

**BOARD OF REGENTS**  
**UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA**  
**Room C-133, Building C**  
**Community College of Southern Nevada**  
**700 College Parkway, Henderson**  
**Thursday-Friday, January 29-30, 2004**

**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  
Interim President Paul Gianini Jr., 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; Dr. Alan Gertler, DRI; Dr. Frank Daniels, GBC; Dr. Erika Beck, NSC; Ms. Bridgett Boulton, TMCC; Dr. John Readence, UNLV; Dr. Trudy Larson, UNR; Mr. Rick Van Ausdal, WNCC; Mr. John Tully, System Administration. Student government leaders present included Ms. Evelyn Flores, CCSN; Mr. Steve Houk, GBC; Ms. Janell Mihelic, NSC; Mr. Teddy Noda, TMCC; Ms. Monica Moradkhan, UNLV; Ms. Jocelina Santos, UNLV-GPSA; Mr. Chul Hwan Yim, UNR; Ms. Jessica Muehlberg, UNR-GSA, and Mr. Billy Jennings, WNCC.

Chair Stavros Anthony called the meeting to order at 12:59 p.m. on Thursday, January 29, 2004 with all members present except Regents Alden, Howard, and Sisolak.

Pastor Bill Hoshauer offered the invocation.

**1. Introductions** – Chair Anthony introduced Dr. Paul Gianini Jr., Interim President, CCSN.

Regents Alden, Howard, and Sisolak entered the meeting.

Regent Sisolak introduced State Senator Randolph Townsend.

**2. Chair's Report** - Chair Stavros Anthony discussed accomplishments from 2003. He noted that Regents Alden and Derby had served another distinguished year in senior Board membership. He observed that four freshman Regents had joined the Board: Regents Anthony, Bandera, Schofield, and Whipple. Chair Anthony said that he was proud to serve on the Board, adding that he had learned much in the past year. He noted that while the Board had faced some challenges, there were also many accomplishments. He called attention to the Regents Review, which highlighted some of the accomplishments, including:

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Benefits for those serving our country and the family of those killed in action - The Board extended its policy for awarding scholarships and fee waivers to surviving family members of those killed in the line of duty while serving our country. Awards were issued for those who lost their lives in Afghanistan and Iraq.

- Fee waivers for Nevada National Guardsmen were granted in recognition of the sacrifices made as citizen soldiers.
- Aid to professional staff called to duty – UCCSN covered differences between military and UCCSN pay for those professional staff called to duty in the past year.
- Improved the work environment – The Board:
  - Strengthened the nepotism policy by creating uniformity among the campuses.
  - Passed a strict, standardized sexual harassment policy.
  - Provided health insurance for graduate assistants.
- New facilities included:
  - Frank H. Rogers Science & Technology Building – DRI.
  - Jack C. Davis Observatory – WNCC.
  - Nell J. Redfield Foundation Performing Arts Center – TMCC.
  - Lights installed at Mackay Stadium – UNR.
  - Working on a Science, Engineering & Technology building – UNLV.
  - Groundbreaking for Morse Arberry Jr Telecommunications Building - CCSN.
- Increased student access – The Board approved the creation of a web-based Academic Program Information System, enabling students to use the power of the internet to find critical information about programs on every campus.
- K-12 poster - 133,000 posters printed in English and Spanish were distributed in an effort to get more information to middle and high school students regarding the importance of higher education.
- Common course numbering – A Board-established committee has been working to create a uniform numbering system throughout UCCSN for all baccalaureate degree courses.

Chair Anthony completed his report by stating that he was confident the Board would enjoy a productive 2004.

**3. Presidents' Reports** - Each UCCSN president presented a progress report on their institution's activities over the past year to meet the targets for Master Plan goal one, A Prosperous Economy, and their plans for continuing to meet this goal in the next year (Ref. A on file in the Board office).

President Paul Killpatrick, GBC – President Killpatrick reported that GBC serves its region in responding to workforce needs by preparing teachers, providing training for the mining industry, responding to the community's health related needs, and providing regionally bound students with the opportunity to pursue baccalaureate degrees. Delivery of distance education provides rural students wishing to remain in their community the opportunity to pursue a baccalaureate degree. The college has established successful partnerships with local businesses in rural Nevada to provide specialized training to those impacted by the changing economic conditions. GBC is actively involved with community groups such as the Elko County Economic Diversification Authority, Job Opportunities in Nevada, Elko Chamber of Commerce, Elko Convention and Visitors Authority, and Nevada Job Link to promote the economic retention of current businesses and increase economic diversification in rural communities. In partnership with the region's economic development authorities, the Small Business Development Centers, and the chambers of commerce, GBC is conducting a study to determine the feasibility of establishing business incubator programs in Elko, Ely, and Winnemucca. GBC's Manpower Training Cooperative, Inc. initially started from an earlier partnership the college had with Newmont Mining Company. It provided evidence that mining companies and mining support businesses could benefit from workforce training programs. The program has expanded and currently offers accelerated one-year associate of applied science degree programs in Diesel Technology, Electrical/Instrumentation Technology, and Welding Technology. The MTC program has trained over 1,000 people and approximately 85% entered the workforce within three months of graduation. The college has also expanded its programs to high schools in the service area through articulation agreements.

Interim President Paul Gianini Jr., CCSN – President Gianini reported that CCSN is helping achieve this goal through:

- (1) educational programs that focus on state needs and critical shortages;
- (2) increasing community partnerships and collaborations; and
- (3) enhancing workforce development in sectors with high growth potential.

The community college's role in supporting economic development involves building qualified work forces, so new and "clean" industries will want to relocate to Nevada bringing high-wage and high-skill jobs, as well as helping to expand those industries already here. Dr. Gianini felt it was the college's responsibility to recognize that their student body is changing, with older and more sophisticated students demanding traditional courses and programs at non-traditional times. Colleges need a broad approach to economic development by utilizing every delivery system available (credit, continuing education, seminars, and conferences). Students attend to prepare for a job or update their skills to keep a job that will help them support themselves financially, which will enhance their well-being and ability to lead a higher quality of life, which will support the economic development of their communities. He said the college needs to define the support of economic development not just as a process of serving the business community through continuing education courses, but as a responsibility of the entire college to help students obtain their desired results by filling in the gaps between what they want and what the college can provide, and customizing those offerings to the clients' needs. CCSN is well on its way to meeting the Nevada legislature's and Board's mandate to double the enrollment of nursing candidates to overcome the state's shortage of medical caregivers. CCSN's Engineering Technology Program, skilled workforce training and the cutting edge telecommunications facility under construction helped the Nevada Development Authority attract Genesi USA. Other engineering technology partnerships have been developed with Sprint, the Federal Aviation Administration, Bechtel Nevada, Nellis Air Force Base, Red Rock Communications, Nevada Power, the Las Vegas Valley Water District, and the City of North Las Vegas. Cisco Systems, International Gaming Technology, and Bally Gaming have donated funds or equipment to the college. This Spring, CCSN embarks on a dual joint initiative with Nevada State College and UNLV offering creative 2+2 programs designed to increase the number of trained new teachers for southern Nevada elementary schools. In the past two years, CCSN's automotive programs have grown 54% to 800 students. General Motors alone donated \$200,000 in vehicles and equipment to the program last year. Corporate partnerships include GM, Ford, and AC Delco programs, Toyota, and Chrysler. Local partnerships include Derek Daly racing academy, Ted Wiens Tire and Auto, and Pep Boys. CCSN's ACT Center provides testing for licensure or certification before employment in skilled fields such as social workers, dietitians, and nuclear medicine, with 1,000 people receiving testing since last July. The Center also provides training and testing for Ethel M Chocolates, Bombardier Transportation, and Nevada Power's Reid and Clark stations. As part of CCSN's continuing education division, the Institute for Business and Industry contracts with employers for services provided through its Corporate and Customized Training, Business Resource Center, Center for Professional Advancement and Development, Computer and Technology Center, Manufacturing Assistance Partnership, and Language Center. Nearly 10,000 people were trained in 2003. During the past six months, CCSN delivered 129 programs on site to Sierra Health Services and registered 1,650 participants. Nevada State Bank just completed a series of management classes at CCSN and the City of Henderson has expanded IBI offerings to city employees. Train Employees Now (TEN) is a state economic development program that subsidizes start-up training costs as an incentive for companies relocating or expanding in Nevada. IBI works with the Nevada Commission on Economic Development to provide training to new or expanding companies. IBI contracts with all but two area hospitals to provide advance emergency medicine classes for attending and staff physicians and nurses. Dr. Gianini concluded his report by stating that CCSN is in a solid partnership with business to develop and sustain a strong, dynamic, knowledge-based economy for Nevada.

President Kerry Romesburg, NSC – President Romesburg reported that two areas of critical need in Nevada are nursing and teacher education. These two programs are the cornerstones of the Nevada State College curriculum. The college currently has 82 nursing majors, over 200 students in pre-nursing, and over 150 students in teacher education and pre-teacher education. In partnership with WNCC and CCSN, NSC offers a 2+2 program in teacher education on the Fallon and Charleston campuses respectively.

NSC is also partnering with TMCC and the Reno Police Department in offering a four-year public administration degree with emphasis in law enforcement in Reno, and partnering with CCSN to offer a similar program in Pahrump. The college continues to develop programs in visual media and computing, business, and applied technology. Recruitment efforts have been wide ranging, but a concerted effort is being made to recruit and assist students from underserved areas and populations.

Regent Howard asked whether NSC's students were from the Las Vegas area and whether distance education/online courses were also offered. President Romesburg replied that NSC offered some distance education, as well as some online courses. He reported that the majority of NSC's enrollment was from the Las Vegas valley, adding that 60% of the enrollments came from outside of Henderson. Less than 5% of the enrollments were in distance education. Regent Howard asked whether he planned to partner with the other institutions using distance education or whether he planned to recruit from those areas. President Romesburg replied that NSC would have an onsite presence in partnering with the institutions and would contract with their faculty to teach NSC's curriculum. NSC will not be sending its faculty around the state. Regent Howard asked whether NSC offered classes on other institution campuses. President Romesburg replied that they did. Regent Howard said that she did not recall that item coming before the Board for approval. She asked whether it had been handled by the ARSA Committee. President Romesburg replied that it had been. He said that a formal written agreement had

not yet been established. Regent Howard said that she supported 2+2 programs, adding that she had an issue with this because she recalled former President Moore had tried to do the same thing and met with opposition. She said she did not know whether it was appropriate to be offering NSC courses on other institution's campuses. She asked whether any other institutions did this. Chair Anthony said the conversation was off-track. He offered to provide information to Regent Howard about the decisions that have been made, adding that it could be discussed at another time. Regent Howard said that she wanted an answer to her question. President Romesburg replied that UNLV has a similar arrangement with CCSN's Cheyenne campus, while NSC offers courses on the Charleston campus.

President Stephen Wells, DRI – President Wells reported that the research institutions contribute to Nevada's economy in a variety of ways. DRI directly contributes to Nevada's dynamic economy through a variety of effective strategies including (1) growth in research activity, (2) implementation of programs that save money as well as protect and preserve resources, and (3) development of new technologies. DRI research attracted more than \$28 million to Nevada in FY03, with more than 90% of this revenue coming from federal and commercial sponsors outside the state. Using the standard 2.4 economic multiplier, this translates to an economic impact on Nevada's economy of nearly \$68 million for FY03. These funds directly benefit production, employment, and income in the state. The FY03 annual total represents an increase of \$8.3 million (41%) since FY99. Dr. John Watson, an air quality scientist who joined DRI in 1982, has contributed more than \$40 million in research grants and contracts to Nevada. He leads the Southern Nevada Air Quality Study, which is helping to meet air quality standards and ensure continued federal funding of highways in southern Nevada. Since the creation of DRI's integrated science centers (CALEM and CWES in 1999 and CERM in 2003), the centers have generated more than \$12 million in research awards and obligated funding. DRI's weather modification program continues to enhance water supplies in mountain ranges throughout the state. Nevada's program focuses on winter cloud seeding and yielded an estimated 86,400 acre-feet of water in mountain snowpacks last year. An acre-foot provides a year's worth of water for a family of four. Lake Tahoe tourism is a major industry with more than two million visitors each year and an estimated economic impact of more than \$1.6 billion (1997). DRI has developed a novel precipitation gauge in collaboration with the University Corporation for Atmospheric Research in Colorado that has now been licensed for manufacture. The unique rain gauge will be used along airport runways and busy highways to track weather conditions and help ensure the safety of travelers. UNR and DRI established a new Technology Transfer Office to meet the technology transfer needs of both institutions.

**4. Public Comment** – Chair Anthony said that public comment would also be taken separately for the residency issue.

UNR student senator, Mr. Travis Hoppe, reported on the Student Evaluations Act, which seeks to make official student-teacher evaluations public record with the intent of increasing public awareness about the quality of education provided. Mr. Hoppe related that some quality educators never receive proper recognition for their teaching achievements, while other teachers are ineffective. He said the evaluations reveal legitimate student concerns and felt that students and instructors would both benefit from making the records public. He said the Act required no monetary obligation. Provisions allow the institutions to charge a fee for providing such copies.

Regent Sisolak asked whether Mr. Hoppe had discussed this with the faculty senate. Dr. Trudy Larson, Faculty Senate Chair-UNR, replied that the faculty was very proud of the entrepreneurial spirit expressed, but disagreed with having their personnel records released to students. She said that faculty encouraged retaining student input regarding teachers, but they desire a system not involving the publicizing of faculty personnel records.

Regent Derby said that feedback was very valuable for teachers. She questioned Dr. Larson's comment about the personnel records. Mr. Hoppe explained that student-teacher evaluations were currently filed in the instructors' personnel files. Mr. Hoppe explained that a proposed change to the Handbook could address that issue.

Regent Hill asked whether other institutions followed this practice and how it was handled. He also asked how legal issues regarding personnel matters at other institutions were handled. He said that faculty, students and the Board should consider providing the information in an official manner rather than having students doing it unofficially. Chair Anthony said the issue would be included on a future ARSA agenda.

Regent Rosenberg reported there are a number of websites available for rating professors, adding that it was a humbling experience to read student evaluations. He agreed with making the evaluations public if they could be separated from the personnel records.

UNLV student, Ms. Ruby Watson, reported that she plans to graduate in December. A non-traditional student, Ms. Watson returned to college following a 20-year absence with a 3.275 GPA from southern California. In her second semester, she was involved in two automobile accidents. As a result, she was unable to complete some of her classes. She said that she had not been informed that UNLV allows students only 6 months to complete an incomplete grade. She was under the mistaken impression that she had one year in which to complete an incomplete grade. Her requests to withdraw were denied, which negatively impacted her GPA, which dropped below the minimum level required to graduate. Upon pleading her case at the Provost's office, two of her incomplete grades were changed to F's, further negatively impacting her GPA. Ms. Watson said that she had intended to attend law school, but is now unable to enter because her GPA is too low. She asked the Board to please review her case. She reported that her daughter's incomplete grades were forgiven at CCSN.

Regent Alden said the Board should assist Ms. Watson, adding that he felt she would make a great lawyer.

Regent Howard recalled Ms. Watson's previous appearance before the Board regarding this situation and asked President Harter for an explanation. President Harter replied that this case underwent an extremely vigorous and lengthy review.

General Counsel Ray said that a student's grades/records could not be discussed in public, adding that he was very concerned about violating FERPA requirements. Regent Howard noted a point of order, stating that so long as Ms. Watson was present and felt comfortable discussing her own grades, Regent Howard felt that was all that was important. Regent Howard observed that Ms. Watson had made her grades public. Regent Howard said that she would appreciate permission to discuss this matter. Ms. Watson stated that she did not object. Regent Howard said that she did not want to stonewall this issue. She asked what problem there was when Ms. Watson was present to discuss her own records. General Counsel Ray said that Ms. Watson had the right to discuss her own records, noting that the Board could not control what was discussed during public comment. He emphasized that it was important to understand what the Board can or cannot do. He said he would prefer to have a signed, written waiver prior to any discussion. He said that if Ms. Watson wished to state on the record that she understood her rights pursuant to FERPA and that she was willing to waive those rights, he would accept it.

Regent Howard asked Ms. Watson to put a statement in writing. Ms. Watson agreed to do so.

President Harter replied that Ms. Watson's case underwent an extremely vigorous review, involving UNLV's Faculty Senate Academic Standards Committee. She said the committee and the Associate Provost reviewed the matter at length. She related that UNLV administration would not override a decision from this committee.

Chair Anthony asked whether Ms. Watson's appeal had included consideration of a more recent set of (better) grades. Ms. Watson replied the faculty senate had only considered one grade (an "F"). After receiving the committee's decision, Ms. Watson was told to speak with the Provost's office. Dr. Cloud, Associate Provost, Academic Affairs-UNLV, changed an incomplete grade to an "F" and entered what Ms. Watson felt was a false statement as to the entry date into the Registrar's record. Ms. Watson reported that she made the dean's list following this incident, but the two "F's" were preventing her from applying to law school. Regent Howard asked whether Ms. Watson had shared her medical records with UNLV. Ms. Watson replied that she had not, but her lawyer sent a letter asking UNLV to reverse the "F" given by Dr. Cloud. Chair Anthony asked whether another appeal could be considered. President Harter agreed one could be done following a thorough review. She noted there were two separate issues; Ms. Watson's current status as a student and her admission into the Boyd School of Law. President Harter related that Ms. Watson has the right to apply, adding that she would be valued with all of the students who apply. She related that many factors were considered in addition to GPA. Regent Howard said that Ms. Watson understood that the law school process was different. She was disturbed about the Provost's office changing a grade from an incomplete to an "F". President Harter said she would like to get the facts first. Chair Anthony suggested going through the appeal process and an investigation. Regent Howard felt there should be an investigation regarding what really happened. President Harter assured Regent Howard it would be done. Regent Howard said an investigation was necessary to discover whether this happened. She said this was not the first incidence she had heard about. She said that someone should be held accountable if Ms. Watson was provided misinformation about the time she had to make up a grade. She asked Ms. Watson the name of the individual who provided the information about having one year. Ms. Watson replied that the manual states that students are required to complete the grade by the following semester (6 months). She claimed that some teachers allow students one year. She acknowledged that she also had been given one year to make up a grade, after a fight. Regent Howard said that exceptions were permitted for medical conditions. She asked whether Ms. Watson's medical records indicated a medical condition. Ms. Watson replied that she had medical records dating back to 1989, adding that she was also legally disabled. Regent Howard asked who handled Ms. Watson's case. Ms. Watson said she initially went to the faculty senate, but could not recall the woman's name. She was referred by Dr. Rasmussen (psychology department). Ms. Watson's appeal was denied within two days. Regent Howard said that she was glad Ms. Watson had an opportunity to express her concerns during Public Comment and thanked Ms. Watson for coming forward. Ms. Watson said the law school's criteria required a 3.0 GPA in order to apply.

Chair Anthony encouraged President Harter to initiate a review process as expeditiously as possible and to provide a copy of the resolution to the Board.

