internal financial control". Chair Anthony said that some adjustments would be made.

Regent Alden agreed with Regent Hill, adding that he had requested the language out of concern for one institution formerly being behind in bank reconciliations. He said it was the most likely occurrence for fraud and that he wanted bank reconciliations monitored.

Regent Sisolak asked about changes to the Budget & Finance Committee's review of the capital improvement priority list. Chancellor Nichols replied that the process begins with the Committee. They work on the requests for 1-2 meetings prior to the list coming before the Board over the course of two meetings. The Board will still have two opportunities to review and make changes to the capital list priorities. The change involves more work by the Budget & Finance Committee. Regent Sisolak requested feedback from the presidents since this is often a contentious issue. Chancellor Nichols stated that review of the capital budget was always a charge of the Finance & Planning Committee. The change merely strengthens the language to reflect Regent Alden's memo asking that the Committee do more work before the lists are presented to the Board. Regent Sisolak said that he did not want the institutions to have less input as a result of the change. President Harter said that she did not see that it would change what they do before it goes to the Committee.

Regent Howard asked why independent CPA's were necessary to audit the financial books and records of the UCCSN. Regent Sisolak explained that independence was required. Regent Anthony explained that there was no change to this section of the Committee charge. Regent Howard asked whether the requirement had always been a part of the Committee's charge. Regent Sisolak replied that it had been because UCCSN requires an unbiased opinion and the use of internal personnel always raises questions.

Regent Alden said that Budget & Finance Committee meetings would not end until everyone had an opportunity to speak. He assured everyone there would be full discussion of the budget items.

Regent Kirkpatrick asked whether Regent Hill's and Alden's changes would be included for the next meeting. Chair Anthony replied that they would be. General Counsel Ray stated that the changes would not require another separate appearance, but that it could be included as an option to be voted upon at the next meeting.

16. Approved-Handbook Revision, Creation of Ad Hoc Board Committees - In accordance with the Board's Bylaws (Title I, Article VI, Section 4), the Board approved Board Chair Stavros Anthony's request to appoint three ad hoc special committees for 2003-2004. In fulfilling its charge, each ad hoc committee will make recommendations to the full Board. (Ref. L on file in the Board office)

- Health Education Committee.
- Faculty Workload Committee.
- Board Development Committee.

Chair Anthony said that he wanted to tighten the health care education grouping pattern for Nevada. He also wanted the Board to determine what comprises a reasonable faculty workload for Nevada. He felt that reactivating the Board Development Committee would provide continual development for Board members on how to do a better job. He said the Board workshop would be held again next year.

Regent Alden moved approval of the Handbook Revision regarding the creation of new ad hoc Board committees. Regent Sisolak seconded.

Regent Alden felt that it would be important to measure faculty workload the same at each institution. He observed that classroom usage was not mentioned. He stressed that the procedures for measurement must be the same at every campus.

Regent Derby observed that at least two of the committees had prior attention by the Board. She felt it would be helpful for the new committees to look back on the prior work of those committees. She felt the Faculty Workload Committee could provide a positive opportunity for explaining the faculty's important role to the public. She noted that the institutions have different missions so the study would need to review workload within the context of the distinctive missions of the institutions.

Regent Sisolak asked what Regent Alden was referring to with space utilization. Regent Alden replied that he felt that classroom usage needed to be addressed. Regent Sisolak observed that space utilization fell under the charge of the Budget & Finance Committee.

Regent Bandera felt that this kind of study was important and should build on past work. She cautioned against losing track of these issues. She agreed that each institution is unique. The Board must ensure that the definitions of what the institutions do are clearly communicated, reflect the unique flavor of each institution, and are not lost in the shuffle.

Motion carried.

Regent Schofield felt the new committees would help educate Board members to better respond to public requests.

Chair Anthony announced the chairs of the new committees:

- Regent Marcia Bandera - Health Education Task Force.
- Regent Jill Derby - Faculty Workload Task Force.
- Regent Thalia Dondero - Board Development Committee.

NOTE: Item #17 (Handbook Revision, Student Union & Recreation Center Fee, UNLV) was reconsidered and approved later in the meeting.

17. Tabled-Handbook Revision, Student Union & Recreation Center Fee, UNLV— The Board tabled action until the next Las Vegas meeting on President Carol C. Harter's request for a fee to support the renovation and expansion of the Moyer Student Union and construction of a new student recreation center. (Ref. M on file in the Board office)

Regent Alden moved to sever the requested action into two parts and the financing associated with the renovation and expansion of Moyer Student Union considered this time and the financing associated with the construction of the new recreation center be heard at a subsequent meeting. Regent Whipple seconded.

Regent Sisolak asked for the reasoning behind the motion. Regent Alden explained that renovation of MSU and the associated fees was a smaller piece and easier to digest. He felt that putting the two projects together involved a lot of money. He noted that discussion would take place in northern Nevada while the projects were located in southern Nevada. He felt the immensity of the second project (\$310/year fee to students) required much more discussion and that it was fair to bifurcate the two projects.

President Harter said that UNLV had anticipated making a brief presentation on both projects. She felt it would be helpful for the Board to hear from UNLV students and Vice President Mills, who had attempted to answer questions previously raised by the Board.

Regent Sisolak noted a point of order. He said that a motion and a second had been received and asked whether a different item would be discussed. Regent Anthony replied that the Board would spend some time discussing the motion and allow UNLV to present information. Regent Sisolak noted that the motion was to bifurcate the two projects. He asked whether a vote was necessary before any further discussion took place. If Regent Alden's motion were successful, the Board would be unable to discuss the second project. Regent Alden said that he was postponing the second portion of the project to another meeting. General Counsel Ray agreed that Regent Sisolak was correct. The framework would entail whether the Chair believes that the discussion offered by President Harter is relevant to the decision as to whether or not to postpone the second project. He felt it was permissible. If the Chair felt it was not relevant, it would not be considered at this point in time and the Board would vote on the motion. Chair Anthony asked President Harter to make the presentation relevant to the motion.

Regent Hill noted a point of order. He respectfully suggested that it was wrong to consider discussion of one particular issue in deciding whether the Board would bifurcate the projects or not because discussion of only one project would prevent Board members from deciding whether they want to bifurcate it. He noted that it was all part of one item on the agenda. For him to make a determination of whether or not to bifurcate the project he would need information on the whole item. He asked that President Harter not be limited in her presentation. Regent Alden agreed. Regent Sisolak suggested the Board could vote down the motion to bifurcate and President Harter could then discuss the entire agenda item. Chair Anthony requested a presentation from UNLV on the student union building and the recreation center. He asked UNLV to discuss what would happen if the Board bifurcated the item into two distinct projects.

President Harter related that a student wanted to make a presentation that was not as relevant to the bifurcation issue. She introduced Ms. Molly Scott, Student Rebel Renovation Committee, to make the presentation on behalf of students. Ms. Scott reported that the Student Rebel Renovation Committee asked to speak before the Board. She noted that students are central to this project. The committee worked hard to collect and gather opinions of UNLV students. She wanted to share the impressive amount of student support that this project has garnered on campus. Students have been notified via campus newspaper stories, flyers, and brochures, and no campus unrest has been generated. No complaints have been received by the student committee. The committee has only heard excitement about the possibilities. The expanded student union and new student recreation center would provide the facilities, services, and programs that today's students have come to expect and demand. Many students are anxiously awaiting the Board decision in hopes the Board will endorse the new student fee. The project has received the endorsement of many campus organizations from many different groups of students. The faculty senate supported the project, even though they will have to purchase memberships to the new facility. Both the CSUN and GPSA endorse the project and the associated student fee. Ms. Scott noted that students all over campus are asking, "What are we waiting for?". She said the project would provide endless benefits to the students, the university, and the community. The students see a bright, promising future for UNLV and know that this project is essential to its growth. She reported that UNLV students were poised and ready to take the university to the next level and were just waiting for the Board's approval.

Dr. Rebecca Mills, Vice President, Student Life-UNLV, acknowledged the work of the Rebel Renovation Committee, President Harter, and her colleagues on campus who worked to ensure the Board's questions were answered. UNLV believes they have unprecedented support for this project. UNLV has a commitment to quality and for ensuring that students have a quality experience. Dr. Mills recapped the project. The project as originally proposed was an expansion and renovation of the student union that will provide a 160,000-sq. ft. facility at a cost of \$37.5 million. If the fee for the student union is approved today, UNLV believes the facility could be open in Fall 2006, the year that the full fee takes effect. The older portion of the student union would then be rehabilitated, with phase II completed one year later. The proposal for the new student recreation center encompasses 165,000 gross sq. ft. inside, not counting the outdoor social space and pool, at a cost just under \$50 million. If that fee were approved today, the targeted opening is estimated to be Spring 2007, within the year that the full fee takes effect. UNLV proposes that the fee phase in over the next four years. Fees paid before construction would be used to pay pre-construction costs in order to limit the number of dollars to be bonded. If the Board approves the total fee requested for both facilities, students would pay:

- January 2004 - \$54/semester.
- Fall 2005 - \$116.
- Fall 2006 - \$140.
- Fall 2007 - \$155.

Dr. Mills reported that since March, UNLV explored the possibilities of privatizing, analyzed construction costs, reviewed the financial plan, and calculated various fee scenarios. She was hopeful that the memo sent to Board members following the March meeting answered their questions. One of the questions reviewed was whether the impact on part-time students could be minimized. UNLV also ran a variety of scenarios, from all students paying the total fee, through making the recreation center fee voluntary for students taking fewer than 6 credits. She said that this project would maximize impact for students in terms of campus life. Students have indicated they want the programming and the gathering space. UNLV believes that it

is a good bond and construction climate. They have very strong student support and desire to become less of a commuter school. She then provided the individual fees for the projects:

Moyer Student Union - fee per semester:

- January 2004 - \$23.00.
- Fall 2005 - \$48.00.
- Fall 2006 - \$59.00.
- Fall 2007 - \$65.00.

New recreation center – fee per semester:

- Year 1 - \$31.00.
- Year 2 - \$68.00.
- Year 3 - \$81.00.
- Year 4 - \$90.00.

Regent Alden asked about the cost of the first project. Dr. Mills replied the cost was \$37.5 million. Regent Alden asked about the cost of the second project. Dr. Mills replied that the cost would be just under \$50 million. Regent Alden noted a total project cost of \$86.5 million and a total student fee of \$155.00 per semester or \$310/year. Dr. Mills stated that it would be \$155.00 four years from now. Regent Alden asked whether every student and parent had been polled. Dr. Mills replied they had not.