**5. Approved-Consent Agenda** – The Board approved the Consent Agenda with the exception of #1 (Minutes), #4 (Science Building Build-Out, CCSN), #7 (Fire Science Academy Agreement, Contractual Services with National Fire Academy of Chile, UNR) and #9 (License Agreement, UNR), which were approved separately:

Chancellor Nichols asked that item #9 (License Agreement, UNR) be considered separately due to the receipt of new information about the agreement's value. Chair Anthony asked if there were any objections. No objections noted.

Regent Sisolak asked that items #4 (Science Building Build-Out, CCSN) and #7 (Fire Science Academy Agreement, Contractual Services with National Fire Academy of Chile, UNR) be considered separately. Chair Anthony asked if there were any objections. No objections noted.

Regent Kirkpatrick asked whether it was normal for the Board to approve minutes from periodic presidential evaluation committees. Ms. Ernst explained that, in order to ensure that the final minutes from an ad hoc committee's final meeting were approved, she included them on the Consent Agenda.

Regent Sisolak asked that item #1 (Minutes) be considered separately. No objections noted.

(2) Approved-Minutes – The Board approved the minutes from the Periodic Presidential Evaluation Committee meetings held November 5, 6, and 7, 2003.

(3) Approved-R.C. Fuson Endowment, UNR – The Board approved, pursuant to requirements of the R.C. Fuson Charitable Remainder Trusts E, F, & G, President John Lilley's request for the Board of Regents to direct the Trustee to terminate said annuity trusts and deliver the assets to the Board of Regents of the University and Community College System of Nevada, and create a permanent R.C. Fuson Endowment fund for the benefit of the Department of Chemistry at UNR (Ref. C-3 on file in the Board office).

(5) Approved-Student Center Cafeteria, TMCC – The Board approved President Philip Ringle's request to use \$600,000 in Capital Improvement Fee funds to build out and equip a new cafeteria in the V. James Eardley Student Center Building (Ref. C-5 on file in the Board office).

(6) Approved-Dedication of City Streets Mt. Bullion and Cocoa Avenue, Stead, Nevada, to City of Reno, Nevada, UNR – The Board approved President John Lilley's request to dedicate university owned property (Mt. Bullion Street and Cocoa Avenue in Stead, Nevada) to the City of Reno to facilitate the parceling of university owned land to be marketed for sale (Ref. C-6 on file in the Board office).

(8) Approved-Grant of Communications Facility Easement, UNR – The Board approved President John Lilley's request for a Grant of Communications Facility Easement between the Board of Regents of the University and Community College System of Nevada (Grantor), and Nevada Bell Telephone Company, d/b/a SBC Nevada (Grantee) (Ref.C-8 on file in the Board office).

Regent Sisolak moved approval of the Consent Agenda with the exception of #1 (Minutes), #4 (Science Building Build-Out, CCSN), #7 (Fire Science Academy Agreement, Contractual Services with National Fire Academy of Chile, UNR) and #9 (License Agreement, UNR). Regent Bandera seconded. Motion carried. Regent Rosenberg abstained.

(1) Approved-Minutes – The Board approved the corrected minutes for the August 14-15, 2003 meeting, the minutes from the special meeting held November 17 and 20, 2003, and the regular meeting held December 11-12, 2003.

Regent Sisolak asked what exactly the Board was approving concerning the Closed Session held in November. General Counsel Ray replied that the Board was approving the minutes prepared by Board staff as was done with any Board meeting. He said it was necessary in order to complete an official record of the occurrences. He said that, in this case, the court would rely upon the official minutes. He said it was important for the Board to act, clarifying that their vote merely signified that those minutes represented the record of what occurred at that time. Regent Sisolak asked where those minutes were. Regent Kirkpatrick said that the Board had received the minutes. Regent Sisolak said they were not in the document under consideration. General Counsel Ray said that they should be part of the Board packet. Chair Anthony and Vice Chair Bandera indicated they had received a copy. Regent Sisolak said that he had not read them, adding that he would not vote.

Regent Bandera moved approval of the corrected minutes for the August 14-15, 2003 meeting, the minutes from the special meeting held November 17 and 20, 2003, and the regular meeting held December 11-12, 2003. Regent Derby seconded. Motion carried. Regents Howard, Rosenberg and Sisolak abstained.

(4) Approved-Science Building Build-Out, CCSN – The Board approved Interim President Paul Gianini Jr.'s request to utilize \$1.2 million of Capital Improvement Fee funds to complete the construction of the Charleston Campus Science Building. The request was made pursuant to Board policy (Title IV, Chapter 10, Section 12, Paragraph 4.b.), which allows for Capital Improvement Fee funding to be utilized to supplement a capital project that has been approved by the Nevada State Legislature (Ref. C-4 on file in the Board office).

Regent Sisolak asked whether private funding had been depleted on this building. Vice President, Finance & Administration-CCSN, Ms. Patty Charlton, replied that funding for the science building was appropriated by the state legislature. Part of the funding for the original design of a \$35+ million facility was to come from an application to the Reynolds Foundation. Since that venture was not successful, construction was scaled back. She requested authorization to spend \$1.2 million in Capital Improvement Fee funds to complete the offices and classrooms.

(4) Approved-Science Building Build-Out, CCSN – (Cont'd.)

Regent Sisolak moved approval for CCSN to utilize \$1.2 million (Capital Improvement Fee funds) to complete construction of the Charleston Campus Science Building. Regent Bandera seconded. Motion carried. Regent Rosenberg abstained.

(7) Approved-Fire Science Academy Agreement, Contractual Services with National Fire Academy of Chile, UNR – The Board approved President John Lilley's request for an Agreement for Contractual Services between the University of Nevada, Reno, Fire Science Academy and EMTAK (a Chilean company) on behalf of the National Fire Academy of Chile (Ref. C-7 on file in the Board office).

Regent Sisolak asked for details of the agreement. Executive Director, Fire Science Academy-UNR, Ms. Denise Baclawski, replied that it was an exclusive agreement. EMTAK (Emergency Training), a private Chilean company, was recently awarded a 20-year lease on the National Fire Academy of Chile, which trains all of the municipal fire fighters. UNR has been asked to partner in the development of basic training programs in Chile, with advanced training at the FSA. The agreement sets ground rules for use of FSA logos and promotional items. Regent Sisolak asked whether they would only market the FSA in Chile. Ms. Baclawski replied that the current arrangement was for the joint marketing of programs in Chile. She said the same group had helped the FSA in Peru and Argentina. Regent Sisolak asked about the \$25,000 revenue estimate and why FSA was contracting without providing anyone else an opportunity. Ms. Baclawski explained that the FSA was not paying anyone any money at all. The agreement sets forth the terms involved with EMTAK using FSA logos. The FSA hopes to develop future scopes of work allowing the training of basic courses using the FSA's curriculum at the Chilean fire academy. The FSA would train their instructors and provide the curriculum. In exchange, EMTAK will pay the FSA for each student trained in Chile. As students qualify, advanced training will be conducted at the FSA in Carlin, Nevada. Regent Sisolak asked whether they thought they could generate \$25,000 in revenue for training in Chile. Ms. Baclawski replied that they hoped the training in Chile and the Carlin tuition would generate that much.

Regent Sisolak asked whether he was the only one with questions. Regent Bandera said that the Board understood it. Chair Anthony asked Ms. Baclawski to provide any further explanation. Ms. Baclawski reported that all of the fire fighters in Chile are volunteers. Their equipment and training are funded by a government subsidy and private fundraising. The National Fire Academy is the governmental school for training these municipal fire fighters. They have asked UNR's FSA to partner with them in training their municipal fire fighters. The agreement ensures the FSA will be compensated for training their instructors, providing the curriculum, and each certificate of completion issued. The agreement formalizes the agreement to partner and allows them to perform advanced marketing for the opening of their new school using the FSA logo. Regent Sisolak asked whether the agreement included a 90-day opt-out provision. Ms. Baclawski replied that it did.

General Counsel Ray clarified that it constituted a Memorandum of Understanding that would, hopefully, lead to other future agreements. Ordinarily, the Board would not approve such a request. General Counsel Ray requested that it be included on the agenda because there were inconsistencies in the Handbook regarding whether this would or would not require Board approval (contracts with a foreign entity). Regent Sisolak said his questions had been answered.

Regent Howard asked whether the \$25,000 represented potential revenue. Ms. Baclawski replied that it did. Regent Howard asked how the relationship was formed. She asked whether Chilean representatives came to Nevada or whether someone from Nevada went to Chile. Ms. Baclawski replied that the FSA had a relationship with emergency training in Chile for over four years. They have visited the Carlin Academy several times and have undergone training there. They have also promoted the facility and sent Latin American students to the Academy. In November, Ms. Baclawski traveled to Chile to evaluate their program and to verify that it would meet the FSA's standards for good training and safety. She also met the National Fire Service president, the Civil Air Patrol director and the president and CEO of EMTAK. Ms. Baclawski felt it was a good opportunity for the FSA to expand its training role and revenue base. Regent Howard asked whether they had ascertained whether this was a reputable company. Ms. Baclawski replied that had been part of the reason for her November visit. Regent Howard asked whether the Board would approve the logo. Ms. Baclawski replied that the marketing material would contain both EMTAK's and the FSA's logos. Regent Howard asked whether institutions had sole discretion for determining the use of their logos or whether it required Board approval. Chancellor Nichols replied there was no Board policy requiring Board approval for logos. She said the campuses were free to develop logos and use them in appropriate ways.

Regent Sisolak moved approval an Agreement for Contractual Services between the University of Nevada, Reno, Fire Science Academy and EMTAK (a Chilean company) on behalf of the National Fire Academy of Chile. Regent Bandera seconded. Motion carried. Regent Rosenberg abstained.

(9) Approved-License Agreement, UNR – The Board approved President John Lilley's request for a License Agreement between Sunrise Mountain View Hospital and the Board of Regents on behalf of University of Nevada, Reno and its School of Medicine for the temporary use by Sunrise Mountain View Hospital of 11 acres of vacant real property abounded by 3100 N. Tenaya Way, US Highway 95, Cascade Valley Court and N. Tenaya. Sunrise Mountain View Hospital is in the process of making improvements to its property and would like to use the vacant land for 18 months for the purpose of automobile and construction parking (Ref.C-9 on file in the Board office).

Chancellor Nichols reported that, at the request of Regent Dondero, it was discovered that the fiscal noted included an agreement for \$100/acre/month. Chair Anthony asked whether there were any questions. None noted.

Regent Dondero moved approval of the license agreement for UNR. Regent Bandera seconded. Motion carried. Regents Alden and Rosenberg abstained.

The meeting recessed at 2:25 p.m. and reconvened at 2:39 p.m. on Thursday, January 29, 2004 with all members present except Regent Schofield.

**6. Approved-Handbook Revision, Conformity with 6-Month Residency Requirement of NRS 396.540(2)(b) and Possible Refunds of Tuition and Other Action** – The Board approved amending System policy (Title IV, Chapter 15) to conform to NRS 396.540(2)(b) retroactive to Fall semester 2003 for newly matriculated students, with the issue of possible refunds for other students retroactive to 1995 to be brought back to the Board at the March 2004 meeting, including recommendations from staff, and if possible, LCB staff and the attorney general as to all allowable refunds. The Board discussed amendments to the Board of Regents Handbook (Title IV, Chapter 15, Regulations for Determining Residency and Tuition Charges) to conform those Regulations to the six month residency requirement in NRS 396.540(2)(b), and possible refund of tuition to affected students or other action. The current Board policy generally requires proof of twelve months Nevada residency in order to be considered a resident student for purposes of tuition (Ref. KK on file in the Board office).

Regent Sisolak introduced Ms. Sarah Renteria-student, Mr. Stephen Cloobek-Diamond Resorts, Ms. Kim Stein-attorney and Senator Randolph Townsend. He acknowledged the efforts of the Chancellor, staff and legal department in facilitating discussion with the addition of this agenda item.

Mr. Stephen Cloobek (3745 Las Vegas Blvd. South, Las Vegas, 89109) thanked the Board for allowing discussion and introduced Ms. Sarah Renteria.

Regent Schofield entered the meeting.

Ms. Renteria (7777 South Jones, Apt. 1110, Las Vegas, 89139) thanked the Chair and Chancellor for considering this matter and thanked Regent Sisolak, Mr. Cloobek and Ms. Stine for their support. She reported that NRS 396.540(2)(b) states that tuition for the University System will be free to students whose families reside outside the state of Nevada providing such students themselves have been bona fide residents of the state of Nevada for at least 6 months prior to their matriculation at the university. Ms. Renteria was informed that school policy was one year, which is inconsistent with the statute. Ms. Renteria asked the Board to reimburse those students who had attended Nevada universities and had been overcharged.

Mr. Cloobek felt that the Board's 1995 decision had been extremely opportunistic and interpreted NRS for its own desires. He said that taking an oath of office required upholding the state's constitution. He felt that an error had been made and commended Chancellor Nichols for trying to resolve the problem. He said the NRS was specific and did not give the Board the right to amend the constitution or to create policies that were in conflict with state laws. He felt the wrong needed to be corrected. He said that children and families had been financially punished over the past nine years and had been denied an education because they possibly could not afford it. He said there were conflicting admissions policies and procedures at each campus. He felt that each campus should be audited. He asked that an investigation be launched, believing that the presidents were possibly manipulating non-resident students to meet revenue quotas. He said the Board owed the students and the federal government for taking non-resident fees inappropriately. He felt the Board needed to build a greater public opinion of itself and its educational system. He said that depended upon morals, ethics, and abiding by state law. He asked the Board not to waver on state laws. He suggested the Board change its policies and procedures and request a legislative amendment. He asked that the amount of monies owed be audited and that solutions be developed to make the individuals whole again. He said there was no statute of limitations because it was a wrongful act. He hoped the Board would abide by state law, adding that he had confidence in Chancellor Nichols.

Ms. Kim Stein, Flangas, Mcmillan Law Group (3275 South Jones, Las Vegas 89146) explained that she was present in support of Ms. Renteria. She asked the Board to consider Ms. Renteria's request and thanked Regent Sisolak for his support.

Senator Randolph Townsend (Washoe District 4) brought forward an opinion developed by the Legislative Counsel Bureau, which was drafted at the request of one of his colleagues on January 26, 2004. The opinion concluded that the Board of Regents does not possess the legal authority to increase from 6 months to 12 months the period of time necessary to qualify for residency status for purposes of tuition. He related that NRS 396.540(2)(b) clearly indicated that a student whose family resides outside of the state of Nevada need only themselves have been a bona fide Nevada resident for a period of 6 months prior to matriculation to qualify for free tuition. Absent a clear showing of the unconstitutionality of this provision, it was their opinion that the provision was controlling as to the required period of bona fide residency to qualify for free tuition. Senator Townsend said that, even if the NRS were unconstitutional, it would still not authorize the Board of Regents to set in contravention of that statute under a mere belief or presumption that it is unconstitutional. He offered to have language drafted on behalf of the Board should they request a statutory change.

Regent Rosenberg moved approval of bringing UCCSN requirements for residency into conformance with the legislative requirement. Regent Sisolak seconded.

Regent Hill asked whether the LCB had considered the definition of "matriculation". Senator Townsend was unsure, but offered to provide the records. Regent Hill observed that the constitution was drafted in 1921, adding that times change. He felt the statute could be interpreted in multiple ways, adding that it did not define "matriculation". He did not object to the



requirement for 6-months prior to matriculation. He did object to the interpretation that residency could be established after being in the state 6 months following matriculation. He said that he was trying to understand what the statute intended. He felt the statute did not indicate whether a student could become a resident later. He agreed with approaching the legislature to amend the NRS. He was also concerned that other states would soon be denying students and/or capping enrollments and those students would come to Nevada at taxpayer expense. He agreed with the motion to comply with the statute, but was still unclear about its requirements. He asked for some guidance. Senator Townsend explained that legislative options (when not in session) were dictated by legislative counsel. He said it was very clear that, if the Board did not change the policy, they would be open to court challenge. He felt that Regent Hill's question was one best left to debate in front of the legislature following a debate by the Board. He encouraged the Board to consider the ramifications and a definition for "matriculation". He said that legitimate differences of opinion should be kept at the policy level and not at the personal level. He said that he was offering the Board an opportunity for a bill draft following Board consideration of "matriculation" and the financial impacts. Regent Hill was hesitant to act suddenly without benefit of legislative history or proper research. He suggested the Board could pass this motion and ask the Chancellor and legal staff to return with those issues for a more complete discussion in March. Senator Townsend clarified that the majority of the Regents were not on the Board when this policy was passed. He related that many regulations and public policy were later reviewed by a legislative commission to determine constitutional compliance. When this policy was developed in 1995, it was not likely to be reviewed, nor did the legislature have the authority to mandate compliance. Laws have since changed allowing more legislative involvement.

Mr. Cloobek agreed with Regent Hill that the statute was extremely vague. He said the Board should allow policy amendments for future changes in state regulations.

Regent Hill requested feedback regarding Board determination of a definition for "matriculation" at its next meeting. Senator Townsend said he could not respond on behalf of his colleagues without their authority and was hesitant to respond without benefit of legal counsel. He offered to return with a response. Regent Hill asked him to include the legislative history. Senator Townsend agreed to do so.

Regent Kirkpatrick thanked Senator Townsend for coming and for offering to work with the Board. He noted that Regent Hill had mentioned "before matriculation," adding that most institutions interpret that as the first day of enrollment. He noted that some students pay less in non-resident fees in Nevada than they would as residents in their own states. He observed that the dental school charges \$15,000/semester for out-of-state tuition. He said that those students will leave the state after graduation and Nevada will not reap the benefits. He did not want to subsidize people who were not truly Nevada citizens. He felt the Board would need all of the legislature's help to prevent Nevada from becoming a "free-ride" state. He also expressed concern about the financial impact of refunds.

Chancellor Nichols reported that she had a presentation that would outline the estimated cost of rebates and other options. She suggested allowing time for her presentation following completion of Public Comment and the Board's vote.

Regent Kirkpatrick requested clarification of the motion.

Regent Rosenberg moved approval of bringing UCCSN requirements for residency into conformance with legislative requirements.

Regent Kirkpatrick asked about the meaning. Regent Sisolak replied that it meant six months.

General Counsel Ray clarified that the motion should include reference to NRS 396.540(2)(b).

The motion was clarified to bring UCCSN requirements for residency into conformance with NRS 396.540(2)(b). The clarification was accepted by Regents Rosenberg and Sisolak.

Regent Derby said that she was a Board member in 1995 and wanted to clarify the Board's reasoning. The Board was not aware there was any conflict with state statute at that time. The concern was that Nevada was viewed as a cheap and easy place in which to enroll. Constituents had expressed concern that it appeared Nevada students were at a disadvantage by Nevada being out of parity with the residency requirements of surrounding states. Nevada's citizens were not getting into the classes they needed while residency requirements encouraged out-of-state students to enroll. After considering the matter carefully, the Board decided that, while they did not want to discourage non-resident students from coming to Nevada, they wanted to level the playing field for Nevada's residents. The Board considered the fiscal impact, the number of students coming into Nevada and the number of students having trouble getting their classes. At that time, the Board felt it was responsible to be in parity with the surrounding states.