Regent Seastrand noted a cost for the student union of \$234/sq. ft. Dr. Mills did not have the figure with her. She related that the fee would pay for the construction, programming, security, lights, and electricity. She thought that the construction costs equated to \$161/sq. ft. Regents Seastrand asked about construction costs for the recreation facility. Dr. Mills replied that the average used was \$165/sq. ft. with acknowledgement that the price for construction of pools is slightly more. Regent Seastrand asked how that compared with other UCCSN buildings as well as other similar facilities. President Harter said that it was low compared to technically oriented buildings. Dr. Mills stated that, according to their consultants, UNLV was in the middle range of cost-per-foot for other campuses that had built recently. The prices vary by construction climate and requirements. The cost was similar to a Henderson Park & Recreation facility (Promenade in Green Valley Ranch). Regent Seastrand asked about the anticipated future student capacity (i.e., how many can be accommodated before having to expand). Dr. Mills replied that they were trying to build to accommodate a 6% growth in student population over time. UNLV's Campus Master Plan anticipates a maximum of 35,000 students by 2010. She felt that these two facilities could accommodate that. President Harter said that there would be limited space to build in the future. She felt the two facilities would be sufficient for 30 years. Dr. Mills related that UNLV could max out by 2010 or sooner if enrollments rates continue. President Harter said that it would be by 2007 at the current pace.

Regent Howard asked how students already struggling to get an education (not necessarily a low-income student) would get this extra money. Dr. Mills agreed that it would not be the students who are struggling the most who would struggle with this increase. If the fees are mandatory, they can be included in the amount approved for financial aid. This will help those students who qualify for financial aid. She affirmed that UNLV was working to provide opportunities for student employment for those students who do not qualify for financial aid. Retention data indicates that students who work on campus (as opposed to in a community) are more likely to be successful and graduate in a timely manner. She indicated that all UNLV employees would work with students who are genuinely struggling to try to help them find a means. Regent Howard questioned whether that was more a function of financial aid personnel. She noted that some people had already reached their limit for scholarships and financial aid and had nowhere to turn. She worried that the increase would negatively impact students. Dr. Juanita Fain, Vice President, Administration-UNLV, clarified that mandatory fees were added to the student expense, which would make them eligible for additional financial aid. Regent Howard asked about the source of the financial aid dollars. Dr. Fain said that it depended upon the size of their grant, adding that institutional dollars might also supplement. She explained the formula to establish need: student expense budget minus the parental/student contribution is the student's need. The institution then has the opportunity to meet that need. She noted that UNLV personnel would do everything possible to find the additional dollars required. Regent Howard said that she was not convinced that students would be pushed out by this increase. She asked whether other alternatives were explored for funding the project. Dr. Mills replied that a variety of funding possibilities had been examined including user fees and for-profit enterprises. UNLV has such compelling and competing needs for facilities on campus and they feel it is unlikely that state dollars could be used for this purpose. She said they would continue to try to raise private dollars. Regent Howard did not recall seeing anything that addressed alternative revenue sources. Dr. Mills replied that the letter UNLV sent on May 30th included information about the revenues. She said that UNLV would do everything possible to maximize the revenues from the building. The fee is necessary to have a regular revenue stream in order to guarantee the bonds. Regent Howard said that it was easier to put the burden on the student. She felt the Board needed to assure affordability so as not to push students out.

Regent Sisolak expressed concern for those students who do not qualify for financial aid. He said they could not afford the additional \$310. He noted that he had not received any calls of support for this project. He felt that making UNLV a non-

commuter school was unfair to the students who were living at home and working their way through college and that the fee increase was an excessive burden to those students. He felt it was unfair that only faculty who use the facility would pay, yet students were compelled to pay whether they used the facility or not. Dr. Mills replied that it would be a student recreation facility built with student fees that would create a revenue stream to ensure that every student has access to the facility. She acknowledged there were students who are struggling to pay their tuition, adding that it was incumbent upon UNLV to work with those students. She related that the intent was not to exclude working students, but rather to provide an opportunity for them to workout on their way home or on their way to work. Regent Sisolak observed that faculty would have a choice for paying the fee, but students would not get the same option. He felt that students and parents would not object as much if the fee were to build a classroom rather than a recreation center. He noted that parents are taking out second mortgages just to afford their children's tuition, adding that \$310/student was too much for the average working student to afford and that students had already been burdened to such a large extent.

Regent Dondero asked whether a 30-year bond would be used and about the interest rate. Dr. Mills replied that their figures were based upon a 30-year bond at a rate of 5.5%. Regent Dondero agreed that the buildings need renovation, but said that she had a hard time putting the cost on the students. She asked about alternative sources of funding, adding that 30 years was a long time and that the building would require another renovation at that point. Dr. Mills said that UNLV was bringing a recommendation for a way that UNLV could provide students with the kinds of facilities and opportunities that they indicate they want. Regent Dondero asked whether the state had refused to fund the renovation. President Harter said that was not aware of a state in the union that pays for student unions and recreation centers. They are always student supported. Regent Dondero asked how such facilities were built. President Harter replied that they were typically built with student fees. She related that if UNLV were to have the facilities that enrich the lives of students and create student community, they would need to be student funded.

Regent Rosenberg said that he was disturbed that he was not hearing from students opposed to the increase.

Regent Derby said that Nevada's tuition increase was relatively modest when compared to other states. Chancellor Nichols agreed there were very large tuition increases across the country, generally due to lack of state funding. She noted that students were paying more across the country for basic education. Regent Derby said that UCCSN incurred modest tuition increases, which could make this fee seem more reasonable. She viewed UNLV as aspiring to be a campus with rich student life and a residential program for campus cohesion. She acknowledged that student engagement enriched the total student experience. She recognized that the proposed fees were significant, but felt it was important to balance the fiscal concerns with UNLV's dream and what it means to the students and the campus in the future. She said she would not support bifurcation.

Chair Anthony observed that the Board had several options: 1) Approve the entire agenda item, or 2) Do not approve any of this. He related that it appeared there was concern about approving the entire project because of the cost. He noted there was a current motion for a compromise as offered by Regent Alden.

The meeting recessed at 4:40 p.m. and reconvened at 9:20 a.m. on Friday, August 15, 2003 with all members present. Chair Anthony complimented the sound system employed at the meeting, praising the efforts of Mr. Greg Gardella, Mr. Frank Fanelli, and Mr. Burtz Llaguno.

President Romesburg reported that NSC had received a \$1 million gift from an anonymous donor to be used towards the \$10 million they are trying to raise for their first building.

Chair Anthony clarified that the existing motion by Regent Alden called for the bifurcation of the student union building from the agenda item. He related that Regent Alden wanted to move forward on the remodeling of the student union based upon the fees presented for that portion of the project. He reminded the Board that it had previously voted to approve in concept both of these projects. He explained that Regent Alden's motion proposed moving forward on the student union building first and UNLV would return at a later date with a presentation for the recreation center (including innovative funding).

Regent Alden asked to clarify the motion. He said that he wanted to split the two issues, hear and make a decision on the student union issue at this meeting, and have the second building heard at a future date.

CSUN Student Body President, Ms. Monica Moradkhan, emphasized that the student-initiated project was supported by the students. She felt the students had been canvassed appropriately. She related a desire to provide quality education through learning opportunities, adequate facilities, and a community-based environment. She reported that she had not received any complaints about the proposed fee. She said she met with students to discuss the project and the associated fees. The students are excited about the project. One student on UNLV's swim team encouraged support from her team mates even though she will have graduated by the time the project is completed. Students realize that the fees are required to meet the needs of UNLV's rapidly growing student body. She reported that the students do not want the two projects separated, adding that the renovated student union and construction of a new recreation center were part of the campus master plan. She related that students and administration were working to make UNLV an even greater institution.

Regent Hill observed that education involves a great deal more than going to class, reading books, hearing lectures, attending labs, and studying. If that were all that was necessary, campuses would resemble army boot camps. He felt it would be shortsighted to limit the college experience to such an extent. He noted that UCCSN campuses include many things that appear to have little to do with education (i.e., childcare, beautiful campuses, clubs, parties, athletics). He felt that offering an appealing campus life made students want to attend UCCSN institutions. He felt that UNLV should develop more campus community/life. He observed that UNLV enjoys a very supportive relationship from the community. He expressed a desire to see the campus improve and felt it would be shortsighted not to approve the entire proposal. He encouraged Board support of the entire program, citing current favorable interest rates. He acknowledged there would be students who would be negatively impacted, adding that he was proud of the facilities he helped support while he was a student. He said that he did not want to have a university that does not offer these important facilities for students. He suggested voting down the current motion and making a motion for approval of the third option (page 8 of 13-students with 3 or fewer credits do not pay the fee). He said the project would make the university the type of institution needed in Nevada.

Regent Derby spoke against the motion to bifurcate. She hoped the Board would approve the entire project. If not, she hoped the Board would approve another option that would provide the Board's support to the entire concept.

Regent Sisolak noted a point of order, asking whether discussion would continue about whether the Board would approve the matter after the current motion was voted upon. Regent Hill noted a point of information, explaining that the Board would vote the current motion down followed by a new motion for approval of the third option he previously cited. Chair Anthony explained that, once everyone was done speaking, the Board would vote upon the current motion. If the motion passed, the item was completed. If the motion failed, he would entertain another motion. He said the individual members would determine how much time was spent on each motion.

General Counsel Ray suggested that, if the Board felt they had heard enough testimony on the issue and are prepared to vote on the motion before them, they could vote at that time. If the Board believed they required further testimony, they could proceed. Once the motion has been voted upon, further testimony would be allowed, but it should not be repetitive of what has been said. Chair Anthony said that it appeared that members still wished to speak on the issue.

Regent Rosenberg asked Ms. Moradkhan whether all students supported the project or whether some did not. Ms. Moradkhan replied that she could not say that 100% of the students supported it. She indicated a very strong level of student support for the project, due in part, to the level of detail in researching the project.

Regent Howard recalled that the university's own survey reported that a little over half supported this. She asked about the other half. She said that she received calls from people who are not interested in the project. She felt it was not a high priority need for the campus. The students she spoke with were mostly concerned with getting the classes and sections they need to graduate. She expressed concern for whether or not the real needs were being addressed. She agreed with developing a greater student community, fostering a healthy environment, and that education is more than reading and studying. She expressed concern for further burdening students that were already struggling financially. She observed that most students would not spend time in these facilities because the majority go to class and then to work in order to afford their education. She observed that the 1,500 students living on campus would be more likely to use the facilities than the majority of the students. She felt the Board should address more pressing needs and suggested comparing UCCSN's graduation/completion rates with national data. She felt that offering the appropriate number of sections for students to graduate also deserved attention.