Regent Bandera thanked Regent Derby for providing that perspective, emphasizing that the decision made in 1995 had nothing to do with evildoing. She resented any implication that past colleagues made an underhanded decision. She clarified that the motion did not attempt to define "matriculation". She observed that those students who had already enrolled would continue to pay out-of-state tuition until the Board had successfully reached a decision. She wanted to ensure that the Board clearly understood that, if the motion passed, they could be taking one step to please a number of people, while also taking

a step backward for another group of students. She hoped the Board would take advantage of Senator Townsend's offer to submit a bill draft request on behalf of the Board and that he would support it.

Regent Sisolak was concerned about confusing the issue. He felt the issue about people coming from other states had nothing to do with being out of compliance with NRS. He indicated that he would make a motion to refund all of the money. He said that he wanted Board policy in compliance with NRS 396.540. He said that other issues would be more appropriately addressed at another time.

Regent Alden felt that UCCSN should be in compliance with the law. He felt the issue was much broader than just the 6-12 month rule. He cited two separate instances where students were denied residency status. He said the Board could approve compliance with the statute, but still needed to address the other issue of establishing residency.

Regent Rosenberg felt that students coming to the state for the express purpose of obtaining an education was different from moving to Nevada for other intentions.

Regent Kirkpatrick observed that Senator Townsend's legal interpretation indicated that residency was required "6 months prior to matriculation." He observed that students who had matriculated as a non-resident could not later register as a resident. He felt the Board required some guidance on the matter. Regent Sisolak did not think that Senator Townsend had implied that 6 months later everyone became a resident. Regent Kirkpatrick clarified that LCB counsel's interpretation was that residency had to be established 6 months prior to matriculation in order to be considered a resident. Regent Sisolak established that Ms. Renteria had lived in Nevada 6-9 months prior to enrolling as a non-resident.

Chair Anthony asked Chancellor Nichols to provide her presentation.

Regent Howard asked to be recognized, stating that NRS laws supercede any Board policies. She indicated her support for the motion.

Chancellor Nichols said she would provide some background information regarding the consequences of the Board's vote. Prior to 1995, the Board's residency policy agreed with NRS. Those students not qualifying as a Nevada resident at the point of registration were required to wait a minimum of 12 months, and to provide convincing evidence of intent to become a bona fide resident, in order to receive classification. Prior to 1995, automatic in-state status was only granted to Nevada school teachers, military stationed in Nevada and students from the Nevada Student Exchange Program. The Board changed residency requirements to 12 months prior to the date of matriculation in 1995. It also clarified that a student's status was determined by their family's residence if they were financially dependent upon their family. More objective evidence for demonstrating intent to become a bona fide resident was also added. Non-resident students entering under a discounted tuition program can never be reclassified as residents. Once residency determination is made at one institution, the same status applies to all System institutions. Chancellor Nichols reported that the Board was unaware that it was out of compliance with the NRS. In 1996, policies were further clarified, addressing those people coming to Nevada for employment and receiving immediate in-state status for purposes of economic development. In 2002, residency regulations were amended to allow any graduate of a Nevada high school to be classified as a Nevada resident at any UCCSN institution. Regulations were also amended to provide more residency protection for members of the armed forces who might be stationed out-of-state. The NRS statute addresses the issue of the bona fide establishment of residency for purposes other than the avoidance of tuition. The Board may fix a tuition charge for students, but tuition is free to all students whose parents are bona fide Nevada residents and to those students whose families reside outside of the state, providing such students have themselves been bona fide residents of the state for at least 6 months prior to their matriculation. Resident reclassifications apply to students who were classified as non-residents when they enrolled. Those students must demonstrate that they are in Nevada not solely for the purpose of getting an education, but rather that they have decided to permanently relocate to Nevada. Chancellor Nichols reported that these students would not be impacted by the change in policy under discussion. There are only two states with a 6-month residency requirement (Illinois and Arkansas). The College Board Guide to State Residency asserts that, "the durational requirement is viewed as the minimum reasonable time period during which new residents can contribute to the state...before enjoying the benefits of subsidized fees at a state-supported institution." Chancellor Nichols reported that UCCSN's percentage of non-resident students had increased from 12.4% (1995) to 13.6% (2003); 15.4% of non-resident students enroll at the graduate level in UCCSN. From Fall 1995 to Fall 2003, 78,247 students enrolled as non-residents with no discounts.

Regent Sisolak noted a point of order, asking whether the Board was still discussing compliance with the NRS. Chancellor Nichols replied that they were. She wanted the Board to understand the ramifications of Board compliance. Chair Anthony asked Chancellor Nichols to continue.

Chancellor Nichols noted a 1959 Attorney General opinion regarding recovery of excess tuition paid, requiring recovery to be made only during the semester for which tuition was paid. She reported there was a three-year limitation on claims based on a liability created by statute. She then discussed the estimated financial impact.

- Loss of tuition revenue in current fiscal year for each tuition.

- Refunds to third parties (financial aid lenders), instead of students, may be required.
- Loss of overall tuition revenue in building future biennial budgets.
- UCCSN cannot use current state funds to cover prior year's refunds.
- UCCSN would need IFC approval to use current state funds to fund current fiscal year refunds.
- 9-Year Refund (6,099 students) \$4,616,100.
- 3-Year Refund (1,885 students) \$1,949,000.
- 1-Year Refund (667 students) \$811,154.
- Students receiving federal financial aid would not receive refunds; the federal government would.
  - Third-party payments.

Chancellor Nichols observed the Board faced several decision points. She recommended providing refunds retroactive 3 years. She said that tuition credits could be provided. Each institution would need to mail a notice to all students with a potential claim. The System would need to issue public notice and clear information on those eligible. Each institution would require a customer-friendly application and appeal process. The System would develop a common form and criteria, and the decisions would be audited by System Audit to ensure public confidence. The System would also try to determine remedies for third-party vendors. Chancellor Nichols recommended sending a bill draft request to change the statute to 12 months.

Regent Whipple thanked Chancellor Nichols for providing the information. He asked about the difference between in- and out-of-state tuition. Chancellor Nichols replied that state support for a student to attend a public institution is intended to benefit the students of that state. Out-of-state tuition is set at a level that covers the full cost of education. There is no state subsidy. Regent Whipple observed that taxpayers were subsidizing the in-state students. He asked about the percentage of the cost of an education that was subsidized by the taxpayers (and not by the student). Chancellor Nichols replied that 80% of the cost was paid by the state and 20% was paid by the in-state student.

Regent Alden said that the Board needed to simply comply with the law. He felt the real problem was that Nevada high school graduates, who left the state and returned, were denied residency status. For the next meeting, he said the Board required a clear understanding at all campuses what determined a resident. He said the institutions were arbitrarily and capriciously denying residency status.

Regent Sisolak felt the Board was mixing issues. He said he had another motion to make regarding refunds.

Regent Sisolak offered a friendly amendment to change the policy (Title IV, Chapter 15) be in compliance with NRS 396.540 retroactive to 1995. Regent Rosenberg accepted the amendment.

Regent Derby asked whether that would require a 9-year refund. Regent Sisolak replied that it would.

Regent Hill said he could not support the motion in that form. He was opposed to being stampeded into taking action without having full knowledge. He noted the 1959 AG opinion required applying for recovery in the same semester in which it occurred. He said that he did not philosophically agree with that opinion, adding that he did not know what it was based upon. He said that Regent Sisolak's action could put the Board in contravention of other state laws of which he was unaware. He did not object to the Board revisiting the matter at its next meeting after legal counsel had an opportunity to investigate. He said the Board could be violating fiduciary duties to the taxpayers by going back that far. He said that he could not vote on a matter when he did not know all of the facts.

Regent Kirkpatrick requested an interpretation of NRS 11.190(3)(a) regarding claims based on a liability created by statute. He asked whether the three-year limitation would apply to claims made about Board policy. General Counsel Ray stated that the statute of limitations related to claims about a state law that was not followed. Claims must be filed within 3 years. He was concerned about a public body waiving a state law to the prejudice of the state coffers. He said he would like to research the issue and return with a recommendation.

Regent Sisolak noted a point of clarification, stating that the statute of limitations did not prevent the Board from making the refunds voluntarily. He said the students relied upon advice indicating that 12 months were required. General Counsel Ray said he was not disagreeing with Regent Sisolak, adding that he merely wanted to research the effect of any state laws barring claims after a certain period of time.

Regent Whipple expressed concern for waiving the statute of limitations, adding that such action could potentially haunt the Board in the future. He felt the matter needed to be well thought out and he wanted to hear back from legal counsel. He

avored the Board being in compliance with Nevada law. He said he was concerned with some of the ramifications. He asked Board members to evaluate the ramifications and consider whether tuition credits or full rebates should be issued. He felt that he did not have enough information to make an informed decision that day.

Regent Rosenberg acknowledged there were many ramifications. He said that "legal" and "right" did not necessarily match. He felt the students were entitled to a refund regardless of the timeframe. He said the Board was trying to make restitution for something that was not done properly. He felt the Board owed it to the former and future students to make it right.

Regent Alden offered a friendly amendment, with clarification regarding the time period provided by the LCB or Attorney General. Regent Sisolak did not accept the friendly amendment.

Regent Sisolak felt the refunds should extend back to 1995.

Chair Anthony said that it appeared the Board wanted to comply with the law. He also agreed that the Board wanted to provide refunds for the students. He felt more time was required to research the proper method. He said he would not support the current motion.

Regent Derby noted a point of clarification, asking whether the Board was voting on the 9-year amendment. Chair Anthony replied that the Board was voting to comply with state law and to provide refunds for 9 years.

Regent Schofield noted a point of order, stating that he wanted to vote for the motion, but he did not want to be rushed into it. He recommended allowing time for the research suggested.

Regent Kirkpatrick said that he also wanted to support the motion, but would oppose it because of the 9-year requirement. He felt that more information was necessary before making such a decision.

Regent Rosenberg said that a wrong needed to be corrected. He felt the students were entitled to a refund. Regent Kirkpatrick said that he wanted to address those students who were currently enrolling.

Regent Derby clarified that she also desired the correction, but felt the Board was considering only one mode of correction that they were not sure was in compliance with state law. She felt that further deliberation regarding other means of correction was necessary.

Ms. Ernst stated that the Board was voting on being in compliance with state statute and for repayment retroactive to 1995. Regent Sisolak disagreed, stating that the amendment was to be in compliance retroactive to 1995.

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

Mr. Cloobek stated that the Board would be bankrupt if they ran a company in this manner.

Regent Whipple moved approval of bringing the Code into compliance with NRS 396.540(2)(b) and that the Board request recommendations from its legal staff for a means of implementing the statute. Regent Hill seconded.

Regents Alden and Howard requested clarification of the motion. The motion was re-read.

Regent Sisolak noted a point of clarification, asking when the motion would become effective. Regent Whipple replied that it would become effective that day (January 29, 2004), and would allow staff an opportunity to provide the Board with a recommendation for implementation. Regent Sisolak established that compliance would become effective January 29, 2004 and not for the previous nine years. Regent Whipple said that was something the Board would evaluate later. The current motion would move the Board into compliance with the statute. Regent Sisolak asked about the students who started school two weeks ago. Regent Hill suggested the Board could address that at the next meeting.

Regent Alden stated that justice delayed was justice denied.

Chancellor Nichols recommended that she would direct the institutions to assume it was for the full academic year if the motion passed. All students who were enrolled in Fall or Spring would immediately fall under the new policy. Regent Whipple agreed.

Regent Howard asked the Chancellor to repeat what she stated. Regent Sisolak noted a point of clarification.

Chancellor Nichols clarified that, if the motion passed, she was assuming the change would be in effect for this academic year, so all students enrolled in Fall or Spring would fall under the new policy and would be eligible to have their residency status at matriculation reconsidered. Regent Whipple agreed.

Regent Sisolak said that was specifically what he asked and was told no (from this date forward). Regent Whipple said that he understood Regent Sisolak's comment to mean going back 9 years. Regent Whipple's intent was to have a motion that would allow System policies to comply with NRS starting that day. He said it would be implemented with regards to students who were in the System that day, so they would be eligible for in-state residency. Regent Sisolak observed the Board was willing to make it retroactive two weeks but not nine years. Regent Whipple said it would become effective that day and it would apply to students already in the System that day. Regent Sisolak asked whether it would account for students in the System 1-2 years ago. Chair Anthony replied it would not. He clarified that it accounted for those enrolled in the Fall and Spring of this academic year. Regent Sisolak requested a legal interpretation that the Board would be implementing the change retroactive for 2 weeks, but not for 9 years.

Regent Howard noted a point of order, stating that Regent Sisolak's assessment was different from Regent Whipple's motion, which had indicated an effective date of that day. Regent Whipple said that it would apply to those students who were in the System that day. Additionally, at the next Board meeting, a recommendation will be provided from staff for the implementation time period (i.e., retroactive time period). He said it was important for him to have all of the facts prior to making a decision.

Regent Sisolak requested clarification from legal counsel. General Counsel Ray stated that the motion would be effective that day and reserved the right to return at the next meeting for a decision on how to implement the refunds and how far back refunds would be considered. General Counsel Ray said that Regent Whipple desired to be in compliance that day. Regent Sisolak asked whether the Board would be in compliance two weeks prior when the semester started. General Counsel Ray replied that would be determined at the next meeting. Regent Sisolak asked whether the Board would discuss the reimbursement time period at the next meeting. He asked when students would be affected by the motion if it passed that day. Regent Whipple replied that students would be affected beginning that day, adding they would have the opportunity to start the process for residency reclassification that day. He said the rule would apply to every student in the System that day. Regent Whipple said the Board would have more information at its next meeting as to how it would apply to the students at-large. He said the Board could make educated and informed decisions at that time.

Regent Howard asked if Ms. Renteria would be affected if the motion passed that day. Regent Howard asked whether the change would affect all students who registered at the beginning of the Fall semester and were charged out-of-state tuition. Regent Whipple replied that it would affect every student in the System that day. Chancellor Nichols said that she had asked Regent Whipple to amend his motion to clarify the meaning. She said that she had originally interpreted it as those students who entered the System this year, when the policy was changed. She related that his interpretation was all students who were currently enrolled in the System. Chancellor Nichols said she needed to know which interpretation was part of the motion. Regent Howard said she was still confused about which motion the Board was voting upon. Chair Anthony asked Regent Whipple to clarify. Regent Howard felt the Board needed to know what students would be impacted if the motion passed. Regent Whipple replied that each and every student in the System would have the opportunity to begin the process for residency reclassification. He said the change would become effective that day and would apply to each and every student in the System. At the next Board meeting, recommendations will be provided regarding how to implement further reaching actions with regard to NRS 396.540 (i.e., students who entered 9 years ago and have already graduated, whether to issue cash or credit refunds). Chair Anthony asked whether the change would affect students who were enrolled in Fall and Spring 2003. Regents Whipple and Hill agreed that it would. Chair Anthony requested that the motion included this clarification. Regent Hill agreed to the change.

Regent Sisolak noted a point of order, stating that the motion kept changing. He said that Regent Whipple had said, "in the System", which could mean the students could have entered the System in 1995. Chair Anthony said the motion would be clarified.

Regent Hill moved approval of bringing the System in compliance with NRS 396.540(2)(b), and that all students enrolled in academic year 03-04 are covered and can apply for refunds pursuant to the Code, and the Board will address the other retroactive aspects of the matter and other issues at the next meeting when the Board has more information. Regent Whipple seconded.

Chair Anthony asked whether that successfully clarified Regent Whipple's motion. Regent Whipple said that it did.

Regent Sisolak noted a point of clarification, stating that the motion now included those students who were enrolled in 2003-04 and did not mention "matriculate". He observed that those students could have matriculated in 1999. He said the Board was now making it retroactive, but did not know for how long. Regent Kirkpatrick clarified that the motion clarified the academic year.

Chair Anthony said the Board would take a short recess and would return to finalize the matter.

The meeting recessed at 4:12 p.m. and reconvened at 4:34 p.m. with all members present.

Chair Anthony expressed his appreciation for waiting, adding that this was, obviously, a complicated issue and that the Board wanted to do it right.

Regent Whipple withdrew his original motion. Regent Hill withdrew his second.

Regent Whipple moved approval that the System policy in Title IV, Chapter 15 be amended to conform to NRS 396.540(2)(b) retroactive to Fall semester 2003 for newly matriculated students. The issue of possible refunds for other students retroactive to 1995 shall be brought back to the Board at the March 2004 meeting with recommendations from staff, and if possible, LCB staff and the attorney general as to all allowable refunds. Regent Sisolak seconded.

Regent Sisolak said he recognized the problems presented by the System's inability to use state funds for refunds. He said the Board did not want to negatively impact ongoing programs. He noted that the System's operating pool interest fund currently had \$5 million and suggested that changing the interest payout to the campuses would free up funds that could be used for the refunds. Chair Anthony said the Board would address the matter at the March meeting. Regent Sisolak said the Board might want to have a special meeting because the stock market could change by the March meeting.

Motion carried.

Regent Howard asked how the Board's decision would affect Ms. Renteria. Chancellor Nichols replied that she assumed that Ms. Renteria would be able to demonstrate bona fide residency for six months prior to matriculation, in which case she would qualify for in-state residency.

Regent Sisolak thanked Ms. Renteria and the others present for bringing this to the Board's attention.

Regent Bandera said she was glad the Board was able to collaboratively and cooperatively work this out.

Regent Sisolak left the meeting.

**7. Approved-Head Football Coach and Interim Athletics Director, UNR** – The Board approved President John Lilley's request for a three-and-one-half-year contract beginning January 1, 2004 for Chris Ault as Head Football Coach. The terms of the contract were presented at the meeting.

The Board also approved suspending Board policy (Title IV, Chapter 10, Section 19 (1) (c)) to allow Chris Ault to serve as Interim Athletics Director until a new AD is recommended to the Board of Regents. That recommendation is expected to be made at the March 2004 Board meeting (Ref. B on file in the Board office).

Regent Alden moved approval of the appointment of Mr. Chris Ault as head football coach and interim athletics director for UNR. Regent Bandera seconded.

Regent Alden asked whether a committee had been formed to conduct a search for a new athletic director. President Lilley replied that it had been formed. Regent Alden asked who was chair of the committee. President Lilley replied that Provost Frederick was the chair. Regent Alden asked about the estimated time to complete the search and to name a new athletic director. President Lilley replied that a recommendation would be provided at the March meeting. Regent Alden asked whether Mr. Ault would serve in both positions for the interim period (January 29 – March, 2004). President Lilley replied that he would. Regent Alden asked whether Mr. Ault's salary would be reduced after that period of time. President Lilley replied that Mr. Ault's salary would be that of head coach following the appointment of a new athletic director. Regent Alden asked who was in charge of the day-to-day activities on-site of the athletic department. President Lilley replied that Mr. Ault would be in charge, adding that this arrangement could only work for a very short time period.