Regent Dondero indicated that she would vote against separating the two projects. She felt it was a good sign that students had indicated their support for the project. She asked whether state funds could be requested for renovation since the buildings were old and in need of renovation. She noted that community members use the facilities on a regular basis. Dr. Mills replied that the existing McDermott facility was built as a shared academic-athletic facility. If the recreation center is funded, UNLV will build a new facility. The older facility would return to the campus for class offerings and other purposes.

Regent Sisolak noted a point of order, stating that discussion had strayed drastically from the current motion. He felt the discussion had nothing to do with bifurcating the project. Regent Dondero felt that it did. General Counsel Ray said that, ultimately, anything related to the project would be relevant. He encouraged the Chair and the Board to proceed to a vote unless a need was established for further testimony. He related that the Board could continue discussion after the motion had been decided. Regent Alden observed that he had not had an opportunity to speak. Chair Anthony indicated he would continue the discussion.

Regent Dondero called for the question. Regent Hill seconded.

Regent Alden was upset that he had been denied an opportunity to speak.

The motion and second were withdrawn.

Regent Seastrand felt that both projects would eventually be built. He questioned the size of the recreation center, its cost, and the burden to the students. He asked about demand for the recreation facility if the fee were optional. President Harter

said there were difficult issues related to a voluntary fee. Regent Seastrand clarified that he was trying to determine the actual interest in this project. He observed that UNR has a recreational facility with an optional fee. President Harter reminded the Board that an optional fee would not qualify for financial aid. Regent Seastrand said that he would be willing to vote on the student union project that day and discuss the recreational facility at a later date. Dr. Shannon Ellis, Vice President, Student Services-UNR, reported that Lombardi Recreation Center has a demand for slightly less than 2,000 students. They pay \$50/semester, which covers operating costs (some staffing, equipment, upkeep) and does not go toward the bond payment or building construction costs. Faculty and staff pay an optional \$175 fee. Regent Seastrand felt that some of the student burden could be alleviated by requiring a smaller fee for a smaller facility. He agreed with providing the proper student environment, but questioned the appropriate size. He supported bifurcating the two projects.

Chair Anthony clarified the motion and the anticipated results. He then asked Regent Alden to explain the motion. Regent Alden stated that he was willing to approve phase I. Regent Sisolak noted a point of order, observing that Regent Alden had made a different motion. Regent Alden explained that he wanted to bifurcate the project because he did not want to vote for the whole thing. Regent Sisolak observed that he could not change the motion once it had been made.

The motion was re-read: Regent Alden moved approval to sever the two requests, move forward on the student union remodel first with construction of the recreation center to be discussed at a future meeting. Motion seconded by Regent Whipple.

Regent Alden observed that he never had an opportunity to argue for the motion.

Chair Anthony clarified that the motion entailed moving forward on the student union building first with the fee structure provided by Dr. Mills for the student union building. The recreation center has been approved in concept and would come before the Board at a later date.

Regent Alden said that the reason he wanted to bifurcate was that he felt it was too much of a bite to go to \$86.5 million. He observed there were other needs and recalled the past difficult legislative session. He said he wanted to be convinced that it was O.K. to approve phase I, adding that he was not convinced at all about phase II. He said that he did not want to vote the entire project down.

Regent Whipple clarified that he had seconded the motion and would support it. He shared concerns about the projects being too large. If the Board did move forward, he hoped to see the potential for having the recreation center receive some donations. He felt there were other opportunities to consider regarding the recreation center.

Regent Kirkpatrick asked how the Lombardi Recreation Center was constructed. Dr. Ellis replied that it was part of an academic program, the College of Human and Community Sciences, and contains academic classrooms and faculty offices. They have first priority for use of all of the facilities. It was not funded through fees because it is an academic center. Regent Kirkpatrick asked whether there was sufficient room for students to use it for swimming and other activities. Dr. Ellis replied there was not, adding that UNR would approach the Board to discuss the same topic in the future. She related that UNR used a portion of the building as a wellness center for students, who paid a separate fee for the wellness center. In 2000, the Board approved expanding a non-mandatory user fee for students to use the entire building. Regent Kirkpatrick asked about the source of funds to build the recreation center. Dr. Ellis replied that it was believed to be mostly state funding because of the academic component. Regent Kirkpatrick asked about the source of funds used for UNR's student union. Dr. Ellis replied that student fees were used. Regent Kirkpatrick said that he realized how important the subject was for students and the effect it could have on some students. He was bothered that the discussion was happening in the north. He related that he tried unsuccessfully to raise the priority level for the Moyer Student Union renovation for many years. He said that the building reminded him of a Third World facility that a first-class university could not afford to have. He related that students at Ohio State felt the "bull room" was the most important factor in their learning experience. He observed that he would have been severely impacted by a \$300 fee increase while a student. He was concerned about impeding degree completion with this fee. He noted that tuition and fees had already increased, though admittedly not as much as others in the nation. He wanted to support the student union, but feared impacting those students in the middle who will not qualify for financial aid. He felt that fewer students would use the recreation center than would use the student union. He observed that those students would subsidize the facility for others to use. He noted that the McDermott facility was not adequate, but could still be used. The students he contacted had not even heard about the proposed increase in fees for this purpose. He observed that Millennium Scholars might be able to afford it, adding that he was unsure how he would vote.

Chair Anthony observed that this was an important, \$80 million project that would affect many people. He encouraged the Board to vote on the existing motion.

Regent Schofield said that he would vote against the motion because he felt the Board should approve the entire project. He agreed with Regent Hill's assessment and urged Board members to vote their conscience.

President Lilley said there was no chance that too large a facility could be built given the enormous growth the System is facing. He related that, given the enormous needs for educational buildings, it would not be reasonable to expect private

fundraising for a project of this size. He urged the Board to approve the project in total while interest rates were favorable. He related that UNR would follow with a similar proposal.

Chair Anthony said that he did not hear any Regent say that both projects were not necessary. The objection appears to be with the increased student fee. He said he was struggling with whether it was too much of an increase and whether it would impact access. He observed that the student union building was an old, dilapidated, dreary building in need of renovation. He noted that the student union renovation would require a \$23-\$65/semester increase over time. The second portion of the project could impact access. He observed that not all students would use the recreation center, adding that faculty and administrators would use it as well. He questioned whether there was another means of funding that portion of the project. He requested a roll call vote.

Regent Sisolak noted a point of clarification, asking General Counsel to explain the motion and what it would accomplish. General Counsel Ray stated that the motion did not speak to the merits of the action item, but rather sought to separate them into two items. If the motion passed, the Board would then need a motion to approve the Moyer Student Union aspect of the project. The recreation fee would need to be considered at another meeting. If the motion failed, a motion to approve the entire item would be necessary.

Chair Anthony disagreed with General Counsel Ray's assessment. Vice Chair Bandera stated that it was not what was said. She suggested either correcting or withdrawing the motion, stressing the need to be clear.

Regent Howard asked whether the Board would use General Counsel's assessment. Regent Alden agreed with General Counsel Ray's assessment.

General Counsel Ray stated that his assessment was his recollection and understanding of the motion, but asked the maker and second to indicate their agreement. Regent Alden agreed.

Chair Anthony requested that the minutes reflect the discussion.

Regent Sisolak suggested that withdrawing the current motion would allow a new motion to be made which would properly reflect what his intentions were. Regent Alden agreed to do so.

Regent Alden stated that the motion he offered to the Board was to separate the two items, and hear at a future date the recreation center, and consider only at this time to approve, it will have to be another motion, to consider approval of the Moyer Student Union. So if you pass this motion, then we go onto yes or no on the Moyer Student Union.

Regent Sisolak observed that a second motion could not be made until the first motion was addressed. Chair Anthony asked whether Regent Alden had withdrawn his motion.

The motion and second were withdrawn.

Regent Whipple seconded the new motion.

Regent Kirkpatrick asked what the new motion was. Chair Anthony clarified that the new motion was to separate these into two projects; the student union and the recreation center, and the recreation center be delayed for a later date and the Board make a decision on moving forward on the student union building as a separate motion. He said the Board would vote on whether to separate the two projects.

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

Regent Hill moved that the Board approve the project as proposed by UNLV for the recreational facility and the union building and follow the fee schedule as stated on page 8 of 3 (sic should be 13) which starts with the caption: "No recreation or union fee for students with 3 or fewer credit hours." He believed that contained all of the requirements necessary. President Harter agreed that it did. Regent Schofield seconded.

Regent Alden observed that UCCSN had just finished the toughest legislative session ever experienced. The Legislature will look at the Board poorly for this action. He noted the System needs classrooms, labs, and part-time faculty. He said the action did not look good. He asked whether the Board had the support of future students and parents. He felt the project cost was exorbitant, with so many other things needed in higher education. He felt it was wrong and indicated he would vote against the motion.

Regent Howard said that she supported separating the issues because she wanted the opportunity to determine whether a scaled-down version of the student union could be approved. She felt the project was too large. She said she wanted to be an elected official who makes responsible decisions, noting that the Board would face the legislature again. She felt the

issue would return to haunt the Board. She also wanted to see what type of fee structure UNR has used. She said she had never received any complaints from UNR students about this type of issue, though she hears many complaints about the rate of tuition increase at UNLV. She asked whether students complain about the rate of tuition increases at UNR, and if not, why. President Lilley speculated that students always complain about tuition and fees and food increases, but once the major decisions are undertaken, they are usually delighted with the results. He related that students would complain about any fee increase. President Harter said that the tuitions were the same, which may reflect the overall profile of UNLV's student body (vs. UNR's) may be slightly different from an economic perspective. She suggested that since Regent Howard was from southern Nevada she likely heard more concerns expressed about UNLV. She suggested that Regent Rosenberg might hear more complaints about UNR. Regent Howard said she was disappointed that the Board could not consider the projects separately. She indicated she would vote against the motion in spite of wanting to support the renovation of Moyer Student Union.

Regent Schofield observed that the Board had just experienced one of the most critical legislative sessions in the state's history. He noted that the governor had possessed the nerve to stand up for the right thing. He felt that everyone at some point must step up to the plate and make hard decisions. He noted that President Lilley had indicated that most people complain about the increases, but enjoy the results. He felt the Board had the opportunity to step up to the plate and do the right thing with both facilities. He attributed his long life to regular workout sessions. He felt the students need the facilities on campus and indicated his support for the motion.

Regent Seastrand established that the current motion eliminated the fee for students taking 3 or fewer credits and raised the full fee to \$173/semester (\$346/year). He asked whether students taking 3 or fewer credits would never pay or have access to the student union. President Harter replied that they would have access if they chose to pay a user fee, which would be higher than the full-time fee. Regent Seastrand said that he wanted to approve the entire project and believed both projects were necessary. He felt it was possible to build a building that was too large. He indicated that he would like to hear from his constituents.