Regent Kirkpatrick said that Mr. Ault would be performing his duties as athletic director at no additional cost. President Lilley agreed. Regent Kirkpatrick asked about any controls governing what kinds of things Mr. Ault can endorse. President Lilley replied there were NCAA rules. He said the recommendation was similar to those from other institutions.

Regent Sisolak asked whether permission to suspend Board policy should be established prior to approval of the contract. Chair Anthony asked whether suspension of Board policy was included in the motion. Regent Alden said that it was. Regent Sisolak asked the motion to be read aloud.

Regent Alden moved approval of suspending Board policy (Title IV, Chapter 10, Section 19(1)(c)) to allow Mr. Chris Ault to serve as Interim Athletics Director until a new AD is recommended to the Board of Regents (expected at the March meeting). Additionally, approval was requested for a 3½-year contract beginning January 1, 2004 for Mr. Chris Ault as head football coach. Regent Dondero seconded. Motion carried. Regent Rosenberg voted no. Regent Sisolak was absent.

**8. Approved-BLM Application Pahrump Valley, Nye County, Nevada, CCSN** –The Board approved Interim President Paul Gianini Jr.'s request to authorize Board Chair Stavros Anthony to sign/authorize a Bureau of Land Management land patent application. The application will secure 280 acres of land, presently on BLM's disposal list, for the purpose of future development of a comprehensive higher education campus to serve the citizens of Nye County (Ref. E on file in the Board office).

Regent Bandera moved approval of authorizing Board Chair Stavros Anthony to sign/authorize a Bureau of Land Management land patent application for CCSN. Regent Dondero seconded.

President Gianini introduced Ms. Vicki Hafen Scott, Nye County Higher Education Campus Coalition Task Force. Ms. Scott introduced fellow members: Mr. Bob Swadell, Assemblyman Rod Sherer, former Assemblywoman Jane Wisdom, Ms. Karen Spalding, County Commissioner Henry Neth, and Mr. Tim Hafen.

Motion carried. Regent Whipple abstained. Regent Sisolak was absent.

Regent Alden left the meeting.

**9. Approved-North Las Vegas Regional Campus, UNLV** – The Board approved President Carol Harter's request to plan and prepare to acquire federal land for a new UNLV regional campus in partnership with the City of North Las Vegas. The location selected for this regional campus will be a 640-acre section of federal property that can be acquired for Recreation and Public Purposes (R&PP) under the provisions of the Southern Nevada Public Lands Management Act (SNPLMA). The present availability of this unencumbered land presents a unique opportunity to create a world-class higher education complex to serve the people of Nevada. The Board approved UNLV taking the following specific steps required to initiate this project (Ref. H on file in the Board office):

1. UNLV must enter into an Interlocal Agreement with the City of North Las Vegas to establish a regional campus of UNLV. This Interlocal Agreement will secure the City's support for notifying the Bureau of Land Management (BLM) that it elects to establish R&PP use of 640 acres of federal land in order to allow UNLV to develop the new regional campus. This Interlocal Agreement will establish a formal partnership to guide the development of the campus.
2. UNLV must prepare and submit an R&PP lease/purchase application to the Bureau of Land Management. The purpose of this lease application is to acquire the 640 acres of federal property to be designated by the City of North Las Vegas for development of the new regional campus of UNLV. The R&PP lease will be for a period not to exceed 25 years at a lease rate of \$2.00 per acre/year for a total of approximately \$1,280.00 annually. The R&PP lease is a mandatory first step in the process of purchasing the property for \$10/acre or approximately \$6,400.00 plus due diligence and closing costs. A comprehensive Plan of Development is a mandatory element of this BLM lease/purchase application. If the application is approved by BLM, the final lease will be submitted to the Board of Regents for approval. BLM stated that the lease will likely be converted into a purchase in less than 10 years if all requirements are met.
3. UNLV must request funds to contract for a comprehensive master plan for this new regional campus project as part of the submission for the 2005-2007 biennial budget process. This Regional Campus Master Plan must meet BLM requirements for a Plan of Development. A preliminary estimate of the cost for the Regional Campus Master Plan is \$700,000. This estimate is based on a draft Scope of Work that is being refined in conjunction with the City of North Las Vegas. When authorized, development of the new regional campus of UNLV will be conducted in partnership with the City of North Las Vegas, adjoining property owners, and local government jurisdictions. UNLV intends to draw on the collective strengths of other UCCSN institutions operating in the Las Vegas Valley such as Nevada State College and the Community College of Southern Nevada to provide the broadest possible educational experiences at all levels.

Regent Alden entered the meeting.

Regent Alden moved approval to allow President Harter to plan and prepare to acquire federal land in partnership with the City of North Las Vegas. Regent Dondero seconded.

President Harter explained that UNLV had been working on this partnership opportunity with the City of North Las Vegas for 2½ years. The 640-acre parcel of land, located in a developing area of the northern part of North Las Vegas, would allow expansion for UNLV and would provide much needed student access. UNLV currently has 335 acres of land, almost 27,000 students and is rapidly outgrowing the existing campus. President Harter said that providing expansion to another part of the city was very important for UNLV. She related that UNLV would partner on this land with CCSN and NSC for development of an early educational facility. She said that additional, separate space for either institution could be part of the master planning process. President Harter then explained the process outlined in the above item description.

Regent Bandera left the meeting.

Regent Howard said that she only recently became aware of this item, noting that the project was located in hers, as well as other Regents' districts. She requested a copy of the plan and asked how the City of North Las Vegas could approve a plan for the System without the Board having first seen the plan. President Harter replied that it was being done preliminary to Board review. She explained that the BLM required the City of North Las Vegas to bring forward the request. The City approved the plan contingent upon Board approval. She said they were trying to accomplish this in concert with one another, adding that UNLV had to ensure the City would accept this responsibility.

Regent Howard said the land was bordered by Pecos, Lamb, and I-215. President Harter said it was actually north of Centennial Parkway. Regent Howard said that was not what the City had voted upon at the council meeting. President Harter introduced Mr. Michael Majewski, Planning Officer, City of North Las Vegas. Regent Howard again asked why the Board did not have a copy of the plans and why the Board was unaware of this joint venture. President Harter explained that the City of North Las Vegas had provided suggested activities in which they are interested in working with UNLV on this land. President Harter said the master plan would elaborate on what would go on that campus. Chair Anthony and President Harter clarified there currently was no plan for the land. Chair Anthony said that UNLV would be getting the property and the Board would approve, from this point on, what would happen on that land. Regent Howard asked to see a copy of the BLM application. Mr. Majewski clarified that the Board would not be receiving property. BLM processes require that a local jurisdiction (City of North Las Vegas) must be the first to authorize the process. He said the city council had voted to authorize the City Manager to pursue an application to reserve the acreage, conditional upon Board of Regents approval. He said that, if the Board approved the request, the City could submit a letter of reservation so that no one else could reserve the land. Once the master plan is completed, it will be sent to BLM and the Board can then see the plan. He explained that the City was merely ensuring that no other interests could reserve the land.

Regent Howard noted a point of clarification, stating that she heard differently at the council meeting. She said the City was also making plans for what would be placed upon that land. Mr. Majewski said that was not the city council action. Regent Howard felt the Board should have the same information that the City and UNLV had. She wanted to be able to provide intelligent and informed responses to the questions she is asked. She said she supported the project. She observed that discussions had been ongoing for two years. President Harter said the project was included on the Board's Capital Budget request two years prior. Regent Howard said that she wanted to be updated on a regular basis regarding this project. President Harter said she would talk to the Board throughout the planning process.

Regent Bandera entered the meeting.

Regent Rosenberg said that it was difficult for Board members to receive telephone calls requesting information about projects of which they are unaware. He asked that the Board be kept informed so they could help when it became necessary.

Regent Sisolak entered the meeting.

Regent Derby noted that the request involved "permission to plan and prepare to acquire federal land for a new UNLV regional campus." She asked when the Board had discussed a regional campus for UNLV and questioned whether she was approving a land sale or a regional campus. She felt the request might be premature and could possibly infer approval of a regional campus. She was concerned that these processes were not always handled well, adding that starting a process like this left other things inevitable that the Board had not yet carefully reviewed. Chancellor Nichols agreed with Regent Derby's assessment. She explained that she had asked the presidents to develop a regional plan to implement the recommendations of the Board's master plan. The Northern Regional Plan was scheduled for this meeting. The Southern Regional Plan will be presented at the March meeting. She reported that President Harter had been reading from that plan, which had not yet been approved by the Board. She recommended the Board approve the acquisition of land, with UNLV working with the City of North Las Vegas, and to wait until the Southern Regional Plan was presented before making a decision about a regional campus for UNLV. She said it was important to save/reserve the land, adding that she feared losing this opportunity. She said the Board would review whether or not to have a regional campus via the normal meeting process.

Regent Hill agreed with Regent Derby and Chancellor Nichols. He thanked the City of North Las Vegas, adding that he was thrilled about the opportunity to acquire the land. He said that he would support a motion for the land, but he did not want that approval to include a regional campus. Regent Hill asked Regent Alden to clarify his motion. Regent Alden said that he made a motion to approve the item. Regent Hill clarified that the motion was for approval just to acquire the land. Regent Alden agreed. Regent Hill clarified that regional campus was not part of the motion. Regent Alden agreed that it was not.

Regent Kirkpatrick was pleased about the forethought involved with this project. He observed that 640 acres would be acquired, with excellent transportation access, at a cost of \$10/acre. He felt those involved were doing a great service to Nevada.

Regent Schofield thanked all those involved, noting that UNLV has a small amount of land, was landlocked and needed to expand. He felt the Board was fortunate to have this opportunity, but agreed with Regents Derby and Howard that the Board wanted to be part of the planning process. He felt this addition would help accommodate the rapid growth.

Regent Dondero felt it was a wise move, noting that the growth was moving toward these areas and the prices were exorbitant.

President Romesburg felt the Board should not ignore this opportunity to acquire the land, which could be acquired by developers or others. He affirmed the collaborative effort on master planning, adding that DRI was also involved in the southern regional plan. He felt this was an opportunity that should not be missed.



President Harter apologized to those who felt they were not appropriately consulted. She explained that UNLV had been considering an entirely different area until December when this opportunity developed. She said that it became such a matter of urgency that it was accelerated due to pressures from others who also wanted to acquire the land.

Regent Rosenberg asked whether water rights were included. Mr. Majewski replied that water provision would be part of the interlocal agreement.

Regent Sisolak asked whether a start date was mandated with this arrangement. Mr. Majewski replied there was no requirement at this point in time. He said they abandoned efforts on a previous site due to the lack of a firm plan for the use of the land and BLM feeling the pressure associated with rapid growth and petitions to sell to the private sector. He said the only urgency was with market timing. As the market grows, market pressures will cause the price to rise and BLM could decide not to wait for UNLV to develop the site. Regent Sisolak said there was quite a bit of BLM land tied up for different southern institutions and expressed concern for aggravating the BLM with delayed development. Mr. Majewski said the City recognized this would likely be a multi-decade process to secure land for the college System. Regent Sisolak asked whether something could be done (i.e., fencing the property) to secure the property. Mr. Majewski replied that the City Manager's letter of reservation, development of a master plan, and the System's receipt of the land would accomplish that. President Harter recalled an opportunity in Summerlin when UNLV declined land because of a requirement for building out the parcel within a certain number of years. The master plan will indicate due diligence in the planning process, as well as the intent to locate a facility within a reasonable period of time. She said that such evidence was helpful to the BLM. Regent Sisolak felt the BLM would not let UCCSN land bank all of this land. President Harter clarified the need to demonstrate active planning. Mr. Majewski agreed that movement and progress would be sufficient.

Regent Howard asked about the application process. President Harter said that everything that had been planned thus far had been included in the packet of information. She said they would continue to share information. Regent Howard asked about the fiscal impact and about the source of funding. President Harter said the fiscal impact over an extended period of time could be significant, but the immediate impact was very small. Mr. Majewski said that one of the benefits of having the City reserve the property was that there would be no lease payment until the master planning was complete. President Harter said that UNLV had committed Capital Improvement Fee funds for the master plan.

Regent Alden thanked the mayor and the North Las Vegas city council.

Regent Bandera noted that the fiscal impact statement indicated that UNLV would be requesting funds during the 2005-07 biennium for the BLM R&PP process and asked about a cost estimate. President Harter replied that, since submitting the agenda item, UNLV had decided to provide the money for the master plan of the entire site so as not to jeopardize the process. UNLV will request planning dollars in the capital budget for the first educational building to be shared by the three campuses. She said the master plan would cost approximately \$700,000 for the entire site. She explained that the City wanted to move beyond educational planning and was also discussing a research/technology park and recreational facilities. She said that UNLV would pay \$700,000 in UNLV funds and would request \$500,000 in planning for the first building.

Regent Schofield established that UNLV would pay \$700,000 for the master plan and would request \$500,000 for the building plan. President Harter explained that UNLV was assuming that the master plan for the 640 acres would be for multiple buildings, a potential research park and recreational facilities comprising a large campus. In order to fast-track the educational portion, UNLV was going to request one building for the site that would require planning dollars for the design of the first building.

Motion carried.

**10. Approved-Appointment, Vice Chancellor for Finance & Administration** – The Board approved Chancellor Jane Nichols' recommendation for the appointment of Mr. Harry "Buster" Neel as Vice Chancellor for Finance and Administration. The recommended terms and conditions included:

- Annual Salary - \$170,000 (below the median of the salary scale).
- 3-year, 4-month contract through June 30, 2007.

Regent Kirkpatrick moved approval of the appointment of Mr. Harry "Buster" Neel as the Vice Chancellor for Finance & Administration. Regent Rosenberg seconded.

Regent Alden asked whether Mr. Neel was present. Chancellor Nichols replied that he was not. Regent Alden said that Mr. Neel was previously employed by UNLV from June 1988 through June 1994. General Counsel Ray noted for the record that Mr. Neel had been provided notice of this meeting, adding that the Board could discuss him.

Regent Alden said that Mr. Neel had previously served as the Vice President, Finance & Administration at UNLV. He believed that, in the year ending June 30, 1995, UNLV received a conditional audit due to a difference of opinion regarding

the manner in which funds were handled. He said that Mr. Neel was an employee during a time period when bank reconciliations were not reconciled in a timely manner. Regent Alden said that he was a little concerned about Mr. Neel's financial ability to understand internal controls. Chancellor Nichols said that Mr. Neel's background and experience had been reviewed. The search committee checked with his previous employers and his reputation is impeccable. She related that he has a good history of working with public officials and legislators, adding that they found no evidence of incompetence or wrongdoing. She said they only found very high praise for him. Regent Alden asked who chaired the search committee. President Romesburg replied that he had.

Regent Kirkpatrick complimented Mr. Neel for hiring Mr. George Scaduto, Associate Vice President, Finance-UNLV.

Regent Sisolak asked about the start date. Chancellor Nichols replied that Mr. Neel would start March 1, 2004. Regent Sisolak asked about any concerns regarding the issues raised by Regent Alden. President Romesburg replied that extensive background checks were performed on all of the finalists. He said the committee spoke with a number of individuals at Boise State, UNLV and other places that Mr. Neel had worked and found no problems. Regent Sisolak asked whether the committee had checked on the problems mentioned by Regent Alden. President Romesburg replied that no concerns had been raised so none were checked. Rather, the committee spoke with individuals with whom Mr. Neel had worked and no concerns were raised by them. Regent Sisolak asked whether it was true that UNLV had received a conditional audit during Mr. Neel's watch. Chair Anthony asked whether President Romesburg knew anything about this. President Romesburg replied that the committee had no idea about this and it never came up in any discussions.

Mrs. Sandi Cardinal, Director, Internal Audit-System Administration, said that she was employed during that time. The only conditional audit that she recalled at UNLV regarded implementation of the new CUFS financial system, which UNLV did not document well. She did not recall whether that was before or after his employ, though she believed it was after he left. Regent Alden said there had been a conditional audit with over fifty adjustments. He recalled there were questions regarding the bank reconciliations not being current. He said it might not have been on Mr. Neel's watch, but it had occurred prior to his departure. Mrs. Cardinal said that she did not recall the year of the conditional audit.

Mr. George Scaduto thought the conditional audit had occurred after Mr. Neel's service or as he was leaving. Regent Alden asked whether there had been problems with the bank reconciliations. Mr. Scaduto replied there had been, adding that UNLV had been addressing them just prior to Mr. Neel's departure.

Regent Sisolak asked whether the problems had occurred during Mr. Neel's employment followed by his departure. Mr. Scaduto replied that some problems had occurred after he left, while other problems were related to the CUFS transition. Regent Sisolak asked whether the conditional audit had occurred while Mr. Neel was in a position of authority at UNLV. He also asked whether the search committee had reviewed the matter. Mr. Scaduto said the committee had not specifically reviewed the UNLV issues, adding that it had occurred approximately 9 years prior.

Regent Alden requested a roll call vote.

Regent Sisolak asked whether the search committee had been aware of these issues when it made its recommendation. President Romesburg replied they were not. Regent Sisolak asked whether they would have liked that opportunity. President Romesburg replied they would have tried to determine whether it happened under or as a result of his leadership.

Regent Sisolak asked whether the item could be tabled and the matter be reviewed further.

Regent Sisolak moved to table the item. Regent Alden seconded.

General Counsel Ray stated there could be no debate.

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

Regent Howard asked whether an audit was performed after Mr. Neel's departure. Mrs. Cardinal replied there was not. Exit audits are only performed following a presidential departure. She clarified that Mr. Neel left UNLV to work for an out-of-state institution and now wanted to return. President Romesburg agreed with Regent Howard's assessment, adding that Mr. Neel wanted to return to Nevada.

Chair Anthony asked whether the audit revealed a major problem. Mr. Scaduto replied that the major item had been the CUFS transition and reconciling the bank records. Regent Alden said it had been the only disclaimer opinion given in the System's history. Mrs. Cardinal clarified there had been two such audits.

President Harter stated that Mr. Neel served during a transitional period between Presidents Maxson, Guinn, and herself, as well as three financial officers: Mr. Neel, Mr. Mike Sauer, and Dr. Norval Pohl. When Dr. Harter became president in 1995, UNLV was still addressing issues from this audit; primarily the bank reconciliations. She said there had been several

presidents and several vice presidents involved during a period of transition. She did not believe that any one person was entirely responsible for that period.

Regent Derby recalled that Mr. Neel had been highly regarded during his employment.