Regent Sisolak said that Board members were all trying to do the right thing. He commended the students for spending their own money to attend the meeting. Ms. Moradkhan replied that the student representatives were present for various reasons not related to this item and that student government had paid for their travel. She assured the Board that none of the students were brought to the meeting specifically for this project. Regent Sisolak stated that the students with whom he spoke could not afford to fly to Reno for the meeting. Had this been held in Las Vegas, they would have taken a bus to have an opportunity to speak. He felt the Board had disenfranchised those individuals who could not afford to travel to the meeting. He suggested not disenfranchising UNR's students by holding the meeting in Las Vegas when the university brings forward its request. He agreed that constituent input was necessary and felt that those not present were held silent or muted.

Regent Rosenberg moved approval of tabling the issue until the Board meets in Las Vegas. Regent Alden seconded. Upon a roll call vote the motion to table carried. Regents Alden, Howard, Kirkpatrick, Rosenberg, Seastrand, Sisolak, and Whipple voted yes. Regents Anthony, Bandera, Derby, Dondero, Hill, and Schofield voted no.

2. Chair's Report – (Cont'd.)

Chair Anthony honored the service of former Vice Chancellor for Finance & Administration, Mr. Dan Miles, with a resolution (Resolution 04-03 on file in Board office). Mr. Miles said that he considered it a pleasure and a privilege to have been able to work for the Board and Chancellor Nichols. He felt the Board was better positioned than ever before to move forward with higher education.

18. Approved-Resolution 04-04, TMCC SkillsUSA-VICA National Championship – The Board approved Chair Stavros Anthony's request for a resolution in honor of Truckee Meadows Community College's two-person team, Ms. Lauren Reeser and Mr. John McIntosh, for winning a gold medal in the 3-D Visualization and Animation category of the SkillsUSA-VICA National Championship. (Ref. N on file in the Board office).

Regent Alden moved approval of Resolution 04-03 honoring TMCC's SkillsUSA-VICA national championship. Regent Rosenberg seconded.

President Ringle accepted the honor on behalf of the students. He related that both students had highly praised the college's faculty and staff, and Mr. Jim Burke (the team's faculty member and SkillsUSA advisor). Mr. Burke was also recognized by SkillsUSA with the highest award that a faculty advisor can receive. The students each received a \$5,000 scholarship. Ms. Reeser is pursuing her baccalaureate at San Jose State, while Mr. McIntosh is interviewing a college in Seattle. President Ringle thanked the Board on their behalf.

Motion carried.

The meeting recessed at 10:40 a.m. and reconvened at 11:05 a.m. with all members present except Regent Schofield.

17. Approved-Reconsideration of Motion to Table and Approved Handbook Revision, Student Union & Recreation Center Fee, UNLV – (Cont'd.)

Regent Kirkpatrick moved approval of reconsideration of the motion to table Item #17-Handbook Revision, Student Union & Recreation Center Fee, UNLV). Regent Derby seconded.

Regent Howard questioned the reasoning for the motion. General Counsel Ray explained that a motion to reconsider is debatable unless the motion being reconsidered (i.e., motion to table) is not. Therefore, no discussion could be held. Regent Seastrand noted a point of order, questioning whether the motion (and second) had to be made by someone on the prevailing side. General Counsel Ray replied that the motion maker would need to be on the prevailing side, but the second was not required to be.

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

General Counsel Ray stated that the Board had effectively removed the item from the table and could now proceed to further discussion of the merits. Chair Anthony clarified that Regent Hill's motion was back on the table and the Board could entertain further discussion.

Regent Schofield entered the meeting.

Regent Kirkpatrick responded to Regent Howard's earlier question. He wanted to reconsider the issue because disapproving the item at this time and taking it south would delay the process by a year. He was certain that interest rates would rise during that time, which would cost the System more money. He wanted the opportunity to look at it again.

Chair Anthony related that the issue had been thoroughly discussed and encouraged the Board to vote.

Upon a role call vote the motion to approve the project as proposed by UNLV for the recreational facility and the union building and follow the fee schedule as stated on page 8 of 3 (sic should be 13) which starts with the caption: "No recreation or union fee for students with 3 or fewer credit hours." carried. Regents Anthony, Bandera, Derby, Dondero, Hill, Kirkpatrick, and Schofield voted yes. Regents Alden, Howard, Rosenberg, Sisolak, and Whipple voted no. Regent Seastrand abstained.

Regent Sisolak asked about the time restrictions for a motion to reconsider. General Counsel Ray replied that reconsideration could occur at any time during the meeting. Subsequent to the meeting, a motion to rescind would be required. Regent Sisolak asked whether a motion to rescind was required to be made by someone on the prevailing side. General Counsel Ray replied that a motion to rescind at a subsequent meeting could be made by anyone. It would require provision of advance notice to the Board. Regent Sisolak asked that rescinding the item be included on the next agenda. Regents Alden and Howard agreed with his request. General Counsel Ray stated that the request could be treated like a normal agenda request with the appropriate number of supporting regents.

Regent Rosenberg observed that the majority of the Board had voted to support the project. He observed that the students and administration had worked very hard. He asked that the project be allowed to move forward as the Board majority voted. Chair Anthony stated that the motion had passed and the project would move forward. He related that any other future agenda items would be considered at that point in time.

19. Approved-Handbook Revision, Fee Waiver for Nevada National Guard Members – During the special session of 2003, the Nevada Legislature approved Assembly Bill 9, which authorizes the Board of Regents to waive the registration and other fees for certain members of the Nevada National Guard. The provision sunsets on June 30, 2005. To accommodate this legislation, the Board approved Chancellor Jane Nichols' recommendation for an amendment to the Board Handbook (Title IV, Chapter 17, Section 5) to be effective Fall Semester 2003. (Ref. O and PowerPoint presentation on file in the Board office)

Chancellor Nichols explained that this item was the result of a last-minute bill passed in the second session of the legislature. System staff worked with faculty, institution presidents, and the Nevada National Guard to develop a policy. Chancellor Nichols apologized that, due to a time restraint, some of her overview was not included in the agenda materials. The proposed policy would permit any member of the active Nevada National Guard, including a recruit, to register for credit without a registration fee or, in some cases, laboratory fee. She then reviewed the following decision points:

- Should the Board include summer courses or make it applicable only to Fall and Spring semesters? In the past, the state of Nevada provided an allocation to the Nevada National Guard, which was used to reimburse students for a portion of their fee at a UCCSN institution if they completed the course. The funds only covered 70-75% of the fees. The Nevada National Guard asked the legislature to cover the entire fee. The method developed was a fee waiver. If this bill is extended, when UCCSN prepares its budget in the next budget cycle (2005 legislative session) it is anticipated that the number of fee waivers previously granted would be included in the budget for the following biennium. This would shift the financial responsibility back to the state beginning July 1, 2005. For the next two years though, this cost will be borne by the institutions. Summer courses would never be included in the fee waivers forgiven by the state because the state does not fund summer school. Fee waivers granted for summer courses

would be the System's loss. The campuses have some concerns about how they will afford the summer school fees if they are included. Historically, the Nevada National Guard paid for summer school courses.

- Independent study and correspondence courses are not eligible and are generally considered self-supporting.
- Laboratory fees were limited to courses numbered below the 300-level. Some fees were also eliminated from fee waiver status including: individual course fees in excess of \$100, special fees for transportation, the per-semester fee for health service, and the technology fee.

Regent Sisolak left the meeting.

Chancellor Nichols related that a Nevada National Guard member receiving a fee waiver must achieve at least a minimum 2.00 semester grade point average and remain a member in good standing with the Guard or the student must repay. Recruits who do not enter guard duty within one year must also repay.

Chancellor Nichols continued her review of decision points:

- Should registration fees associated with the William S. Boyd School of Law, the University of Nevada School of Medicine, and UNLV School of Dental Medicine be eligible for waiver under this policy? The presidents indicate that eligibility of these fees would be a financial burden the schools could not bear. They are asking that those fees not be eligible for waiver under this policy. Chancellor Nichols related that those fees are typically very high, are essential to the operation of the schools, and appear to fall within a different category.

Chancellor Nichols related that the Board needed to approve the policy and determine whether or not to include the three professional schools and summer school courses.

Chair Anthony introduced Major General Giles Vanderhoof, Adjutant General, Nevada National Guard. Major General Vanderhoof thanked the Board for considering this initiative. He related that the program is a highly effective recruiting and retention tool. Over the past two years, there have been quite a few Nevada guardsmen on active duty. There are 3,000 army and air national guardsmen in Nevada. He related that, after serving two full years, this program would be very important to them. It helps the guard retain and thank members for their service to their country. Many guard members incurred family separations and wage reductions when called to active duty. They will be very thankful for this opportunity. Major General Vanderhoof related that, for thirty years, the Nevada National Guard has paid for up to 50% of the fees including summer school. He related there were approximately 12 summer school attendees. He reported there were very few participants in the professional schools (1-in medical school). He asked the Board to consider a limit on the number of waivers granted for the professional schools and to consider covering summer school since so few participate. Major General Vanderhoof expressed his gratitude to the Board for their consideration.

Regent Kirkpatrick asked how the Board would determine which individuals would be chosen for professional school fee waivers. Major General Vanderhoof suggested the guard would need to develop internal criteria. He estimated that half the people the guard had sent to medical school came from within the enlisted ranks and had been in the national guard for a number of years. Priority would be given to long-time servers.

Regent Kirkpatrick moved approval of the proposal as outlined by Chancellor Nichols excluding summer school and the professional schools (option j in Board handout on file in the Board office). Regent Schofield seconded.

Regent Kirkpatrick established that the proposal could potentially cost \$150,000 and would sunset on June 30, 2005. Chancellor Nichols agreed.

Regent Hill stated that the Board needed to do something for the Fall semester. He said he did not want to address the other issues (including medical school) because it would be precipitous. He asked whether Board action would only address waivers for the Fall semester. Chancellor Nichols replied that the policy as written would go into the Board Handbook and become permanent policy. She related that if he wished to review it again prior to Spring semester (October), he could request such action. Regent Hill asked whether nursing and dental hygiene courses should be considered separately. Chancellor Nichols replied that tuition and fees for those courses are exactly the same as the other programs and would be covered under this policy. She suggested that the Board specifically state that registration fees associated with the professional schools are not included with the policy. She suggested they might discover other courses that need to be considered separately (i.e., UNLV's very expensive Executive MBA program) and that the policy would need to be fine tuned over time.

Regent Kirkpatrick amended his motion to include "not included" in option j of the Board handout. Regent Schofield accepted the amendment.

Regent Hill felt that excluding the medical school was proper. He asked the Chancellor to review the policy for areas of fine tuning. He related that the Board greatly respects and supports the Nevada National Guard. He said he was concerned that waiving the professional school fees would cause enrollments to drastically increase. He asked Major General Vanderhoof to discuss with the Chancellor any desire to include a particular individual in the professional schools.