Regent Bandera asked whether Regent Alden possessed specific information. Regent Alden replied he did not. He recalled serving as Audit Committee chair during that time period. One of the largest concerns had been with the financial statements and internal controls at UNLV. He said that Mr. Neel had left shortly before Regent Alden became Committee chair. He wasn't accusing Mr. Neel of wrongdoing, but felt that clarity was necessary. He recalled that no other campus received such an opinion that year. He said the situation was resolved shortly after Dr. Pohl's arrival. He said the corrections had been implemented following Mr. Neel's departure. Regent Bandera clarified this was Regent Alden's recollection. Regent Alden said he recalled it specifically. Regent Bandera asked whether someone had recently discussed this with Regent Alden. Regent Alden replied that no one had contacted him, he simply remembered the individual.

President Harter clarified that Mr. Neel also served in Carson City for 6 months that year as UNLV's lobbyist, performing both jobs.

Regent Kirkpatrick recalled that Mr. Neel had a fine reputation. He never heard a negative comment about him. He said that Boise State would not have otherwise hired him.

Regent Schofield called the question. Regent Whipple seconded.

General Counsel Ray stated it was not debatable and required a two-thirds majority vote.

Regents Kirkpatrick and Seastrand clarified the two-thirds majority was required to vote on the question.

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

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

Regent Sisolak disclosed that he was currently in litigation with the airport and would not be involved with the discussion on the next item. He then left the meeting.

**11. Approved-East Naples Drive Property Purchase, UNLV** – The Board approved President Carol Harter's request to acquire approximately 3.8 acres of land on East Naples Drive on the western perimeter of the main UNLV campus between Swenson Street and the Thomas & Mack Center (TMC). The total property acquisition cost will be approximately \$2,084,000. The complete project will include demolition of old apartment buildings and construction of a paved and lighted surface parking lot. Estimated demolition and construction project cost will be about \$1,874,000. Approximately \$37,000 will be required for the first year's Operation and Maintenance (O&M) budget. The acquisition will be completed in three increments (Ref. F on file in the Board office):

1. UNLV will purchase approximately 3.2 acres of property from the Clark County Department of Aviation. The appraised Fair Market Value (FMV) purchase price (based on three independent Master Appraiser Institute certified appraisals) is \$2,005,000.00. Total acquisition cost including due diligence and closing costs will be approximately \$2,069,000.00.
2. UNLV will obtain ownership or a grant of easement to approximately .02 acres (871 square feet) of vacant abandoned water well property from the Las Vegas Valley Water District (LVVWD). This has been requested as a charitable gift from LVVWD. However, UNLV desires to purchase or accept a grant of easement if the LVVWD does not donate the property. Purchase price if not gifted will be about \$10,000.
3. UNLV will request vacation of the East Naples Street Public Right-of-Way through the airport property from Clark County to add approximately 0.60 acres. Estimated cost to vacate the right-of-way is \$5,000.

President Harter explained that the airport owns a small parcel of land (located on campus) on which UNLV was provided the first opportunity to bid. Demolition of existing structures, including asbestos abatement, will temporarily provide parking for a future building site.

Regent Kirkpatrick moved approval of the East Naples Drive property purchase for UNLV. Regent Schofield seconded.

Mr. Ed Uehling (4633 Paradise Road, Las Vegas) said that he was trying to acquire the land for the arts and entertainment community. Problems with parking and safety motivated them to pursue an arrangement with the airport to lease the property for parking. They hope to work collaboratively with UNLV and the community. They were disappointed when UNLV was able to acquire the property as a public agency. Subsequent discussions with Mr. Tom Hagge, Director, Facilities-UNLV, and Mr. Bill Wood, Facilities Planner-UNLV, convinced the group that UNLV could use the property to help orient the university more

westerly and to also solve the problem. He said the group now enthusiastically supported the project and was looking forward to working with the university to locate an arts and entertainment facility.

Regent Kirkpatrick asked whether the Bubba Building (Campus Services Building) was depicted. President Harter replied that it was. Regent Kirkpatrick asked about other property (depicted in Ref. F on file in the Board office) that did not belong to the university. Mr. Bill Wood, Facilities Planner-UNLV, explained that property to the west and the north was not university property. Regent Kirkpatrick felt that UNLV should have all that property. Regent Whipple stated that livestock was held on the property in question.

Regent Alden indicated that he would abstain.

Regent Seastrand observed that funding for this project was addressed in a separate agenda item. President Harter replied that it would be done with bonding. Regent Seastrand asked about the anticipated revenue stream. President Harter replied that Capital Improvement Fee funds would be used.

Motion carried. Regent Alden abstained. Regent Sisolak was absent.

Regent Kirkpatrick left meeting.

**12. Approved-North Las Vegas Field Station Lease, UNLV & UNR** – The Board approved Presidents Carol Harter's and John Lilley's request for an Interlocal Agreement and sub-lease with the City of North Las Vegas for the BLM Recreation & Public Purpose Lease land for use by UCCSN institutions. The sub-lease, for twenty acres of land, includes ten acres currently occupied and improved by the UNLV Center for Urban Water Conservation and UNR Cooperative Extension Service. This sub-lease will formalize a ten-year verbal agreement between UNLV and UNR and the City of North Las Vegas. It will run for a term of about 2.5 years ending on September 30, 2006, the end of the current BLM R&PP lease, with options to renew for two additional ten-year terms. The lease rent will be \$1.00/year (Ref. G on file in the Board office).

Regent Alden moved approval of the North Las Vegas field station lease for UNLV and UNR. Regent Howard seconded.

President Harter reported that both institutions were involved with the research field station located in a northern part of the valley. President Lilley said the agreement formalized a long-standing, informal arrangement.

Motion carried. Regents Kirkpatrick and Sisolak were absent.

**13. Approved-Academic, Research & Student Affairs Committee Recommendations** - Chair Jill Derby reported the Academic, Research & Student Affairs Committee met January 29, 2004. Staff presented a summary report on textbook costs and what institutions do to assist students. General Counsel and System staff were asked to review current bookstore contracts and to report any limitations that may exist that would prohibit formal used book exchange programs. Additionally, staff will review any similar programs at other institutions. Regent Derby requested Board action on the following Committee recommendations:

- New Program Proposals – The Committee recommended approval of the following new program proposals:
- AAS, Veterinary Technology, TMCC (Ref. ARSA-4 on file in the Board office).
- B.S. Gaming Management, UNLV (Ref. ARSA-6 on file in the Board office).
- B.S., Hotel Administration-Meetings & Events Management Major, UNLV (Ref. ARSA-8 on file in the Board office).
- B.S., Hotel Administration-Lodging and Resort Management Major, UNLV (Ref. ARSA-9 on file in the Board office).
- B.S., Hotel Administration-Foodservice Management Major, UNLV (Ref. ARSA-10 on file in the Board office).

Regent Kirkpatrick entered the meeting.

- Change in Administrative Organization, TMCC – The Committee recommended approval of a proposal for administrative realignment in order to respond to changing circumstances over the past several years and to effectively meet a variety of future challenges (Ref. ARSA-5 on file in the Board office).
- Change in Existing Program, B.S. , Hotel Administration-Hospitality Management Major, UNLV – In order to facilitate additional majors in the program, the Committee recommended approval of a request to name the generic hotel administration major the Hospitality Management Major and have this major put on the student's diploma. The change

is part of the College of Hotel Administration's strategic plan. The College is still operating with the original generic degree format created in 1969 (Ref. ARSA-7 on file in the Board office).

- New Organizational Unit, Center for the Analysis of Crime Statistics, UNLV – The unit, authorized in the recent legislative session, will contribute to effective State and local criminal justice policy development through the collection, analysis, and dissemination of information related to crime and criminal justice (Ref. ARSA-11 on file in the Board office).
- Change to Organizational Unit, Greenspun College of Urban Affairs, UNLV – UNLV proposes several internal organizational changes within the Greenspun College of Urban Affairs to allow it to move more aggressively toward achieving key strategic goals (Ref. ARSA-12 on file in the Board office).
- Change in Existing Degree Name, Master of Science in Nursing, UNR – The Department of Nursing at UNR requested permission to change the name of its graduate degree from Master of Science to Master of Science in Nursing (MSN), which is the standard degree name in higher education and is consistent with the comparable degree at UNLV (Ref. ARSA-13 on file in the Board office).
- Handbook Revision, Additions to Program Review Policy – The Committee approved a Handbook amendment (Title IV, Chapter 14, Section 4) to add the new procedure for review and analysis following the first, third, and fifth years of each new program's enrollment (FTE and headcount) and budget projections as well as other developments (Ref. ARSA-14 on file in the Board office).
- Reports on Inter-Institutional Agreements and Collaborations – The Committee approved a proposal providing a mechanism by which the Committee will receive updates on inter-institutional agreements among UCCSN institutions.

Regent Derby reported that a new degree program (Bachelor of Science in Dental Hygiene) and a degree name change (Associate of Applied Science in Dental Hygiene) for CCSN had been tabled until the March meeting.

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

Regent Hill asked about the reason for tabling the CCSN items. Regent Derby replied the items had been tabled due to concern expressed by Regent Sisolak for mentioning certain names. Regent Hill asked whether the report could be amended to approve the bachelor's degree in Dental Hygiene. General Counsel Ray recommended against doing so since the Committee had not provided a recommendation. Regent Derby said that CCSN personnel had assured her the program could open for Fall admission if approved in March. Regent Hill felt it was imperative for the Board to act upon the matter.

Motion carried. Regent Sisolak was absent.

**14. Approved-Audit Committee Recommendations** - Chair Douglas Roman Hill reported the Audit Committee met January 29, 2004 and received follow-up responses for three internal audit reports presented at the June and December 2003 meetings. Ms. Denise Baclawski, Executive Director, Fire Science Academy-UNR, presented the FSA marketing plan for fiscal years 2004-2008. Under the current FSA business plan, it is estimated the FSA will become self-supporting in 2007. The FSA recently received notification they will receive a \$2.5 million federal appropriation to train municipal fire fighters.

Mrs. Sandi Cardinal, Director, Internal Audit-System Administration, reported on the current status of the Legislative Counsel Bureau audit. The LCB auditors continue their work in Investments, Intercollegiate Athletics, Enrollment, Capital Construction, Host and Statewide Programs areas.

Mr. Tom Judy, Associate Vice President, Business & Finance-UNR, reported on the status of the University of Nevada School of Medicine Practice Plan. The net profit of the Practice Plan is \$1,405,000 as of December 31, 2003. Regent Hill requested Board action on the following Committee recommendations:

- Internal Audit Reports – The Committee reviewed the following Internal Audit Reports (Ref. D on file in the Board office):
  - Recharge Centers, UNR (Ref. A-2 on file in the Board office).
  - Operational/Compliance Audit, NSC (Ref. A-3 on file in the Board office).
  - UCCSN North File Server, UCCSN (Ref. A-4 on file in the Board office).
  - Associated Students of Truckee Meadows Community College, TMCC (Ref. A-5 on file in the Board office).
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Fallon Facilities Department, WNCC (Ref. A-6 on file in the Board office).

- Facilities Management & Planning, WNCC (Ref. A-7 on file in the Board office).
- Audit Exception Report – Internal Audit Director Sandi Cardinal presented the Audit Exception Report for the six months ending December 31, 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.

Regent Kirkpatrick said that two items addressed by the Audit Committee were not included in the report. It was clarified that only Committee action items were brought forward for full Board approval.

Motion carried. Regent Howard abstained. Regent Sisolak was absent.

**15. Approved-Budget & Finance Committee Recommendations** - Chair Mark Alden reported the Budget & Finance Committee met January 29, 2004 and heard the following reports:

- Follow-up report of the fiscal year 2003-04 First Quarter All Funds report presented at the December 2003 Committee meeting comparing revenue collections by source for each UCCSN institution.
- Update on the status of the UCCSN Course Taxonomy Committee and report on the differences between the UCCSN institutions in the initial assignments of instructional courses to levels of discipline for applying to the funding formulas.
- Update on institutional efficiencies implemented by UCCSN campuses during fiscal years 2003 and 2004, to date, to increase productive efficiency of a campus and thereby reduce waste and cost.
- Self-Supporting budget revisions for the second quarter of fiscal year 2003-04.
- State Supported Operating Budget transfers for the second quarter of fiscal year 2003-04.
- UCCSN enrollment plans and key statewide demographics.

Regent Alden requested Board action on the following Committee recommendations:

- 2005-07 Biennial Budget Request – The Committee recommended approval of a request, for the 2005-07 biennial budget, state funding as an enhancement to replace the 25% of ICR funds currently authorized by the Legislature to support the state supported operating budgets of CCSN, UNLV, and UNR (BF-2d on file in the Board office).
- Mid-Year FY 2003-2004 Self-Supporting Budgets & Summer School Budgets Calendar Year 2004 – The Committee recommended approval of the mid-year fiscal year 2003-2004 self-supporting budgets and the summer school budgets for calendar year 2004 (Bound Report on file in the Board office).

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

Regent Hill encouraged Board members to review Mr. Trevor's presentation.

Regent Howard asked that her previous vote (Audit Committee Report) be changed to abstain.

Motion carried. Regent Sisolak absent.

**16. Accepted-Health Education Task Force Report** - Chair Marcia Bandera reported the Health Education Task Force met December 4, 2003. Regent Thalia Dondero chaired the meeting in Chair Bandera's absence. Task Force members heard several informational reports:

- UNLV President Carol Harter provided information on UNLV's health science programs, including a discussion of the School of Dental Medicine.
- Mayor Oscar Goodman and a member of his staff reported on redevelopment plans of the City of Las Vegas concerning the creation of a "world-class urban village" that will include an Academic Medical Center.
- Ms. Heather Murren, President and Co-Founder, Nevada Cancer Institute, reported on the activities and accomplishments of the Institute.

- Dr. Anton Sohn, Chair, Department of Pathology and Laboratory Medicine and Director, History of Medicine Program, reported on the history of the creation of the University of Nevada School of Medicine.

Regent Bandera requested Board acceptance of the following Task Force recommendations:

- The Task Force reviewed information presented by UNR President John Lilley and Dr. Stephen McFarlane, Dean, School of Medicine, concerning the restructuring of the Practice Plans. Members of the Task Force endorsed the revised plan.
- The Task Force recommended approval of CCSN's proposal for a new baccalaureate degree program in dental hygiene. Information was presented by Ms. Theresa Raglin, Department Chair, Dental Sciences-CCSN.
- The Task Force recommended replacing the existing Associate of Applied Science degree in dental hygiene at CCSN with the Associate of Science degree.

Regent Bandera moved acceptance of the report. Regent Dondero seconded.

President Lilley noted an error in the history of the SOM.

Motion carried. Regent Sisolak was absent.

**17. Accepted-Legislative Committee to Evaluate Higher Education Programs Report** - Regent Jill Derby reported the second meeting of the Legislative Committee to Evaluate Higher Education Programs was held December 15, 2003. Chancellor Jane Nichols provided a detailed overview of the UCCSN, including four areas of concentration: (1) an overview of the enrollment trends and demographics affecting higher education in Nevada, (2) an overview of the UCCSN biennial budget, (3) an overview of the academic degree programs offered by UCCSN institutions, as well as a review of the new programs approved, and the process by which new programs receive approval, and (4) an overview of the UCCSN master planning document, performance indicators, and measures of student success. In response to a question posed by the Committee during the November 2003 meeting, Chancellor Nichols also provided a special report to address the demand for nurses and teachers in Nevada. The Chancellor's report confirmed that Nevada maintains the lowest ratio of registered nurses to patients in the nation. To address the shortage, the Chancellor's report summarized UCCSN's plan for doubling the capacity of nursing programs in Nevada. The report also confirmed that the number of new K-12 teachers employed in Nevada is expected to increase by 33% between 2000 and 2010. To address the shortage, the Chancellor's report outlined UCCSN's plans for meeting the demand, which includes collaborative programs between the universities and the colleges, the creation of Nevada State College, the expansion of distance education and numerous joint initiatives with local school districts. The Committee reviewed and accepted the recommendation to select the National Center for Higher Education Management Systems (NCHEMS) as the lead organization to provide technical assistance to the Committee. The approval of NCHEMS contract represents a collaborative effort between NCHEMS, the Western Interstate Commissions for Higher Education (WICHE) and the State Higher Education Executive Officers (SHEEO). Selection of NCHEMS was based on their ability to interpret UCCSN's data systems, coupled with their previous experience with business development criteria. Committee members raised questions requiring additional research by the UCCSN working group. The Chancellor received a formal request containing 15 questions on December 19, 2003. On January 20, 2004, UCCSN provided responses to the Committee's questions (additional copies of the UCCSN response available for review at System Administration office). The next meeting will be held February 3, 2004, in Las Vegas.

Regent Derby moved acceptance of the report. Regent Dondero seconded. Motion carried. Regent Sisolak was absent.

The meeting recessed at 6:12 p.m. and reconvened at 8:08 a.m. on Friday, January 30, 2004 with all members present except Regents Schofield, Seastrand, and Sisolak.

#### **4. Public Comment – (Cont'd.)**

Senator Randolph Townsend returned with responses to the previous days' discussion regarding residency requirements.

Regent Schofield entered the meeting.

Senator Townsend said he wished to clear up some of the residency issues following discussion with LCB Counsel.

Regent Seastrand entered the meeting.

Senator Townsend first addressed matriculation. He said that LCB Counsel had advised him that the Board of Regents has the right to determine a definition for matriculation, so long as it was within a generally accepted definition.

Regent Sisolak entered the meeting.

Senator Townsend then addressed the issue of financial impact. He said that the level of dollars required for refunds should not affect UCCSN programs. He assured the Board that the legislature would partner with the Board to ensure that did not occur. He asked to clarify the 9-year obligation vs. the 3-year statute of limitations. He said that a court would need to decide whether the individuals who paid a different rate after 1995 were in a contract relationship with UCCSN. The statute of limitations would apply to contractual agreements. He said it did not preclude the Board from going further. He suggested that Board Counsel, Legislative Counsel and/or the Attorney General work together. He said that Senators Arberry (IFC Chair) and Raggio (Senate Finance Chair) needed to be notified so they could consider the matter when preparing the budgets. Senator Townsend said that he was prepared to help the legislature understand the Board's deliberations and concerns.

Regent Sisolak asked about a difference between statute requirements and what the Board was allowed to do. He affirmed that the statute would not preclude the Board from refunding back to 1995. Senator Townsend agreed.

Regent Whipple said that he understood that Senator Townsend recommended the Board allow LCB and Attorney General staff to work with System Administration staff to reach an agreement that would be presented at the next Board meeting. Senator Townsend felt that all parties should work together in the spirit of moving the item forward to resolution, rather than place the burden on one individual or group. He volunteered the services of his legal staff and offered to contact the Attorney General. Chair Anthony said that he agreed with the motion made by Regent Whipple the previous day. He expressed his appreciation for Senator Townsend's advice.

Senator Townsend announced that the next Legislative Commission meeting would be held on February 18 at 1:30p.m. He explained that a number of people were elected during the session to serve on this body to review all rules, regulations and to work with the IFC on how to best manage issues facing the state. He observed that the Board had faced issues concerning the Open Meeting Law and policies and procedures for hiring, firing, promoting and demoting individuals. He said the Legislative Commission would review those issues to determine whether the Legislative Commission should retain control or whether it should be turned over to the Legislative Committee to Study Higher Education. He said that Board representatives on that Committee would be excluded from that discussion. The review would include trying to help clarify the rules and needs for all bodies governed by the Open Meeting Law. He observed that the Board of Regents was a large group with complex, detailed issues. He said the legislature wanted to ensure that they had everyone's input. He said it was important for the process to maintain its integrity. He encouraged legislators to visit Board meetings to observe the issues over which the Board wrestles. He said it was the only way to be helpful and to work together to come to some resolution. He said that recommendations for changes would be offered in the spirit of cooperation and respect for the Board. He said he would be available to the Board and would work respectfully and openly with the Board as Chair of the Legislative Commission. Chair Anthony thanked him for his cooperation.

### **3. Information Only-Continuation of Presidents' Reports – (Cont'd.)**

President Philip Ringle, TMCC – In addition to being one of the larger employers in the area, TMCC plays a critical role in preparing a workforce that feeds the economy and supports its expansion and diversification. TMCC contributes to the prosperous economy by:

- Educating students to enter the workforce through its degree, certificate, internship, apprenticeship and clinical experiences.
- Providing an environment that encourages lifelong learning and community involvement.
- Providing on-site associate degrees and customized training to public and private sector employers.
- Full associate degree program offered at IGT.
- Customized job training in manufacturing management for supervisors, teambuilding, supervisory training, business communication, and the regional public safety training center (a joint project between TMCC, Reno-Sparks Fire and Police Departments and Washoe County Sheriff's Department).
- Developing/expanding programs in response to local and regional needs (new manufacturing program, vet tech program, doubling nursing, and teacher assistant program).
- Providing short-term training and skill certification programs (Unix, Linux, CISCO, Webmaster Training, HVAC, CAM, CAD, CNC, MCSE, A+ and others).
- TMCC is a nationally approved site to certify welders and provide noncredit workshops for the American Purchasing and Inventory Control Society (APICS).
- Volvo Construction Equipment of North America selected TMCC's Edison Campus as their first North America Regional Training Center.



President Ringle reported that TMCC also offers specialized programs in response to the needs of special populations:

- Workplace literacy, including English for the workplace, customized curriculum development and training for supervisors in Spanish.
- Apprenticeship training.

President Ringle reported that on-line and distance education services and programs allow individuals and employees to remain employed as they upgrade their skills or prepare for new jobs. TMCC also assists students and employers with job placement and works in partnership with economic development and workforce development agencies (i.e., EDAWN and Nevada Works). The college also offers programs to enrich the quality of life in the region by contributing to the intellectual, artistic and cultural life of the community. The relevance of the training provided is ensured through the design of the programs or curricula, the many advisory committees involved in the programs, feedback from students, the program and discipline review process, industry certification options and TMCC's outcomes assessment efforts. Future labor market projections emphasize the need for significant changes in the agility and responsiveness of the workforce investment system and the creation of viable partnerships between education, government and the private sector that recognize the symbiotic relationship between economic development and workforce development systems. The utilization of institutions like TMCC has across the country prevented the fragmentation and/or costly duplication of programs. TMCC is fully engaged with the community and strives to contribute to the welfare of its service region.

President Carol Lucey, WNCC – To best meet the needs of its service areas, WNCC has depended upon partnerships with other agencies and organizations. WNCC works closely with the Management Assistance Partnership organization. During a recent college reorganization of the part of the college serving business and industry, WNCC depended heavily on the support of MAP. President Lucey thanked Mr. Dave Dwulit, Mr. Bob Blank and Ms. Sandy Haslem for their invaluable assistance during this period. President Lucey highlighted four economic development programs, which assist students in using the college to make major strides in their personal and professional lives, as well as providing the communities with a skilled workforce:

• Surgical Technology Certificate Program – WNCC met the need of local hospitals by educating students in 1-year programs to become surgical assistants in local hospital operating rooms. These graduates will relieve registered nurses currently serving in these roles, thereby freeing the R.N.'s to provide bedside support to patients who need them. WNCC partnered with Nevada Works, who funded the start-up program with a Workforce Investment Act grant. WNCC recently hosted an accreditation site visit for the program, which was very successful, and expects to have the accreditation confirmed shortly.

- Increasing the Number of Nursing Students – WNCC was initially concerned when the state legislature asked if they could increase the number of nursing students since they are a small college with a fairly large nursing program. As the result of collaboration with the Nevada Hospital Association, the Nevada Rural Hospital Partners, the UNR School of Medicine, the Area Health Education Center (AHEC), and Banner Churchill Community Hospital, WNCC has been able to provide a special initiative which will alleviate the shortage of nurses in the most rural parts of its service area. A rural Nevada nursing program was started with these partners last fall, centered on the Fallon campus. Students from Fallon, Hawthorne and Lovelock participate in the program. These students will complete their associate degree in nursing and achieve their R.N. licenses without having to commute to either Reno or Carson City for their clinical experiences.
- Construction Technology - With assistance from the college Foundation and the Builders' Association of Western Nevada, WNCC is collaborating with the Carson City and Douglas County School Districts to provide a dual enrollment afternoon program for high school juniors and seniors in construction technology. Students attend high school in the morning and attend college in the afternoon, where they are registered for five credits of college-level construction technology. These students will have internship and apprenticeship opportunities this summer in the construction trades. Following high school graduation, they will be able to move into good paying construction jobs, or continue at the college to complete an associate degree in construction technology. Following completion of their associate degrees, they will be able to move into construction work or continue to pursue a Bachelors of Technology degree, available through a partnership between WNCC and UNR.
- Bachelor's Degree in Education - WNCC recently formed a partnership with Nevada State College, which allows rural students in the service area to complete bachelor's degrees in education. This program will create a new source of teachers for outlying areas while also providing students bachelor's degree opportunities without requiring them to commute to the university. President Lucey concluded by stating that these initiatives all depended upon partnerships with other agencies. Through the help of these partners, WNCC is assisting all people in their service area with their educational and socioeconomic aspirations.

President John Lilley, UNR – As a land-grant research institution, UNR contributes to the principles of a prosperous economy in many tangible ways

- Skilled Work Force – Through its instructional programs, UNR trains a technically-skilled workforce, including major and graduate fields of study in several disciplines of physical science, engineering, mathematics, biological and health sciences, biotechnology, earth sciences and mining. Additionally, the university prepares students for entry into a variety of professions, including business management and accounting, education, journalism and marketing, social services and health-related fields. Through the continued development of new major fields of study that meet the needs of the Nevada economy, the university is actively working to provide students with the skills needed to contribute to the growth and diversification of the state.
- In one year, UNR doubled the size of its nursing program (from 48 to 92 nursing students). The School of Medicine adds physicians to Nevada through both its undergraduate medical program and its residency and fellowship programs.
- New strategic emphases on information sciences and technology are designed to produce more graduates with technical skills to contribute to a knowledge-based economy.
- The College of Business is negotiating the delivery of its MBA program to a new cohort of students in Elko in support of major mining operations there.
- New degree programs in biotechnology, environmental science and forestry and rangeland management contribute to a broadening of the state economy and addresses work force needs.
- The 3+1 social work degree program established in partnership with GBC addresses a critical work force need in eastern Nevada.
- The university trains economic geologists, mining engineers and other earth scientists that contribute to the success of the mining industry in Nevada.
- Serve Nevada Businesses – UNR’s many service centers and statewide programs contribute to the health and growth of local and regional industries. Examples include:
  - Assistance to Nevada ranchers and farmers through the Agricultural Experiment Station and Cooperative Extension service.
  - Assistance to small business owners through the Nevada Small Business Development Center (NSBDC) and Management Assistance Program (MAP).
  - Assistance to high-tech industries through support of “incubator” labs and cooperative research activities.
- Attract New Industries to Nevada – As a major research institution, the university helps to attract and develop new businesses to Nevada. Examples include:
  - In cooperation with DRI, UNR’s technology-transfer unit converts the ideas of faculty into small businesses.
  - The genomic development of grape varieties that will thrive in Nevada’s climate has created the possibility of a local wine industry, funded by the National Science Foundation and involving faculty from the Department of Biochemistry.

President Lilley reported that UNR seeks creative partnerships with the private sector that are mutually beneficial and which aid in economic development. The ongoing dialogue with venture investors in Nevada has also resulted in several companies creating research relationships with UNR faculty. UNR generated over \$105 million in externally funded grants and contracts in fiscal year 2003 and is ahead of that pace for the current year. For every dollar invested by the state in research activities, \$5 were returned through the university’s granting activities. The state’s investment included \$21.9 million in support of the Agricultural Experiment Station, statewide programs, the state match for the NSF EPSCoR grant, the Applied Research Initiative, return of indirect costs and research faculty salaries. Using conservative economic multipliers, university research programs drive another \$225 million of additional economic activity throughout Nevada as a result of UNR’s research programs. President Lilley related that the three research institutions really needed legislative approval for recovery of indirect costs. Had the university received its \$3.3 million, an additional \$16.5 million in research grant and contract return on that state investment could have been expected, adding another \$36 million of economic activity throughout the state. He asked the Board to make indirect cost recovery a high priority in the next legislative session.

President Carol Harter, UNLV – UNLV’s goal to become a “premier metropolitan research university” is based primarily upon recognition that faculty creativity that emerges from research helps move a community to a more diverse and sustainable economy, with a wider range of employers, a stronger tax base and educated employees for emerging industries.

Technological innovation emerges from universities working with business partners. Indicators of UNLV's accomplishments include:

- Degrees Awarded – The number of first-time, full-time degree seeking students who entered fall 1997 and completed their degree within six years rose from 37% last year to 38% this year. The rate increased to 42% when considering those students who left UNLV to graduate at other institutions. Minority students graduated at approximately the same rate as all first-time, full-time freshmen that entered in 1997. The graduation rates for Caucasians, African Americans and Latinos are very similar while the rate for Native Americans is somewhat lower and the graduation rate for Asians is higher. In 2002-03, UNLV awarded approximately 3,900 degrees, an increase of 6.9% over the previous year.
- Sponsored Projects – UNLV was awarded \$59,016,077 in grants and contracts during FY 2003, as compared to \$19 million in 1995. UNLV has encouraged the development of public/private partnerships to achieve a variety of economic development objectives. UNLV faculty participate with the community in approximately 300 partnerships focusing on research, education and service. The UNLV Research Foundation was recently formed to coordinate the development, management and commercialization of the intellectual property from scholarly activity of faculty, staff and students. Since 1994, faculty and staff have submitted 35 invention disclosures with multiple patents pending. The combination of the Research Foundation, Research Park and the building of the Science, Engineering and Technology building will have a remarkably positive impact on the development of new technology and the development of programs to prepare students for emerging new careers. In FY 2003, UNLV generated a 4.42 to 1 rate of return on institutionally invested funds for research. This investment has allowed UNLV to increase its federal research initiative by 25% over FY 02. That trend is anticipated to increase in coming years.
- Workforce Development – UNLV has increased the number of graduates in the critical shortage area of teaching. In 2002-03, UNLV awarded 889 bachelors and master's degrees in education compared to 754 in 1998-99, an increase of 18%. In 1995, there were 250 such degrees awarded. UNLV has recently experienced a dramatic increase in nursing enrollments, up 39% from 517 in fall 1999 to 718 in fall 2003. The development of UNLV's Health Sciences Division and School of Public Health will also affect the quality of life in ways that leverage economic development in the area.

Regent Dondero suggested the presidents' reports be shared with the Legislative Committee to Evaluate Higher Education Programs, the press, Nevada Development Authority and the Chambers of Commerce.

Regent Kirkpatrick asked how many of UNLV's education graduates were hired by the school district. President Harter estimated that 90% were hired by the district. Dr. John Filler, Senior Advisor to the President-UNLV, replied that it was at least 90%. He related that UNLV offers many programs and initiatives providing updated skills. He said that hiring was almost 100% in the area of special education.

Regent Howard expressed her appreciation for the presidents' reports. She asked about the 3+1 program at UNR. President Lilley replied that the Elko area has a need for social workers. The program was developed in conjunction with GBC. Students attend the first three years at GBC and the final year at UNR. He related that the final year was accomplished via distance education. Regent Howard asked how the students were able to earn the number of credits necessary to graduate in one year. Dr. John Frederick, Executive Vice President and Provost-UNR, replied that the credits are taught in Elko but are officially considered UNR credits. He said the request had been presented to the ARSA Committee in December. He credited Dr. Betty Elliott, Vice President, Academic Affairs-GBC, for performing much of the work in developing the program.

President Ringle introduced Mr. Karl Agcaoili, Treasurer of TMCC's student association.

**18. Information Only-Report: Contributions of UCCSN's Management Assistance Partnership (MAP) to Nevada's Economic Development** - Mr. David Dwulit presented a report on the contributions of the statewide Management Assistance Partnership (MAP) to UCCSN's Master Plan goal one, A Prosperous Economy (Ref. O on file in the Board office).

Mr. Dwulit, MAP Program Director, introduced Mr. Terry Culp, MAP Business Manager, Mr. Steve Straub, Operations Manager-Southern Nevada, and Mr. Bob Blank, Operations Manager-Northern Nevada. He thanked them for their efforts, adding that he was proud to be part of the team. MAP is the industrial extension program of the UCCSN and its partners. Its primary purpose is to work directly with Nevada companies to strengthen their global competitiveness. MAP provides business and technical assistance, and helps to improve the profitability of industries throughout the state. Established in late 1995, MAP employees 17 individuals serving 350 Nevada companies each year. The economic impact provided by MAP includes the creation and retention of 400 annual jobs, \$25 million in industry sales impact per year, \$3 million in industry cost savings per year, and increased industry investment totaling \$42 million. The program is funded by UCCSN, U.S. Department of Commerce and client fees. The performance of the MAP program is based upon feedback provided by Nevada companies. MAP's clients are surveyed annually. Economic impact results are compiled and reported quarterly. MAP ranks number 13 of 62 centers nationwide. In the last two years (2001 and 2002), the MAP program has generated more than \$182 million in positive industrial economic impact for the state. The program's federal sponsor holds MAP

accountable for producing strong results and rate MAP on a national level with other centers across the United States. The program strives to maintain an economic impact at \$100 million per year, solidifying funding streams to support delivery capacity, developing further linkages within UCCSN, as well as expanding their client portfolio.

**19. Tabled-Use of Anonymous Materials, Presidents' Evaluation Process** – The Board tabled action on proposed language for paragraph 9 in the document titled Principles, Procedures, and Criteria for the Annual and Periodic Evaluation of UCCSN Presidents. At the October 2003 meeting, the Board approved changes to the above-referenced document. During the Board's discussion of this document, Paragraph 9 concerning the use of anonymous materials was held in reserve and staff was directed to bring back revised language (Ref. C on file in the Board office).

Chancellor Nichols reported that the original provision did not allow the evaluation committee to accept anonymous material or to circulate questionnaires to the various constituencies. The proposed language allows the evaluation committee to conduct personal interviews, as well as the ability to solicit written comments about the president's performance from internal and external constituencies. Written comments must be signed and will remain confidential. The committee shall not conduct a questionnaire or survey as part of its work. Chancellor Nichols stated that the Council of Presidents had agreed upon this language. She related they had discussed the issue of faculty senate and/or student government surveys that are often done in conjunction with a presidential evaluation. The presidents felt that those activities fell outside of the committee's work. She reported that the faculty senate chairs requested that the Board specifically address those questionnaires in the policy language to establish whether or not they are allowed. The faculty senate chairs' proposed rewording included: "A summary of a survey conducted by an institutional faculty senate and/or student government - but not the originals or copies thereof - may be provided to the evaluation committee as general feedback from the campus community. Chancellor Nichols said that it had been general practice to conduct these surveys and to allow them to be submitted to the evaluation committee. She related that it had always been the prerogative of the evaluation committee to consider them or not. Anonymous comments were not shared with the evaluation committee.

Dr. Trudy Larson, Faculty Senate Chair-UNR, said that the faculty spent a lot of time discussing the issue of confidential information and a means for using that information in a beneficial manner. Faculty felt that a summary statement would be beneficial without violating any confidentiality.

Regent Seastrand asked whether the language required the evaluation committees to use the surveys. Chancellor Nichols replied that the information would be provided to the evaluation committee as feedback and it was up to the committee to determine whether or not to use it.

Chair Anthony asked who would prepare the summary. Dr. Larson replied that it would vary by campus. UNLV used an assessment center to determine the results of a recent survey. She felt it would depend upon the resources of each campus. She related that UNR had entertained discussion for a method of conducting it fairly, unbiased, and ensuring that it was scientifically sound. She said that faculty wanted to determine a means for ensuring that the surveys were well constructed and analyzed.

Regent Kirkpatrick felt that the surveys were designed to help the Board arrive at a more objective review of the presidents. He felt that the presidential evaluations, and especially the periodic evaluations, had never provided the necessary objectivity. He wanted the Board to review the method and to determine whether it could be restructured to provide the Board more in depth knowledge of the president's performance. Chancellor Nichols felt that some policy should be put in place if agreement could be reached on the wording. Depending upon the results of the Attorney General opinion, the Board may not be able to conduct periodic presidential evaluations in the same manner (i.e., closed sessions). She said the Board may need to consider a different model, adding that the issue may return at the March meeting for reexamination.

Regent Hill said he had some concerns about the surveys, adding that he was not interested in conclusory statements (i.e., mildly/strongly agree). He said he wanted to know the facts rather than the conclusions, adding that conclusions did not reveal much about the performance. He felt that the narratives (that are generally not forwarded) typically contained the statements providing that information. Dr. Larson stated that campus surveys should be qualitative rather than quantitative. She surmised that information received by the evaluation committees was more quantitative in nature. She felt the surveys provided the qualitative aspect. She also said that presidential evaluations were intended to provide the presidents with the perceptions from the communities they serve.

Chair Anthony asked whether a System-wide survey could be developed for use on each campus. Dr. Larson replied that faculty tried to locate an executive evaluation format on-line. Nothing useful was located, but she felt it would be useful for all of the presidents.

Regent Hill suggested tabling the matter unless there was a pressing need for the Board to act that day. Chancellor Nichols replied that it could be delayed, adding that it might be brought before the Board again. She felt it would be helpful for the Board to affirm the principles, adding that the issue of whether surveys could be accepted as part of the overall feedback still required resolution.

Regent Hill moved approval of affirming the general principle of using surveys with the methodology to be worked out later and brought back by the Chancellor. Regent Seastrand seconded.

Regent Howard requested the motion be repeated. Regent Hill repeated his motion. Regent Howard asked about the motion's relevance to the agenda item.

Regent Sisolak noted a point of clarification, stating that he did not understand what the Board was approving. Regent Howard asked how the motion related to the agenda item. Chair Anthony explained that surveys were used as part of the anonymous material submitted for a presidential evaluation. He felt the motion required some clarification.