Regent Schofield noted that he was a veteran of WWII and the Korean Conflict. He observed that people react emotionally to veterans, especially when at war. He suggested UCCSN be more consistent in its support of veterans and those fighting for this country. He urged support of the proposal and possible inclusion of the law and dental schools.

Motion carried. Regent Sisolak was absent.

3. Presidents' Reports – (Cont'd.)

President Ringle, TMCC – (handout on file in the Board office). At TMCC the goal of quality education is at the heart of what is done as at the institution. To achieve that goal the College recognizes the need to emphasize student learning and to be vigilant in ensuring that continual progress is made, keeping teaching and learning at the core of the mission, supporting innovation and faculty development, recruiting and hiring qualified faculty, reviewing programs and regularly asking what can be done to establish the highest expectations for all TMCC students. TMCC recognizes that providing quality education is dependent upon not only classroom instruction, but also is predicated on the quality of faculty, the delivery of support services, and the way the faculty, administration, and staff provide a welcoming and supportive environment to students while demanding excellence in their work.

Sample Projects from FY 2003:

- Implementation of a variety of testing and placement methods to enable TMCC to maximize academic success by advising students into the courses appropriate to their skill level.
- Development of strong program outcomes and program review processes.
- Piloting a comprehensive administrative evaluation used to formulate plans for improvement for administrators and their units.
- Introduction of a new workload policy that reduced class size and established a maximum number of students in each class based on sound pedagogical reasons and quality of instructional delivery.
- Offering a first year experience program (QUEST) that boasts a persistence rate of 83%.
- Awarding faculty grants to provide classroom support.

Sample Projects for FY 2004:

- Full review of seven programs in the new program review process.
- Participate in the System's National Forum for College-Level Learning testing project.
- A comprehensive professional development program including the establishment of a Center for Teaching Excellence.
- Enhancing the role of department chairs.
- Improvement of the full-time to part-time ratio of faculty.
- Development of performance indicators to evaluate goals.
- Strengthening of developmental education programs.
- Significant planning efforts in major areas.

President Ringle related it would take a real commitment from the College to complete these projects, adding that he was confident that TMCC would be able to report continued and significant progress next year.

President Lucey, WNCC – (handout on file in the Board office). The Board approved WNCC's strategic plan in the 1999-2000 academic year. WNCC has completed 80 of the 158 tactical plans addressing the five goals in the College's strategic plan. Each year WNCC's annual report details specifics about the College's progress on the strategic plan. Goals 1, 2, and 5 relate directly to the System's Quality Education goal. WNCC has made progress on its assessment program. The faculty has gone to Alverno College to be trained and has developed student outcomes for most programs. The first set of program reviews was conducted last Spring. As a result, resources have been allocated for professional and curriculum development. The System has identified four targets for the Quality Education goal. One requires the institution to develop performance indicators for persistence, retention, and graduation rates. WNCC is looking closely at rates of persistence, retention, and graduation. Due to the progress the College has made in with Goal 1 (Increasing full-time degree-seeking student numbers), they have also seen an increase in persistence and retention rates. President Lucey related that the persistence and retention data is not just college-influenced, but also life-influenced. The decisions students make about whether to persist often depend on factors outside of academic issues. She related that those decisions are typically money- or responsibility-driven for community college students (families, jobs, etc.). WNCC has attempted to address the personal needs of the students in a number of ways:

Regent Schofield left the meeting.

- WNCC now has a drop-in childcare facility for a modest cost.
- WNCC also offers childcare scholarships.
- The College offers a financial aid loan program for students (car breakdown, loss of job, etc.) to receive an emergency student loan.
- \$70,000 of last year's tuition increase was put into student assistantships. Students are more likely to be retained when they work on campus.

- The National Science Foundation has awarded \$333,000 to be disbursed in scholarships to Engineering Science, Computer Science, Engineering Tech, and Computer Tech students over the next 4 years (full-time enrolled students).
- The NevadaWorks program has sponsored a surgical technology initiative at the college. The short-term program will allow minimum wage students to quickly find a position closely related to what they want to do professionally.
- WNCC has a new program as part of the nursing initiative with Churchill County, Churchill Hospital, and AHEC Nevada Hospital Association which will provide a cohort of nursing students in the Fallon area.

President Wells, DRI - (handout on file in the Board office). DRI is a non-degree granting research institution that adds value to UCCSN educational programs through advisement, teaching and student involvement in research.

- DRI's educational role in the UCCSN is focused primarily on UNR's top-ten ranked Graduate Program of Hydrologic Sciences and the UNR Atmospheric Sciences Program, which is taught entirely by DRI faculty. Recent expansion includes two graduate assistantships in science and engineering at UNLV and the incorporation of DRI faculty in UNLV's graduate programs. DRI faculty also teach courses at Nevada State College.

Regent Howard left the meeting.

- DRI's annual investment in graduate and undergraduate education has grown nearly 70% in three years to \$1.1 million.

Regent Schofield entered the meeting.

- Approximately 50 graduate students participate each academic year in DRI research projects. Sixty-five faculty at DRI are involved in teaching, advising, and graduate committees.
- Students participate in unique DRI research, coauthor papers, and make presentations at professional meetings:
 - Dr. Chris Fritsen is involving a total of 15 students in studies of microbial life in ice in the Southern Ocean and in monitoring algae growth in the Lower Truckee River.
 - Dr. Melanie Wetzel is involving students in renewable energy technology development and long-term monitoring of ultraviolet radiation exposure at high altitude.
 - Dr. Jim Thomas is involving three students in three different projects addressing Lake Tahoe's water clarity and two other students in the West Africa Water Initiative.
- Atmospheric and Hydrologic Sciences Program graduates have found prestigious appointments throughout the state and nation including local, state, and federal agencies and the West Africa Water Initiative which is helping to bring fresh water supplies to water-poor areas of western Africa.

Regent Howard entered the meeting.

Regent Bandera asked for the name of the Native American scholarship. President Wells replied it was known as the General Frederick Lander scholarship.

President Harter-UNLV – (handout on file in the Board office). The University of Nevada, Las Vegas continues to provide a growing student body with a variety of educational experiences of the highest quality. The first planning goal for UNLV faculty and staff is to focus on being student centered. The University has created a new student orientation process, more flexible class schedules, advising centers in many of the colleges, and increased the use of technology to enhance student learning and retention. UNLV's goal to become a premier metropolitan research university means they must continue to meet the needs of 26,000 students with high quality programs that reflect its commitment to teaching and research as the primary means of both gaining and imparting new knowledge. This is being done in a number of ways:

- New programs to serve state needs – 80 new programs have been created during President Harter's tenure. The University is planning to add approximately 55 new programs by 2007 (UNLV's 50th anniversary). Their broad-based planning process has identified the need for 15 new programs in Education, 5 new programs in Engineering, 2 new programs in Business, 6 new programs in Fine Arts, 7 new programs in Math Sciences, 2 new programs in Hotel Administration, 3 new programs in Liberal Arts, 11 new programs in sciences, and 4 new programs in Urban Affairs.
- Honors Education – A highly regarded program that offers merit scholarships to all admitted freshmen, the UNLV Honors College offers to talented and academically motivated students the best possible educational programs, comparable to those at highly selective, diverse universities. Enrollment in the Honors College has increased from 310 in Fall 1995 to 581 in Fall 2002 (87.4%).
- Professional Programs and Community Service – The highest quality students and faculty have been recruited for the Boyd School of Law and for the School of Dental Medicine. Community service is an important component of the mission of both professional schools. Law students are required to participate in community service working with legal aid, school sponsored legal clinics and externships. Since February, the School of Dental Medicine has treated more than 30,000 Medicaid patients, 90% of whom are children, and conducted statewide screenings for 10,000 high school students.
- A New University College – UNLV plans to bring forward a proposal to establish a University College that will focus upon meeting the needs of those students who are interested in an interdisciplinary focus. University college students will concentrate in an area without necessarily meeting traditional GPA requirements. This will provide an academic

home and identity for students who currently search, sometimes in frustration, for a major. In addition to encouraging students to find a path to academic success, this initiative will improve retention rates and result in increased graduation rates.

- A Streamlined Core Curriculum – A faculty committee is revisiting UNLV’s core curriculum to ensure that it represents a reasonable number of credit hours and adequately prepares students for the roles they will play as educated citizens of Nevada. A new and important aspect of that revised curriculum will be the opportunity for a structured community learning experience.

Chair Anthony thanked the presidents for their efforts, adding that he felt it had been a productive exercise.

20. Approved-Appointment, Director of Athletics, UNLV – The Board approved President Carol C. Harter’s request for the appointment of the Director of Athletics at UNLV.

President Harter reported that UNLV conducted a national search which yielded excellent candidates. She announced the appointment of Mr. Mike Hamrick, currently the Director of Athletics at East Carolina University, where he has a fine history of financial management and academic success. East Carolina graduates 60-65% of its athletes per year. She then introduced Mr. Mike and Mrs. Zoletta Hamrick.

Mr. Hamrick said that he was humbled and honored to be present. He began his athletic administrative career at UNLV in 1981 as an intern while working on his master’s degree in sports administration at Ohio University. He said it meant a great deal to return to the university where he began his career, adding there was unlimited potential. He related that he, like the Board, wants to do what is right for the university and its student athletes. He felt it would require a vision based upon core values including: academic integrity, student athlete welfare, compliance to NCAA rules, awareness to cultural diversity, being a part of the university, and paying attention to what the student body and faculty want him to do. He said that he would employ values in which marketing and fundraising are at the forefront. He felt that great things could happen with a shared vision communicated openly and honestly.

President Harter presented the terms and conditions of Mr. Hamrick’s contract:

- 3-year contract effective August 15, 2003 through June 30, 2006.
- Athletic director reports directly to and is evaluated annually by the president.
- Monetary Compensation: \$190,000 base salary in the first year of the contract; \$200,000 in second year of the contract; \$210,000 in third year of the contract.
- Bonus Structure: As he displays leadership in moving UNLV athletes to higher levels of academic success and progress toward graduation rates, tied to measures being developed by the NCAA, would allow a \$5,000-10,000/year bonus for demonstrable success in academic progress.
- Two cars under the current program (1-him and 1-his spouse).
- 12 tickets for all sports regular season contests.
- A country club membership (to be donated or UNLV will make a deal with a country club) to allow Mr. Hamrick to have a rate of expense that will provide the opportunity for donor cultivation.
- Spouse travel to away contests and other sports-related business travel with prior presidential approval.

President Harter said the contract had been carefully reviewed by Assistant General Counsel Walt Ayers. Much of the contract involves NCAA compliance-related issues and the athletic director’s employment relative to NCAA compliance issues.