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

**20. Information Only-New Student Union Fee, UNR** - President John Lilley presented information on a proposal to build a new student union. A request to approve a mandatory fee to fund the costs of a new student union will be presented at the March Board meeting (Ref. I on file in the Board office).

Dr. Shannon Ellis, Vice President, Student Services-UNR, introduced Mr. Chul Yim, ASUN Student Body President-UNR, and Ms. Jessica Muehlberg, GSA Student Body President-UNR, and expressed the institution's appreciation for the opportunity to present information regarding the construction of a new student union funded by a mandatory student fee. She related this was the culmination of two years of collaborative work between students and staff. She explained that collaboration was critical because student unions are typically built with student fees, while state funds are reserved for academic buildings. She reported that President Lilley introduced the idea for a new student union when presenting UNR's Strategic Plan in May 2002. In that plan, academic buildings were given the highest priority for the institution. The plan also expressed the desire and vision for a new student union on campus to complement the academic mission. The new student union is a critical component to building community on campus. It will provide a safe and welcoming environment for all students, particularly those from underrepresented populations. Regular assessment over the past 8 years has indicated increasing dissatisfaction with the current student union facilities, location and convenience. Students find the current location inconvenient with limited parking. The bookstore is routinely closed at peak times during the semester due to fire code regulations. A Fall 2001 survey revealed increasing dissatisfaction with parking and limited services. Student organizations have more than doubled over the past 3 years and are hindered by the limited meeting space available. The current student union was built in 1958, when UNR had 2,131 students. With the help and financial support of students, the union has undergone four additions. Currently, 3.7-sq. ft per student is provided. The Association of College Unions International recommends 10–15-sq. ft. There is no more room for expansion on the current site. Expansion would be costly and would not resolve the parking and location issues. This led the university to seek Board approval to hire an independent firm to assess the needs of the growing student population. Dr. Ellis reviewed the current and proposed future locations of the student union. She then reviewed the new mid-campus master plan. The new center of campus will become the new main entrance and the location where students will gather. It is quite some distance from the current student union. A city bus route will also be provided at the new entrance.

Dr. Ellis related that parking is always a great concern on campus. The Board approved a new parking structure, which will provide 1,950 spaces. Approximately 1,000 spaces replace those taken by the quad, the Knowledge Center and the new student union. The new student union and its location will change the culture of the university. It will be a place where students stay or return to for evening and weekend social and cultural events. More retail services will also be available. Students could hold concerts, dances and banquets in the new facility. There are plans for a café, coffee house and a small movie theatre. The bookstore will double in size and be located at the entrance of the building, alleviating further student complaints and concerns. A variety of food options will be available, as well as computer labs, study lounges, group study space and a game room. Space will also be provided for a student leadership center, larger meeting rooms and patio seating areas. The union description is the result of input from focus groups and surveys. A separate survey was conducted regarding the fee. Dr. Ellis related that many students, with a variety of viewpoints, were involved in the process.

Ms. Jessica Muehlberg reported that a working group was created comprised of students, staff and faculty advisors. The working group conducted educational sessions, open forums and two surveys. The first survey addressed the general student interest and what features were desired. The second survey determined a fee assignment and whether students would be willing to pay that fee. The working group distributed campus-wide e-mails, postcards, advertisements in the student newspaper and on the shuttle buses, and large banners were placed at the potential future site and in the current student union. Numerous access points were provided to ensure that every student had an opportunity to participate. Alternative survey options were also offered at the Disability Resource Center. Over 4,400 students responded to the first survey (30% of the student population), with a 1.5% margin of error. 78% of responding students ranked a union on campus as being a moderate to very high priority. This response was consistent among all demographic groups. Spaces requested included: larger bookstore, shaded patios, bank, coffee house, post office, movie theater and 24-hour access.

Regent Kirkpatrick asked whether measures were taken to prevent students from responding to the survey more than once. Dr. Ellis replied there were. Mr. Yim explained that students used an identification number on the first survey and their

identification number and birth date on the second survey to ensure they only voted once.

Dr. Ellis reported that student interest expressed above the 50% level was considered to determine the cost, and from that, a 190,000-sq. ft. facility was derived.

Mr. Ron Zurek, Interim Vice President, Administration & Finance-UNR, reported that his department had been working on this project for the last two years, determining the size of the project and considering alternate financing structures. He thanked Mr. Scott Nash, Johnson Consulting, for his assistance. Mr. Zurek reported the facility would be approximately 190,000-gross sq. ft., with 132,000 assignable sq. ft. and a building efficiency factor of 66%. Students wanted the fee to commence as late as possible (close to the opening of the new building), so that those who would be paying would enjoy the benefits. Students also wanted to ensure the fee would be used for construction purposes only and not for operating expenses. They also wanted the institution to commit student service auxiliary fees (\$3 million) to the project. A 30-year loan at 6.25% (tax-exempt) was assumed. Construction costs total \$44,006,931 (\$233/sq. ft. in 2006 dollars or \$210/sq. ft. in 2004 dollars). The total project cost would be \$46,345,000 (\$245/sq. ft. in 2006 dollars). The capitalized interest during construction would allow the money to be borrowed with no initial increase in student fees.

Regent Dondero asked whether the project would be financed with bonds and the debt retired with student fees. Mr. Zurek replied that was correct. Regent Dondero asked whether revenue from the services provided would be applied to the debt. Mr. Zurek replied that the projections had not included that income. He observed it could also be used towards operating expenses.

Regent Sisolak asked about the source of the \$2.5-\$3 million. Mr. Zurek replied that money from various student service auxiliary programs would be put aside over time. Regent Sisolak asked about the reserve balance. Dr. Ellis replied there was \$800,000 in student union reserves, \$500,000 in bookstore reserves and \$500,000 in dining commons reserves. Regent Sisolak asked about dedicating some of these reserves to retiring the Fire Science Academy debt. Dr. Ellis replied that she had conveyed that information to the president. They agreed that auxiliary fees related to the student union building were appropriately used on the new union project and that it would not be appropriate to use them for the Fire Science Academy or anything else unrelated to the student union. Regent Sisolak asked about a naming opportunity. Dr. Ellis replied that the institution had decided that academic space is the highest priority and would be the priority for private donations. She explained that student fees could fund the student union, while academic buildings are funded by capital improvement fees (not student fees). She said the Knowledge Center had the highest priority due to a requirement for matching funds and deadlines that must be met, adding that other academic buildings had priority over the student union. Regent Sisolak asked whether all the money for the Knowledge Center had been raised. Dr. Ellis replied it had not, adding that it looked promising. President Lilley stated that it could not be discussed further at this time. Regent Sisolak asked why a naming opportunity would not be pursued. President Lilley replied that UNR had chosen not to due to the funding matches required for new buildings in the future. He explained that UNR must provide a two-thirds match for the Knowledge Center. He felt that fundraising capabilities must be reserved for academic priorities. Regent Sisolak felt that a donor might want the opportunity to have their name on the student union, adding that it did not seem wise not to pursue such an opportunity. He asked whether the Chancellor was aware of this decision. Chancellor Nichols explained that each campus developed a list of projects requiring private funding and the student union was not on that list. She felt that if someone offered funding (i.e., \$20 million) for naming the student union that President Lilley would accept it. President Lilley agreed. Regent Sisolak asked whether a \$2 million donation would be acceptable. President Lilley replied that, normally, campus policy required up to 50% funding of a building for a naming opportunity.

Mr. Yim reported that discussions were held to determine the best method for ascertaining what students wanted before the fee was determined. Twenty-eight options were considered for inclusion in the project. He felt confident that the 3 credits or less option was the best for undergraduate students.

Ms. Muehlberg explained that the graduate students were more concerned about how much time graduate students actually spent on campus and how much use they would get out of the union. It was decided that the majority of students taking 6 credits or less were considered part-time students. The graduate students opted for a different fee option; full-time students (taking 7 or more credits) pay the full \$97 fee and anyone taking 6 credits or less would pay \$49.

Mr. Yim reported that the survey was conducted during the first two weeks of December. It was available on the website via a popup window when students attempted to register or check their grades. The flat fee for undergraduate students will not exceed \$94/semester (\$25/semester for students taking 3 credits or less). The fee for graduate students will not exceed \$97/semester (\$49/semester for students taking 6 credits or less). The fee will not begin until Fall 2006. Mr. Yim did not want students to pay the fee and not have the benefit of using the student union.

Regent Seastrand asked whether the start date for the fee increase had been included on the survey. Mr. Yim replied that it was. Regent Seastrand asked whether that had any influence on the responses received. Mr. Yim replied that the working group felt that students needed to be visionary for future students. It was a tough decision, but they felt it was the best option for the undergraduates. Dr. Ellis observed that more freshmen voted proportionately than other grades, and more voted in favor of the fee than not. Sophomores comprised the next largest responding group.

Regent Kirkpatrick asked whether the decision to implement the fee in 2006 had been influenced by the Board's previous discussion regarding UNLV's student union. Mr. Yim replied that they had learned much from that discussion. He reported that over 3,500 students (25% of enrollment) responded to the second survey with a 1.6% margin of error. 72% responded affirmatively compared to 28% responding negatively. 73% of the undergraduates responded positively, while 68% of the graduate students replied positively. All demographic groups favored the project. Students were asked to explain their reasons for opposing the fee. The top three reasons included: (1) not worth the cost, (2) the fee is too high, and (3) satisfied with existing facilities. The top three reasons for supporting the fee included: (1) the project is important to overall campus life, (2) the project will be a great addition to the campus and (3) the current Jot Travis Student Union is not sufficient in size.

Dr. Ellis reported that the data indicated student support for construction of the building with a fee to be used solely for construction. Since the Board will not be meeting in Reno prior to the March meeting, an open forum is planned to allow students to share their opinions with Board members regarding the student union proposal. Video sites will be available in Las Vegas and Elko. She invited the Regents to attend.

Regent Seastrand thanked Dr. Ellis and the students for the presentation. He asked about plans for Jot Travis Student Union. Provost Frederick replied that UNR's planning council had discussed the matter, adding that two student leaders also participated on the council. Since the union building was constructed with student fees, he felt the students should have a voice. Initial thoughts are that vacating the building would allow UNR to expand student services space that is currently quite constrained. The ultimate plan is to recover some academic space that would also provide a student resource center. He observed that it was located across the street from many of the residence halls. Regent Seastrand liked the way the fees were broken out and wondered whether the Board should reconsider the financing of UNLV's project. He asked about the size and square footage provided per student. Dr. Rebecca Mills, Vice President, Student Life-UNLV, replied that it was approximately 167,000-sq. ft., though she could not recall the square footage per student, adding that UNR's would be greater. She related that the nature of the two student bodies was somewhat different. Regent Seastrand asked about the cost of UNLV's student union. Dr. Mills replied it was \$37.5 million for construction. Regent Seastrand asked about the cost per square foot. Dr. Mills replied that she could not recall. She felt it was important to remember that UNR was constructing a new building, while UNLV was adding space and renovating an existing building, so the costs would be different. Regent Seastrand asked about the fee. Dr. Mills replied that it was \$173 for students. At the Board's request, no fee will be charged to students taking 3 or fewer credits. She said that 42% of the fee was for the student union. Mr. Zurek reported that UNR's total project cost per square foot was \$245, while UNLV's was \$268. Regent Seastrand felt it was a good idea to break the fees out between undergraduate and graduate students. He thought that UNLV should consider the same method, noting that UNR had placed the burden on the students who would be using the facility.

Regent Sisolak noted a point of order, requesting an interpretation regarding reconsidering the UNLV's fees, which was not related to the current agenda item. General Counsel Ray agreed, stating that it was appropriate for comparison purposes, but there should not be a discussion of the UNLV project.

Regent Kirkpatrick congratulated Dr. Ellis and the students for the manner in which the survey was conducted. He said that it had previously been Board policy not to raise tuition more than 1% over the cost of living, lamenting that philosophy had been abandoned. He noted the Board had implemented a \$4.00 technology fee (approximately \$100/student/year), and that this fee was similar. He asked when fees would be increased to such a point that students would be denied an opportunity to pursue an education. Dr. Ellis replied that she thought about that every day. She noted that UNR is a land grant institution with a mission for access and opportunity, adding that they all believed in the value of higher education for creating a better life. She related that fee increases had been requested the previous year for things that were considered mandatory for students. It was the university's hope to request only this one mandatory fee increase, which would become effective in Fall 2006. She felt it gave students two years to plan ahead for the increase, adding that financial aid funds were a tremendous help. The university planning council's greatest priority has been a commitment to increase student scholarships and grants. That commitment has provided an additional \$1 million in student financial aid over the past year (through reallocation). The concern is having available resources to help address the increased costs of education. Students expressed the desire to spend their fees on the construction of this project. Since the fee is mandatory, it qualifies for financial aid. She related that some donors were not willing to contribute to bricks and mortar but were willing to donate for scholarships.

Regent Hill hoped the request would be approved and that the architectural scheme would mesh well with the old campus style, adding that some buildings on campus did not. He complimented the student leaders and the student body on their presentation, observing that they stood on the shoulders of the students who came before them. He said that students had been using the current student union though they had not paid for its construction. He felt there was an obligation to those who would come after they are gone. He observed there would always be those not willing to build for the future of the institution and students.

Regent Rosenberg observed that some students had initially opposed this measure, adding that, over time, it had changed. He congratulated UNR for learning from UNLV's students, adding that the presentation had gone well.

Regent Schofield thanked everyone for an excellent presentation. He observed there would always be constant change. When he attended UNLV, there was no student union. He became a Regent because he wanted to help make the campuses

student friendly. He was impressed that students were willing to pay to enhance the university, which would help attract the best students. He noted the importance of providing a student union to which students are attracted.

Mr. Yim said that he did not initially support the project, but going through the process had convinced him otherwise. He said that he and Ms. Muehlberg had worked hard to bring the matter before the Board. He observed that students were paying for the Fire Science Academy, though they were not reaping any benefits from it. He said the students wanted to pay for a new student union so as to create a hub for campus life.

The meeting recessed at 10:35 a.m. and reconvened at 10:57 a.m. on Friday, January 30, 2004, with all members present.

**21. Approved-Resolution 04-09, Capital Project 03-C91L Loan Terms, DRI** – The Board approved President Stephen Wells' request for the terms for a bank loan. At its December 2003 meeting, the Board granted approval for DRI to seek a bank loan for the partial funding of capital project 03-C91L for the Maxey Science Center addition (Ref. J on file in the Board office).

Regent Rosenberg moved approval of Resolution 04-09 regarding capital project 03-C91L loan terms for DRI. Regent Howard seconded. Motion carried.

President Wells reported that the terms of the loan (4.1%) were lower than initially reported.

**22. Approved-Resolution 04-10, Sale of Revenue Bonds, UNLV** – The Board approved President Carol Harter's request for the sale of revenue bonds to fund the following projects:

- Science, Engineering, and Technology Building.
- Central Desert Complex Phase II
- Shadow Lane Building "B" second floor renovations.
- Acquisition/Development of Naples Property.

Repayment of this bond will be provided by a combination of the following revenue sources: EPA Lease, Donor Gifts, Capital Improvement Fees. This bundled bond is not to exceed \$36,000,000 (Ref. K on file in the Board office).

Regent Sisolak said that he would abstain from voting on this item and would not participate in the deliberation or discussion. Regent Alden also abstained from voting and left the meeting.

President Harter reported that these four projects required funding. The Science, Engineering and Technology building requires a \$25 million match. The Central Desert Complex is used to house new faculty and to hold other facilities while under renovation. The Shadow Lane Building B will be used primarily for research; significant renovation is necessary. Sources of revenue include a \$15 million lease to the EPA, private funds and capital improvement fees for the Science, Engineering and Technology building. The other projects will also be financed with capital improvement fees.

Regent Bandera moved approval of Resolution 04-10 regarding the sale of revenue bonds for UNLV. Regent Dondero seconded.

Regent Seastrand asked whether the EPA lease constituted future revenue. President Harter replied that it was a 15-year lease that had already commenced. Mr. Tony Flores, Vice President Finance-UNLV, agreed, adding that the \$25 million, 15-year lease began the previous year. He said that this was a renewal. Regent Seastrand asked what the revenue stream had been used for previously. President Harter replied that it was a new revenue stream. When the EPA decided to remain on campus, UNLV told them they needed the space for the Science and Engineering expansion. The resulting agreement provided a new revenue stream to be used for the new Science and Engineering building.

President Harter explained that it was a 15-year lease that began in 2000. Mr. Flores agreed. Regent Seastrand asked about the life of the bond. President Harter replied it would be financed with 30-year bonds. Regent Seastrand asked about plans following expiration of the EPA lease. President Harter replied that it would be spread out over the life of the bond.

Regent Kirkpatrick asked about the total cost of the Science and Engineering building. President Harter replied it would cost \$75 million without furnishings and equipment (an additional \$7 million). UNLV must provide \$25 million. Regent Kirkpatrick asked how much of the \$25 million had been realized. President Harter replied they had secured the \$15 million lease payment plus \$6-7 million in private gifts. The balance will be taken from capital improvement fees and continued private fundraising. She said that UNLV needed to raise \$3 million, adding they had just received a \$250,000 commitment from Nevada Power. Regent Kirkpatrick asked whether \$17.2 million would be used for bond on the building. Mr. Flores replied affirmatively. President Harter explained they would borrow \$25 million for the building, which would be repaid from three



different sources. Mr. Flores agreed. Mr. George Scaduto, Associate Vice President, Finance-UNLV, explained that the institutional commitment for the Science, Engineering, and Technology building was \$25 million. Currently, UNLV has \$7.8 million in cash. The 17 million is the difference. Regent Kirkpatrick established a \$45 million legislative appropriation. Mr. Scaduto agreed. Mr. Scaduto replied that the lease was paid monthly. He said the capital improvement fees would provide more than enough cash flow. President Harter explained that the State Public Works Board required the \$25 million up front.

Regent Seastrand asked about any prepaid penalties and the interest rate. Mr. Scott Nash, Johnson Consulting, replied the bonds would sell on February 25th, some of the terms were not completely finalized. The plan involves a 10-year call period at par with no premium. The expected interest rate is 4.5% fixed rate for 30 years. Regent Seastrand asked whether the bond rating would change. Mr. Nash replied that the bond rating had remained the same for quite a while. He said this was a different type of transaction from DRI's. Regent Seastrand asked how this would affect the bond capacity. President Harter replied that UNLV was approaching its capacity. They intend to request an increase from the legislature. Regent Seastrand asked about the value of the capacity. Mr. Flores replied that it was \$92 million. The new project will approach \$90 million. Regent Seastrand asked whether there were any problems with the state bonding limits. Mr. Nash replied that he was not aware of any issues with the state funding.

Regent Hill asked about the EPA lease. Mr. Flores replied that UNLV had scheduled the cash flow on the basis of the 15-year lease with contributions from capital improvement fees.

Motion carried. Regent Sisolak abstained. Regent Alden was absent.

Regent Alden entered the meeting.