Regent Alden moved approval of the appointment with the terms and conditions specified by President Harter. Regent Kirkpatrick seconded.

Regent Alden said that President Harter did a great job with the search committee. He warned Mr. Hamrick that his decision to lead UNLV athletics should not be taken lightly. He related that great colleges have successful athletic departments and great academic programs. He felt that UNLV was not effectively competing at Division I level. He related there was insufficient state funding, emphasizing that Mr. Hamrick’s job would be fundraising. He recalled Nevada Senate concurrent resolution 19 (file 65) that was recently passed, which urges both athletic directors to consider the feasibility of reuniting UNR and UNLV in the same athletic conference. If the teams are united, it urges the scheduling of the annual rival football game between the two schools to be played on the Saturday following the observation of Nevada Day. Chair Anthony cautioned that the discussion had drifted from the specific agenda item. Regent Alden asked whether Mr. Hamrick agreed with the concurrent resolution. Mr. Hamrick said that he was not familiar with the resolution. Regent Alden asked what Mr. Hamrick proposed to put compliance at the forefront. Mr. Hamrick said that he had been an athletic director for fourteen years at two different institutions, and never had a major NCAA violation. He felt the athletic director should establish an environment within the program that does not tolerate or accept rule breaking. He observed that secondary violations would likely occur, but if the tone were set from the top down that rules will not be broken, it would not happen. He suggested hiring good people with no history of breaking rules, educating them, and setting the proper environment. He said that President Harter made it very clear that UNLV would not break the rules.

Regent Alden said that UNLV's overall graduation rate was dismal and asked about plans to increase that rate. Mr. Hamrick replied that he had a lot of success at East Carolina University, with a 65-70% student athlete graduation rate. The football program graduated over 70% of its players. Last semester, half of the 400+ East Carolina student athletes had a 3.0 GPA or better. He suggested that bringing in quality student athletes was key. He related that support was also necessary. Being a college athlete is difficult and a support system needs to be in place. He said that degree completion was also important. Once the student athlete exhausts their eligibility you do not forget about them, but rather work with them until they graduate. He related that the athletic program's relationship with the faculty was also important. He felt the faculty would work with him if they felt he was doing the right things. Regent Alden urged Mr. Hamrick to consider having UNR be in the same conference as UNLV.

Regent Dondero asked whether Mr. Hamrick's comments applied to both men and women. Mr. Hamrick replied that they did. Regent Dondero asked whether the contract should be reviewed by System Counsel. General Counsel Ray replied that he and Assistant General Counsel Ayers reviewed the contract.

Regent Kirkpatrick observed that Mr. Hamrick's credentials were impeccable and that the Board was glad to have him. He related that UNR Athletic Director, Mr. Chris Ault, was also highly respected, adding that if Mr. Hamrick were half as successful, the Board would be highly pleased. He observed that President Harter and UNLV were highly criticized in the newspaper about the manner in which the search was conducted. He said there had been excellent finalists and praised President Harter, Professor Andy Fry, and the search committee for their fine work.

Regent Schofield also praised President Harter for the manner in which the search was conducted and for selecting Mr. Hamrick. He felt that Mr. Hamrick's background, philosophy, and positive attitude were major assets.

Regent Seastrand congratulated Mr. Hamrick for being selected. He asked about incentives for winning or personal appearances. President Harter replied that the incentives applied to winning academically. The bonuses for winning on the field/court are in the coaches contracts, which is why they focused on the academic incentives. Personal appearances are expected as part of Mr. Hamrick's regular obligations. Regent Seastrand stated that the Board was looking forward to Mr. Hamrick's productivity.

Regent Hill thanked Mr. Hamrick for accepting the offer. He stressed the importance for UNLV athletics to remain within NCAA compliance, adding that fiscal management should also be impeccable. He encouraged both athletic directors to approach the Board if either felt they need support to do their jobs (i.e., compliance). He also encouraged the athletic directors to notify the Board if they felt the Board was endangering the athletic programs.

Regent Howard related that she had been unable to attend any of the meetings with the candidates. She related that, while she did not know Mr. Hamrick, most of what she has heard has been good. She said that she was not contacted by anyone nor had she been asked to support his appointment. Rather than abstaining from voting, she asked if Mr. Ault knew anything about Mr. Hamrick. Mr. Ault said that President Harter was correct when she said that she had three outstanding candidates. He related that she selected the candidate with the most experience for a Division IA program. He said that Mr. Hamrick was a quality person and would be great for UNLV, adding that he was looking forward to working with him. He agreed with Mr. Hamrick's view that compliance is the most critical issue for an athletic director. He said that Mr. Hamrick was already familiar with UNLV and the community, which would assist with fundraising and generating opportunities for the students in the community. He assured the Board that Mr. Hamrick is a quality person. Regent Howard said that she looked forward to speaking with Mr. Hamrick about issues that she is concerned about.

Motion carried. Regent Sisolak was absent.

Chair Anthony welcomed Mr. Hamrick and encouraged him to meet with each of the Regents to discuss his future plans for the university.

21. Information Only-Personnel Sessions – The Board held closed personnel sessions.

21.1 Approved Moving to Closed Sessions - In compliance with NRS 241.030, closed sessions were held for purposes of discussion of the character, alleged misconduct, professional competence, or physical or mental health of certain executive employees of the UCCSN.

Regent Hill moved approval of moving to closed sessions. Regent Bandera seconded. Motion carried. Regent Sisolak was absent.

The meeting recessed 12:46 p.m. and reconvened at 2:25 p.m. with all members present except Regent Sisolak.

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

22. Approved-Handbook Revision, ICA Trade-Out Policy, UNR – The Board approved President John M. Lilley’s request for a change in Board of Regents policy (Title IV, Chapter 10, Section 21) regarding the University of Nevada, Reno’s trade-out policy. This change was in response to audit recommendations. (Ref. P on file in the Board office)

Regent Alden moved approval of the Handbook revision concerning an ICA trade-out policy for UNR. Regent Hill seconded.

Regent Kirkpatrick asked about UNLV’s policy. Chancellor Nichols replied that the policies were congruent with the changes.

Motion carried. Regent Sisolak was absent.

23. Approved-Handbook Revision, ICA Policy Change, Comp Tickets, UNR – The Board approved President John M. Lilley’s request for a change in Board of Regents’ policy (Title IV, Chapter 10, Section 22) regarding the University of Nevada, Reno’s complimentary ticket policy. This change was in response to audit recommendations. (Ref. Q on file in the Board office)

Regent Rosenberg moved approval of the Handbook revision concerning an ICA policy change regarding complimentary tickets for UNR. Regent Seastrand seconded. Motion carried. Regent Sisolak was absent.

24. Approved-Handbook Revision, Millennium Scholarship: Policy & Procedures – The Board approved revisions to the Board of Regents Handbook (Title IV, Chapter 18, Section 18) concerning Millennium Scholarship policies and procedures to comply with the provisions of Senate Bill 503 (Chapter 471, Statutes of Nevada 2003) enacted during the 2003 session of the Nevada Legislature. (Ref. R on file in the Board office)

Vice Chancellor Curry reported that SB 503 carries language which impacts Board policy (Title IV, Chapter 18, Section 18). SB 503 also provides the Board of Regents discretion for implementation of lifetime limits. More time will be required to develop a policy recommendation concerning a core curriculum for the Millennium Scholarship. Changes were made to the Nevada Revised Statutes with the intent of preserving funds for the Millennium Scholarship for as long as possible and the years during which the state can make the scholarship available. Dr. Curry provided a brief summary of the changes:

- Eligibility requirements – increase the high school GPA for initial eligibility from:
 - 3.0 to 3.1 for the graduating classes of 2005-2006;
 - 3.1 to 3.25 for the graduating classes of 2007 and beyond.
- Residency eligibility for children of parents in the U.S. Armed Forces.
- Reduction in the number of years that an eligible Millennium Scholar may utilize their scholarship from 8 to 6 years (for those who become eligible after May 1, 2003).
 - With the provision for a reduced lifetime limit, the Board was provided discretion to establish criteria for making an exception to the 6-year limitation for eligible students who serve on active duty in the Armed Forces. An exception was proposed providing that, for those students who serve on active duty, up to six years of that time will not apply to the lifetime limitation.
- Increased the requirement to maintain eligibility from 2.0 to 2.6 overall GPA (for those who become eligible after May 1, 2003).
- Increased the requirement to gain reinstatement if eligibility is lost during the term of use from 2.0 to 2.6.
- The State Treasurer shall prepare a list of all eligible Millennium Scholars for each graduation year.
- The Board of Regents has the authority to define the core curriculum that a student must complete in high school to be eligible for a Millennium Scholarship. No language was brought forward at this time, since language currently specifies that all high school credit-bearing courses accepted toward fulfilling the high school graduation requirements will be used in calculating the final GPA.
 - Dr. Curry proposed initiating a series of consultations with a broad base of constituencies including the P-16 Council, school officials, and community and parents groups.

Regent Kirkpatrick moved approval of the Handbook revision concerning Millennium Scholarship policies and procedures to comply with the provisions of Senate Bill 503 (Chapter 471, Statutes of Nevada 2003) enacted during the 2003 session of the Nevada Legislature. Regent Hill seconded.

Regent Bandera encouraged Dr. Curry to include the superintendents’ association and the school boards’ association. Dr. Curry replied that he would.

Ms. Laura Majanovich, representing the American Civil Liberties Union of Nevada, expressed concern about the impact these changes could have on the minority student population. She said it would be discussed at the next legislative session, adding that data needed to be collected. She asked the Board to conduct a study so that data will be available for the next legislative session. Dr. Curry replied that it was a good idea, adding that he would move forward on the suggestion.

Motion carried. Regent Sisolak was absent.

25. Information Only-Millennium Scholarship Residency Policies – General Counsel Tom Ray reviewed Millennium Scholarship policies and practices related to residency requirements for Millennium Scholarship eligibility. This included a discussion of applicable state and federal laws and their impact upon a resident alien’s eligibility for the Millennium Scholarship.

General Counsel Ray reported that the question focused upon whether or not undocumented aliens are eligible for the Millennium Scholarship. In order to make that determination, the statute must be analyzed to determine what is meant by the term “resident of the state of Nevada”. The Millennium Scholarship funds stem from litigation brought by a number of states against the tobacco industry. The state of Nevada participated in that litigation and received its share of the tobacco money. The governor determined that a portion of those funds should be used for the Millennium Scholarship. In 2001, the Nevada Legislature passed the Millennium Scholarship law.

General Counsel Ray stated that the Treasurer requested an Attorney General opinion regarding who makes the determination as to who is eligible under the law. The opinion was issued this week and is quite narrow. It indicated to the Treasurer that, pursuant to 396.934, the Treasurer’s role is limited to administration or management of the fund and the decision of who is eligible for the Millennium Scholarship is the role of the Board of Regents. The statute indicates that the Board shall certify who is eligible for the Millennium Scholarship.

General Counsel Ray related that the basic requirements under the statute to be eligible for the Millennium Scholarship include:

- Student must be a Nevada resident for at least 2 years;
- Student must graduate from a Nevada high school;
- Student must have a required GPA.

He explained that the statute (NRS 396.911) states that, “the legislature intended to increase the number of Nevada students to attend Nevada institutions of higher education.” It also expressed a goal to, “increase the number of residents of the state of Nevada to enroll in institutions of higher education in Nevada.” General Counsel Ray used NRS 10.155, which defines legal residence in Nevada, to determine a definition for a Nevada resident. There are two elements: (1) the individual must be physically present in the state of Nevada and (2) with the intent to indefinitely reside in Nevada. There is no requirement of citizenship to be a resident of the state of Nevada, which is difficult to reconcile with federal law. Federal law identifies who can be legally in the U.S., which is a separate issue. The states have the right to determine who are residents of a particular state. Based upon the definition of resident for Nevada law and the language of the Millennium Scholarship statute, it was General Counsel Ray’s opinion that citizenship is not required to be eligible for the Millennium Scholarship. Current Board practice has been to not inquire as to citizenship. He recommended that no action be taken and that the current practice be continued.

General Counsel Ray stated that federal law (Title VIII, United States Code 1623) provides that when making a post-secondary education benefit available to an undocumented alien on the basis of residency, the benefit must be made available to all U.S. citizens. General Counsel Ray felt that is recognition by the federal government that, even though someone is an undocumented alien, they still may be a resident of a state. He related that a question could then arise as to whether the benefit would be allowed for citizens of every state who graduate from high school, if the current practice continues. General Counsel Ray felt that would not be the case because the federal code acknowledges that this may occur and they provided an exception to that requirement. General Counsel Ray acknowledged that the statute did not expressly address undocumented aliens, but felt that since the definition of a resident did not require citizenship that when the legislature enacted this law they intended to include all residents. General Counsel Ray expressed the opinion that the Nevada law should come within the exception noted in the federal law. He recommended no action be taken and that current practice be maintained.

Chair Anthony stated that the Board would allow Millennium Scholars to attend UCCSN institutions and the legislative branch of the state would decide eligibility. General Counsel Ray observed that, if someone believed that a change should be made, it is an issue for the legislature to address and not the Board.

President Killpatrick observed that UCCSN policy held that any student who graduates from a Nevada high school is eligible to attend colleges and universities in Nevada. He felt UCCSN should educate as many people as possible as it would benefit everyone.

26. Approved-Audit Committee Recommendations - Chair Douglas Roman Hill reported the Audit Committee met August 15, 2003 and received follow-up responses for one internal audit report presented to the Committee in June 2003. Mrs. Sandi Cardinal, Director of Internal Audit, reported that the institution bank reconciliations were up-to-date. Mr. Tom Judy, Associate Vice President for Business & Finance-UNR, reported on the financial status of the University of Nevada School of Medicine Practice Plan. The net profit of the Practice Plan is \$1.3 million as of June 30, 2003. The balance on the Letter of Credit has been reduced to \$292, 000. Mr. Judy also reported on the financial status of the Fire Science Academy. He indicated that enrollment for the current fiscal year is at 20% of the annual forecast and is 44% ahead of this period last year. An updated Market Analysis and Business Plan will be presented to the committee in October. Mrs. Cardinal reported on the status of

the Legislative Counsel Bureau audit that will be performed under Assembly Bill 148. The audit has started and the auditors are currently reviewing Investments, Capital Construction, Intercollegiate Athletics, and Computer Security. The audit process is scheduled to be completed in December 2004. A report on the LCB audit will be made at each Audit Committee meeting until the audit is complete. UNLV President Carol Harter and Mr. Tony Flores, Vice President, Finance-UNLV, reported on the recent telephone investigation. Additional information will be presented at the next Audit Committee meeting. The Committee asked the Internal Audit Department to perform a follow-up audit of UNR Intercollegiate Athletics within the next six months. UNR President John Lilley was asked to prepare a plan for the next Audit Committee meeting to address the findings noted in the UNR Intercollegiate Athletics internal audit report. Regent Hill requested Board action on the following Committee recommendations:

- Internal Audit Reports – The Committee reviewed the following Internal Audit reports: (Ref. V on file in the Board office)
 - RACF Security Settings, UCCSN. (Ref. A-2 on file in the Board office)
 - Presidential Exit Audit, NSC. (Ref. A-3 on file in the Board office)
 - Intercollegiate Athletics, UNR. (Ref. A-4 on file in the Board office)
 - Intercollegiate Athletics, UNLV. (Ref. A-5 on file in the Board office)
 - Sexual Harassment Procedures Review, UNLV. (Ref. A-6 on file in the Board office)
- Audit Exception Report – The Committee reviewed the Audit Exception Report for the six-months ending June 30, 2003. (Bound Report on file in the Board office)

Regent Hill moved approval of the Committee recommendations and acceptance of the report. Regent Seastrand seconded. Motion carried. Regent Sisolak was absent.

27. Approved-Board Meeting Sites 2004 - The Board approved proposed sites for the Board of Regents' meetings in 2004. (Ref. W on file in the Board office)

January 29-30 CCSN (Las Vegas)
March 18-19 DRI (Las Vegas)
May 6-7 Mesquite (Special Board meeting*)
June 3-4 GBC (Elko)
August 19-20 TMCC (Reno)
October 14-15 UNR (Reno)
December 2-3 UNLV (Las Vegas)

*Special Board meeting scheduled for the purpose of presidential evaluations (05/06) and a Board workshop (05/07).

Regent Hill moved approval of the proposed meeting sites for 2004. Regent Rosenberg seconded.

Regent Alden suggested holding four meetings per year (1-north, 3-south) and save the System significant money.

Motion carried. Regent Alden voted no. Regent Sisolak was absent.

28. Approved-Naming of Life Transition Center, CCSN – The Board approved President Ron Remington's request to name the Life Transition Center (Charleston Campus) "The Loux Center" in recognition of Nevada's staunchest advocate for citizens with disabilities, Ms. Donny Loux. The Center will serve multiple disability groups and provide a training opportunity for Nevada's future patient care clinicians. (Ref. X on file in the Board office)

Regent Hill moved approval of the Center naming for CCSN. Regent Kirkpatrick seconded. Motion carried. Regent Sisolak was absent.

Mr. Bob Hogan, a director of one of the programs that will occupy the new Center, said that the Center would be a real asset to folks with disabilities in the south. The purpose of the Center is to provide additional services to people with brain injuries and disabilities who require rehabilitation and other services. He said that the accomplishments of the Center would pale in comparison to the accomplishments of Ms. Donny Loux, who has done so much for the disabled population of the state.

Regent Howard said that she would like to meet Ms. Loux, adding that she was very impressed with her background.

29. Approved-Acquisition of Real Property, UNR – The Board approved President John M. Lilley's request for the purchase of real property located at 895 N. Center Street, Reno, Nevada. Subject property (APN 007-183-04) is comprised of one house located on one 6,300-square foot parcel currently zoned commercial. (Ref. Y on file in the Board office)

Regent Alden moved approval of the real property acquisition (located at 895 N. Center Street, Reno, Nevada, APN 007-183-04) for UNR. Regent Hill seconded.

Regent Kirkpatrick asked whether the purchase price was within the guidelines of the appraisal. President Lilley replied that it was.

Motion carried. Regent Sisolak was absent.

30. Approved-Property Acquisition, Bishop Manogue Catholic High School, UNR – The Board approved President John M. Lilley's request to negotiate the acquisition of Bishop Manogue Catholic High School (land and improvements) in support of Title IX, gender equity in intercollegiate athletics. (Ref. Z on file in the Board office)

Regent Alden moved approval of the acquisition of the Bishop Manogue Catholic High School property for UNR. Regent Rosenberg seconded.

Regent Howard thanked President Lilley and Mr. Ault for answering her questions about this item satisfactorily.

Regent Kirkpatrick said that he did not appreciate the manner in which the \$5 million was appropriated, adding that he felt the Board should have had the opportunity to decide how the money was spent.

Motion carried. Regent Sisolak was absent.

31. Approved-Liquidation of Unrestricted Quasi-Endowment Acct. #2675-319-9681, UNLV – The Board approved President Carol C. Harter's request for liquidation of an unrestricted endowment, pursuant to the Board of Regents Handbook (Title IV, Chapter 10, Section 4). (Ref. U on file in the Board office)

President Harter reported that UNLV was asked to contribute \$25 million in the last legislative session toward the \$75 million Science & Engineering building. UNLV has created a number of methods for accomplishing that task, including some very significant private fundraising as well as some institutional sources. She asked that UNLV be allowed to convert this quasi-endowment fund toward UNLV's contribution for the Science & Engineering building. The fund previously produced income for scholarships. UNLV has found a substitute source of funding to continue those scholarships.

Regent Hill expressed concern for converting scholarship money into capital funds. He suggested bringing the item back to the next meeting due to the lateness of the day. President Harter replied that it could not be addressed later due to bonding requirements. She explained that in 1982, the Board created this endowment to support future programs at UNLV, not specifically scholarships. The fund has been used for scholarships. UNLV is requesting permission for the use of those funds.

Regent Hill left the meeting.

Vice President Tony Flores confirmed President Harter's statement, adding that the fund was established to support future programs. When discussing liquidation of the account, UNLV determined that surplus funds from summer sessions could be used for the scholarships.

Regent Seastrand moved approval of the liquidation of an unrestricted quasi-endowment (Acct. #2675-319-9681) for UNLV. Regent Rosenberg seconded.

Regent Seastrand asked about the impact to summer school. Mr. Flores replied that the summer session programs typically generate surpluses which can be used for multiple purposes (i.e., faculty development, out-of-state travel, new startup packages for faculty with computers). He related that UNLV would use the summer session surplus funds for an additional purpose (scholarships). Regent Seastrand asked whether any other use of funds would be jeopardized by liquidating this account. Mr. Flores replied that the funds were invested with the true endowment. Regent Seastrand asked whether the action would have an effect on summer school programs or the expansion of summer school programs. Mr. Flores replied that they had not foreseen any problems.

Regent Kirkpatrick asked about a memo from Regent Hill requesting additional information on this (a copy was provided). He was disturbed that the money had been made on the backs of the UNLV faculty teaching summer school. UNLV raised summer school fees but did not pay faculty any more to teach the class. Later, the university increased the number of students needed to "make" a class and still did not increase faculty pay. The director of the summer studies at that time was trying to impress his superiors by the amount of money he could accumulate. Those accumulated funds were used as discretionary funds by the president. The funds were also to be used for research and faculty travel. He acknowledged that some of it was used for those purposes. He was bothered that the fund would now be used for another purpose, adding that he would vote against the motion.

Regent Rosenberg stated that the summer session was self-supporting, which eliminated the need for a certain number of students to "make" a class. Regent Kirkpatrick said that minimum numbers had been set. Regent Rosenberg explained that by not raising faculty salaries during summer session it provided the necessary cushion that would allow smaller class sizes. Regent Kirkpatrick said that he had a different recollection.

Regent Seastrand asked whether there were any expectations on campus for this money. President Harter replied there were none to her knowledge. In 1994, when Governor Guinn was president of UNLV, he was concerned that this money should be used for broad university purposes and removed control of the money from the Office of Summer Programs to the Office of the Provost specifically to expand its possible usage. UNLV has been holding it and using it for scholarships. Other summer school overages will be used for the scholarships. She said it was a wonderful addition to a faculty-driven project (the Science & Engineering building).

Regent Whipple established that the money was set aside for scholarships for summer school. President Harter agreed. She said the summer school program was doing well, producing an overage that could be used for those scholarships. Regent Whipple asked about the amount of overage. President Harter replied that UNLV was trying to generate enough money in summer school to pay the faculty well and to fund out-of-state travel for faculty and staff. The program generates over \$1 million. She said those funds could be used as discretionary funding for institutional support. Regent Whipple asked whether President Harter anticipated any of the scholarships to be reduced as a result of this action. President Harter replied that she did not.

Regent Schofield said that he taught an aerospace class at UNLV every summer for 30 years. Around the fifteenth year, a requirement was instituted for 20 students to “make” a class. He indicated his support for the motion.

Regent Kirkpatrick said that it was the general belief among the faculty that the summer school director was building up funds to impress his boss. Faculty argued and fought with him to pay the faculty better. He was not happy that he helped generate the \$1 million that would now be used for capital expenditure. President Harter said that the university president moved the money out of the more narrowly construed area of control into the Provost’s Office in order to have a broader and more holistic approach for its use to benefit the entire university and academic program. She felt that using the funds for a faculty building was within the spirit of faculty interests.

Regent Alden felt the money should be used for operating and not for capital. He did not feel that it benefits the entire university and indicated he would not support the motion.

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

32. Information Only-UCCSN Values Statement & Goals – The Board continued the discussion from its June 20th workshop on developing a values statement for the UCCSN and revising the goals of the UCCSN Master Plan. The results of the Board’s discussion will be circulated to the UCCSN institutions and the general public for comment prior to future Board action. (Ref. S on file in the Board office)

Chair Anthony related that the Board had reviewed the six goals during their June workshop. He said that this was an opportunity to discuss the goals and fine tune them.

Regents Alden and Kirkpatrick left the meeting.

Following that, the Chancellor will bring recommendations to a future meeting. He related that a values statement was important to him. He observed that the System does not have a values statement. He felt that developing one was absolutely necessary, adding that the core values drive Board members, presidents, faculty, administrators, the Chancellor’s office, and the most menial tasks. He noted that examples from other institutions/businesses had been provided. He said that the values should be limited to 1-3 words and should communicate the core values; the items we need to constantly remember (i.e., integrity, courage, accountability, respect for people, and excellence). He said that he was looking for something along those lines and that he would like the values statement displayed in every single room in every single institution so people are constantly looking at and thinking about them.

Regent Kirkpatrick entered the meeting.

Chancellor Nichols then asked the Board to affirm the discussion it had at the retreat concerning the addition and reordering of the Master Plan Goals. Once the Board has preliminarily approved the goals, she wanted to distribute them to the campuses, receive input from the campuses, and bring the feedback to the Board’s October meeting for final action. The goals were:

- Quality Education – moved up from second goal.
- A Student Friendly System – the higher education system in Nevada will create a welcoming, respectful environment where all students have the opportunity to succeed.
- Opportunity and Accessible Education for All – combination of goals 3 and 4. Nevada’s System of higher education will increase the overall participation and success of Nevadans enrolling at all levels of higher education and in all ethnic groups, and will address the unique educational needs of a highly diverse and non-traditional population.
- A Prosperous Economy – moved from first goal.

- National Reputation – Nevada’s institutions of higher education will increase their national, regional, and statewide reputation based on targeted, outstanding, innovative programs and other accomplishments.
- Building Quality of Life – remains the same.
- P-16 Education – moved from the fifth goal.

Chair Anthony asked for suggestions to be submitted to the Chancellor. Regent Derby agreed with the process.

Chair Anthony asked for comments from the presidents, faculty senate, and students. Ms. Jessica Muehlberg, UNR-GSA student body president, asked that copies be distributed to the students. Chancellor Nichols explained that System Administration was seeking Board input prior to distributing copies to the campuses.

Regent Whipple noted that a few Regents were absent and asked that the information be provided to them as well.

President Wells suggested “student centered” in place of “student friendly”.

Chancellor Nichols suggested that participants offer key words for the proposed values statement.

Keywords for Proposed Values Statement:

Integrity Innovative
 Equality Critical Thinking
 Responsive Personal Development
 Inclusive or Open Solvent
 Visionary Professional Development
 Friendly Courtesy
 Quality Proactive
 Excellence Self-empowering
 Positive Civility
 Accountability Sensitivity
 Accessibility Conscientious
 Responsibility Continually Improving
 Respect for all People Technically Advanced
 National Recognition Collaboration
 Ethical Decision-Making Team Players
 Encourage Analytical Thinking Recognition
 Responsible Citizenship Appreciation
 Honesty Caring
 Student Success Informative
 Creative
 Adaptable

Chair Anthony related that the list would be pared down to no more than ten words in an attempt to arrive at a number of values that people can remember.

Regent Derby said that many values statements are not just a list of words. She hoped the words would be put in the context of something broader. She asked whether it would just be a list of six words, which would be unlike any values statement she had seen for higher education. She suggested core words in statements. Chair Anthony said that he was looking for just a word that people can understand with no explanation necessary. He did not object to providing an explanation. He felt that the wordier the values statements were, the less chance they would be remembered. Regent Derby asked whether they were looking for a list of core values or a values statement. Chair Anthony replied that it would be a list of core values.

Chancellor Nichols said that System staff would attempt to consolidate, prioritize and return to the Board in October, prior to sending the list to the campuses. She clarified the purpose. She heard Chair Anthony say at the workshop that we want something on the wall for everyone (O&M, physical plant employees, faculty, students, student services, administrators, classified staff, police officers), to see, relate to, and understand that fit with their duties. She related that it had more to do with the environment being created than it did with goals being set. Chair Anthony agreed with her assessment.

Regent Schofield said that he understood it to be a tool that could be used on all levels (i.e., athletics, academics, recruitment) that would communicate the System’s values. Chair Anthony related the Chancellor would bring back recommendations for the next meeting.

33. Approved-Parking Structure Planning Guidelines - In response to the Board’s request at the May 8-9, 2003 meeting, Mr. John Amend, Director of Facilities Planning, reviewed recommended planning guidelines for future campus parking structures. The Board approved the recommendations from staff. (Ref. T on file in the Board office)

Mr. Amend related that staff was asked to develop guidelines for planning parking structures due to tremendous campus growth, high demand for parking, and the valuable property. He reviewed the practices of neighboring institutions. Arizona State has 18,000 parking spaces; 39% of the vehicles are parked in parking structures. By 2011, they will park almost 70% in their parking structures, though they will not increase the number of parking spaces. During that time, they will build over five new structures at approximately \$10,000/space, which is similar to UNR's projected costs. He then reviewed several California institutions. Cal State Northridge just completed a parking garage at the same approximated cost of \$10,000/space. Cal State Sacramento installed 1,000 spaces at \$8,300/space. UCLA's parking structure is underground. It provides 2,750 spaces for \$23,000/space. UNR, like UCLA, employs a Transportation Demand Management Program. In 1990, UCLA made a commitment not to add parking to the campus. He reported that mass transit and other modes of travel were being used to get students, faculty, and staff to campus.

Mr. Amend reviewed UNR's Brian J. Whalen Parking Structure, the Sierra Street structure for the residence halls, and future plans for another 600-space structure on Evans Avenue. UNR's Transportation Demand Management Program was implemented in 2001 as part of a 5-year campus parking plan. Methods employed to mitigate parking problems include car pools, subsidizing bus passes, and work with the Reno Transportation Center to improve bus usage and bus accessibility to the campus. A shuttle service is also provided to an apartment complex 1 mile from campus in an effort to discourage those students from parking on campus.

Mr. Amend reported that UNLV conducted a study on maximizing surface parking on campus. A new parking garage was completed in December 2001 (1,600 spaces). Their master plan addresses plans to manage future parking issues besides the addition of 3-4 new parking structures.

Mr. Amend reported there were three primary planning factors:

- Quantity – How big and how many spaces?
- Quality – How will it operate? What will it look like? How convenient will it be?
- Cost.

Mr. Amend reported that CCSN's 10-year capital outlook identifies the need to construct parking structures on all three campuses by 2011. TMCC and DRI will need to address parking needs at the Dandini campus in the near future. WNCC-Douglas Campus wants to provide more parking spaces.

Mr. Amend reported there were selected planning factors to consider as well including: the demand, building codes, site access.

Mr. Amend proposed the following guidelines:

- Ensure the proposed parking structure is part of the institution's master plan.
- Ensure each campus has a transportation and parking master plan that is part of the overall master plan.
- Ensure the institutions retain consultants with the expertise in planning, design, and construction.
- Ensure that campus capital planning and parking committees are represented in the planning process.
- The Chief Financial Officer is a key representative in the planning process.
- Requests for Board approval include:
 - A justification;
 - The design parameters;
 - A thorough financial analysis;
 - Sensitivity or cost-benefit analysis.

Chair Anthony asked whether System institutions were currently in compliance with the proposed guidelines. Mr. Amend replied that the two campuses with parking structures had done an excellent job in performing their due diligence. This presentation was a means of documenting the requirements.

Regent Rosenberg was amazed at the difference in price between above and below ground parking. Mr. Amend replied there were many factors, including building code requirements such as ventilation.

Regent Bandera thanked Mr. Amend for his presentation. She observed that the request came from a lengthy discussion regarding some technical aspects of the last parking facility. The Board had an interest in having guidelines.

Regent Bandera moved acceptance of the report and adoption of the recommended guidelines as presented. Regent Rosenberg seconded. Motion carried. Regents Alden, Hill, and Sisolak were absent.

34. New Business – None.

The meeting adjourned at 3:54 p.m.

Suzanne Ernst
Chief Administrative Officer to the Board