**23. Approved-Resolution 04-11, Bank Loan, Davis Observatory, WNCC** – The Board approved President Carol Lucey's request for the selection of a vendor for a bank loan to complete the Jack C. Davis Observatory. The Board previously granted approval for the college to move forward with a loan in August 2002, but action was deferred when it appeared the observatory could be completed without one. In August 2003, WNCC verified the need for a loan and now seeks approval of a vendor. Because the RFP closes on January 26, 2004, details on the recommended vendor will be presented at the meeting (Ref. L on file in the Board office).

Regent Rosenberg moved approval of Resolution 04-11 regarding a bank loan for WNCC's Davis Observatory. Regent Bandera seconded. Motion carried.

**24. Approved-Public Safety Initiative, CCSN** – The Board approved Interim President Paul Gianini Jr's request to expend funding allocated by the 2003 Legislature for the purpose of augmenting CCSN's Security & Public Safety Program. Specifically, this funding was earmarked to improve facilities and systems to optimize safety/security measures and enhance the protection of CCSN users and resources (Ref. M on file in the Board office).

Regent Hill moved approval of the expenditure of funds for a public safety initiative at CCSN. Regent Seastrand seconded.

Regent Sisolak noted a point of order, requesting an opinion regarding Judge Glass' decision (dated January 28, 2004, page 5, lines 4-6).

"If the Board chooses to revisit the Dr. Remington presidency issue, the Board must provide proper and prompt notice under NRS 241.033 and 241.034."

Regent Sisolak said that Dr. Remington and Mr. Cummings were not noticed. General Counsel Ray stated that the portion of the order read by Regent Sisolak did not relate to this particular agenda item. He agreed with Regent Sisolak that it would be a violation to discuss matters related to the individuals that are party to that lawsuit. He urged members not to discuss any matters that relate to those individuals. Regent Sisolak felt that the entire issue surrounded one of the reasons delineated. He asked why the individuals had not been noticed. General Counsel Ray stated that so long as the Board did not discuss anything relating to those individuals it would not be a violation of that order.

Regent Sisolak moved approval of tabling the item. Regent Rosenberg seconded. Upon a roll call vote the motion failed. Regents Alden, Howard, Rosenberg, and Sisolak voted yes. Regents Anthony, Bandera, Derby, Dondero, Hill, Kirkpatrick, Schofield, Seastrand and Whipple voted no.

Regent Alden felt it was a very good item. Under circumstances of notice, he would approve it. He felt the Board was entering dangerous territory. He said he would oppose the motion and would file another Open Meeting Law complaint on this item. He asked the Board not to consider the item and to move to the next agenda item.

Regent Rosenberg said there was clearly a need for the allocation. He cited several memos from Chancellor Nichols.

Regent Seastrand noted a point of order, questioning the relevance to the agenda item. Regent Rosenberg said it was relevant. Regent Seastrand said he was concerned about moving to an area that would violate the Open Meeting Law. Regent Rosenberg said he would not.

Regent Rosenberg said he was merely citing memos that had been sent to the Board. Chair Anthony reminded him that the Board was considering an agenda item relating to security at CCSN. Regent Rosenberg asked to continue.

Regent Rosenberg began quoting from one of the memos regarding items included on the capital budget. General Counsel Ray advised Regent Rosenberg not to go into the contents of that memo on this agenda item, warning he could be served with an Open Meeting Law charge.

Regent Rosenberg moved to table. Regent Sisolak seconded.

Regent Hill noted a point of order, stating that the motion had previously failed. General Counsel Ray said the Board could vote again.

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

Regent Kirkpatrick asked Interim President Gianini to provide an overview of the plans for spending the funds.

Regent Alden said he would not vote on this item, adding that he was leaving the meeting to file a complaint with the Attorney General.

President Gianini reported that every campus was required to provide a safe and secure learning environment. Recently on the Charleston campus, two non-CCSN students were removed from the campus under the influence of drugs. He said that CCSN will never be able to hire the number of security people necessary, but technology could prevent some of the problems. CCSN is the largest and fastest growing institution in the state. Growth has attributed to increased occurrences. He explained that it was a one-time appropriation that would only be used for non-recurring costs (i.e., technology, not people). Outdated systems will be replaced.

Ms. Patty Charlton, Vice President, Finance & Administration-CCSN, reported that the funds would be used to purchase equipment, on a one-time basis, that would improve existing security systems. She said the systems were very old. It has not been possible to keep pace with developments as the campuses have grown. The closed circuit television system at the Cheyenne campus will be replaced. New locking systems will be installed to secure higher security areas. Campus lighting will be upgraded and an emergency call box system will be installed.

Mr. Sandy Seda, Director, Security & Public Safety-CCSN, reported that a comprehensive evaluation of CCSN's security program was conducted. Town hall meetings were conducted at each campus to solicit comments, suggestions, and community concerns. He provided his observations and recommendations to Ms. Charlton. One of the items outlined was security-related equipment and technology. He has been working closely with Mr. Bob Gilbert, Director, Planning Design & Construction-CCSN. They determined the areas to be addressed included the Cheyenne closed circuit T.V. system (antiquated; needs replacement); electronic locks for high security areas; and implementation of the emergency callbox system. He said the Board had an opportunity to profoundly impact the security and public safety at all of CCSN's campuses. He said it was very important to have the funds, adding they intended to spend every penny on the items outlined.

Regent Seastrand asked about the impact of delaying a Board decision. Mr. Seda replied that the T.V. system was so old (analog cameras) that still pictures could not be retrieved. An incident in September involved someone entering a classroom with a gun threatening to kill everyone. Students had to run to the security office to alert help. Call boxes would be installed in the hall areas, strategically placed throughout the campus. He said the college really required the money and that the changes were absolutely necessary.

Regent Dondero clarified that she was only addressing student safety at CCSN. She asked whether costs could exceed the estimate provided. Mr. Seda replied that CCSN has 3 large campuses and 16 learning centers. They hope in the future to expand security systems as more facilities are built. Regent Dondero felt it was important to ensure that students are safe on campus. Ms. Charlton said that CCSN held security improvement as a high priority as new facilities/buildings are developed. She said the college took the matter very seriously. There are plans to apply for external grants to help defray costs.

President Gianini said it was a step in the right direction, but they could not guarantee the campuses would be perfectly safe. As CCSN continues to grow, they will need more equipment and personnel. He said they could never guarantee it would be totally crime free. He said that CCSN required safe campuses for learning, adding that the blue light callbox system was very effective.

Regent Whipple asked Mr. Seda to discuss the policies and procedures and how the money would be spent. Mr. Bob Gilbert, Director, Planning Design & Construction-CCSN, said it was a legislative project with allocations to the State Public Works Board, and that it would be done through their process and audited through the Interim Finance Committee.

Regent Schofield said that he was concerned about a lack of lighting at the Charleston campus and Western High School. He agreed there was a real need.

Regent Rosenberg felt that the agenda item was intermingled with other issues. He did not want to hold the students and their safety hostage over this issue. He said he was disturbed with the manner in which this was being done and the lack of concern for process that the Board should be paying attention to.

Regent Howard said that she would abstain from voting.

Regent Sisolak agreed with Regents Howard and Rosenberg, adding that he was also very supportive of the students and the situation they faced. He said he was concerned with the process, adding that he was shocked the individuals were not notified.

Regent Alden said that he would abstain from voting and requested a roll call vote.

Upon a roll call vote the original motion carried. Regents Anthony, Bandera, Derby, Dondero, Hill, Kirkpatrick, Schofield, Seastrand and Whipple voted yes. Regents Alden, Howard, Rosenberg and Sisolak abstained.

Regent Hill suggested tabling item #25. (Fire Science Academy Business and Marketing Plan, UNR), since it was the same information provided to the Audit Committee the previous day. Regent Sisolak questioned the need for a motion. General Counsel Ray asked whether anyone objected to not considering the item. No objections noted.

**25. Approved-Master Plan, NSC** – The Board approved President Kerry Romesburg's request for approval of Nevada State College's Master Plan as presented at the December 2003 Board of Regents' meeting (Ref. N on file in the Board office).

Regent Alden moved approval of NSC's master plan. Regent Rosenberg seconded.

President Romesburg reported the master plan was prepared under the direction of the State Public Works Board. The 559-acre site is located in the Henderson foothills. The master plan anticipates a 20-year build out (3 million-sq. ft.) to accommodate 25,000 students. The initial building will house liberal arts and was approved by the SPWB. The project will go out for bid in a year once matching funds are secured. President Romesburg reminded Board members that the Regents approve the master plan for the property, while the SPWB approves plans for the building.

Regent Seastrand asked about the walking distance from one end of campus to the other. President Romesburg replied it would be no longer than 7 minutes. The unique, linear design was chosen due to the topography, as well as considerations for drainage and flood control. President Romesburg anticipated that a shuttle service would be provided once the campus is built out. He related that the campus is handicap accessible and meets all ADA requirements. He noted that the Board would be apprised of all developments and would approve each project. Regent Seastrand agreed it was a unique design. He asked about the estimated 25-minute walking distance from a future light rail station to the furthest building. President Romesburg said the City of Henderson was working on plans for a light rail system that would shuttle students, adding that students would not be expected to walk that distance. Regent Seastrand established that terraced parking would be available across the face of the buildings. President Romesburg observed that the terraced parking made the parked cars less visible as one approached campus. He noted plans for covered walkways from the parking areas to the buildings, which would also provide solar lighting for the parking lot.

Regent Hill praised the layout and encouraged all of the institutions to consider the flow of foot traffic on campus in the future.

Regent Dondero asked about neighborhood use of horseback trails in the area. President Romesburg replied that the bridle path ran above the property. The campus buildings will be located on the interior of the property with the edges open to the trail. The landscaping will be xeriscape.

Regent Schofield thought the area was beautiful and provided outstanding potential for the campus. He asked about the power lines located nearby. President Romesburg replied that those lines provided power to California and would be upgraded in the future. NSC property stops just short of the easement for those power lines.

Regent Kirkpatrick asked about FTE enrollment for the current semester. President Romesburg replied it was just under 500 FTE. He noted the college had been funded for 300 FTE this year. Regent Kirkpatrick said he was concerned about mission creep and future plans for the college to offer master's and doctorate degrees. He said that one of the objectives of the college had been to provide economic and affordable education to students. He asked about long-range plans for public transportation. President Romesburg replied that, currently, the bus stop was located near the I-515 exit. The City of Henderson will locate a bus turnaround just south of NSC's existing building, which will allow for bus traffic next fall. Plans for a light rail system will also improve access. He related there was also plenty of access for vehicles, adding that it was a short commute from the city. Regent Kirkpatrick asked about the frequency of bus service. President Romesburg did not know, adding that negotiations were planned. Regent Kirkpatrick asked about discussions with the bus service regarding

future expectations. President Romesburg replied that they had assured the college they would service this area if there were riders. He felt that development in the area would assure the service.

President Wells praised the plan, adding that he was pleased the site plan included consideration of the rivers and drainage. He felt the Board should be proud of the plan.

Motion carried.

The meeting recessed at 11:52 am and reconvened at 12:23 pm with all members present with the exception of Regent Schofield.

**26. Approved-Restructuring of the School of Medicine's Clinical Practice Plan, UNR** – The Board approved President John Lilley's and Dean Stephen McFarlane's proposal for restructuring the School of Medicine's Clinical Practice Plans. The proposal was endorsed by the Health Education Task Force on December 4, 2003 (Ref. P and Bound Report on file in the Board office).

Regent Alden moved approval of the restructuring of the School of Medicine's Clinical Practice Plan. Regent Bandera seconded.

President Lilley reported that the School of Medicine's originally developed individual department practice plans which were merged into three plans in 1997. The goals of the restructuring are to improve UCCSN and University oversight of the practice plan, to reduce UCCSN and University liability, and to allow the SOM to successfully meet its educational, research, and clinical missions. The plans consist of four separate 501c3 not-for-profit corporations (MEDSchool Associates North, MEDSchool Associates South, Nevada Family Practice Residency Program), including one umbrella corporation (Integrated Clinical Services). The clinical financial arm of the SOM exists as the business unit for SOM clinical operations and provides a vehicle for patient care activities. It is the source of 40% (\$43 million) of SOM revenues, including the majority of SOPM teaching physician salaries. Since state appropriations have been relatively flat, the SOM is very dependent upon clinical sources. The clinical financial arm operates approximately 20 clinics statewide and provides the practice structure for over 400 faculty physicians and residents. It employs approximately 400 support staff and provides patient care services both in clinics and in hospitals. It provides care to privately insured patients and is one of the largest providers of services to Medicaid/Medicare patients and indigent patients statewide.

Regent Schofield entered the meeting.

The practice plans were restructured due to concerns of the Board of Regents, UCCSN administration, the university, and others regarding the adequacy of controls in place to limit System liability. The university needed to implement consistent management practices and planning within the clinical services operations statewide and to formalize the relationship of the clinical practices with the SOM and the rest of the university. Concerns were also expressed by PricewaterhouseCoopers, Inc. over meeting the requirements of GASB 39. Additional needs included:

- Protect the revenue stream of the overall SOM budget. All individual clinical faculty are required to earn a portion of their salary (20-100%; mean = 40%).
- Protect the availability of the "live classroom" for residents and medical students.
- Protect the availability of the SOM as a provider to historically underserved patient populations.
- Protect the academic chain of command within the clinical departments while separating it from the business operation.

The proposed restructure was presented as a compromise document to address the expressed SOM needs, maintain the necessary flexibility to succeed in a highly competitive environment, and be consistent with the model that the majority of other medical schools are using. The proposal has been accepted by UCCSN System Administration, University administration, SOM administration and clinical chairs, and has the endorsement of the Board's ad hoc Health Education Task Force. The restructure will consolidate financial control into one central entity (ICS), which has voting representatives from university administration on its board of directors and control of the Vice President, Administration & Finance-UNR, who serves as Treasurer. It replaces the current structure of three independent boards operating autonomously with no university administration representation. The ICS board would be responsible for all financial management and operational oversight of the clinical services. While responsible for the entire clinical operation, this board will not govern the academic, educational, or research activities of the clinical departments, which will remain under the purview of the department chairs. This board will also establish advisory committees within each clinical practice to handle day-to-day operational issues and make recommendations to the ICS board on larger issues.

President Lilley stated that flexibility in personnel matters, including selection, transfer, and termination are crucial to the successful operation of the clinical services. The ICS corporation will be the employer of all 400 support staff employees. Physicians and residents would remain SOM employees. One uniform personnel policy, approved by the university, will govern this entity. The proposed personnel model is the best compromise and least costly solution to the personnel issue.

President Lilley reported that the clinical practices have unique purchasing needs, including time sensitivity and specialized products. This model governs only clinical purchases made with clinical dollars. All other purchases continue to be processed through BCN (Business Center North). All of the cost centers within ICS will use the same financial software package and chart of accounts. The chief business officers of each cost center will report to the dean through the SOM chief financial officer. The three chief business officers will administer uniform policies approved by the ICS board.

President Lilley indicated that the proposed model significantly changes the governance of the clinical practices with the SOM providing Regents, System Administration and university administration with the proper oversight. The model also ensures that the revenue stream remains protected and reduces liability to the System from the existing structure. The restructured model facilitates university compliance with GASB 39 and allows SOM administration and faculty control of their educational, research, and clinical missions.

Regent Hill thanked President Lilley and his colleagues for their work, adding that he was still concerned about two areas of financial control. He noted that the dean can waive certain purchasing and bidding policies. He did not object to that with appropriate justification, but felt that when normal procedures were not followed that it should be reported to the ICS board. Dean McFarland said there were a number of safeguards included for early warning. The purchasing department participated in this planning. Such a departure would require the approval of the ICS board and the Treasurer. This was proposed due to the nature of the purchases required (i.e., purchasing medications quickly online rather than bidding on them). Other non-returnable, rapid purchase items included prostheses and implants. He said that exceptions had been provided for truly exceptional circumstances. Regent Hill did not disagree with the need for having the authority to do this, but felt that those exceptions should be reported to the ICS board. President Lilley said that would be acceptable. Regent Hill then referred to the proposed governance structure. He was concerned about System liability if the Vice President, Administration & Finance-UNR and/or the Associate Vice President, Business & Finance-UNR disagreed with such an expenditure. He suggested requiring that either of those two positions agree before any monetary liability for the ICS could be assumed. Dean McFarland replied that it was a very sensitive issue. The faculty working in the clinics to produce 20-100% of the clinical income feel they have made many accommodations to provide controls that were not there before. He said he did not like seeing the creation of a veto power on this matter. President Lilley said that they tried to address that concern. Regent Hill observed that if the ICS board voted to purchase a condo in San Diego and the VPAF refused to sign the check, there were no controls to prevent a lawsuit for a judgment of money. He was concerned about incurring a liability on behalf of the practice plan and the institution footing the bill. President Lilley said that he appreciated Regent Hill's concern. He felt there was balanced board representation. If the SOM dean suddenly turned rogue, there are two people on the board who would quickly notify the president. He felt the concern had been balanced, though he agreed there was no absolute control. Dean McFarland noted that the practice plans had been profitable for the last 29 months. He felt that the early warning system and other adequate controls were provided.

Regent Hill proposed a friendly amendment that any waiver of purchasing policy must be reported to the ICS board at its next meeting. Regents Alden and Bandera agreed.

Regent Hill said he still had some problems with the governance structure. He requested a progress report be made to the Board by the December meeting indicating how the restructuring was working. He requested that it be included as an action item on the Board's agenda. He said he would be the first to congratulate them if it was working. If it is not working, he said that he would make a motion to change the procedures. President Lilley noted that UNR reported on the practice plans at every Audit Committee meeting, adding that he could include items of governance.

Regent Dondero noted that work done at UMC brought in \$11-13 million/year. She asked whether the county commissioners were aware of these changes. Dean McFarland said they were not, though discussions were held with partners at UMC. He did not feel the restructure would impact the operations. President Lilley said it was a transparent process and there should be no change in that relationship.

Regent Sisolak asked what would happen to current employees (position by position). Dean McFarland replied that the physicians were already university employees (approximately 250 faculty physicians). He said there were approximately 200 residents under contract with the university. The others are employees of the practice plan (i.e., technicians, nurses, coders and billers). Converting them to a classified position or moving them into the university would require a legislative act. He said there were no categories created for that. Everyone would also be required to resign and be rehired using the search and interview process. Regent Sisolak noted two positions (one north and one south) reporting to the SOM dean. Dean McFarland replied that the Executive Associate Dean is a physician position with statewide responsibilities for running the clinical programs. The vice dean for the Las Vegas campus has the overall responsibility for the campus on a day-to-day basis. Regent Sisolak asked whether the Vice Dean position for the SOM in Las Vegas was going to remain. Dean McFarland replied that it would. Regent Sisolak asked whether the Chief Financial Officer position would remain. Dean McFarland replied that the position was vacant at the moment, but two people were filling portions of that position. He said

that a new chief financial officer would be hired. Regent Sisolak asked whether there would be a Chief Operations Officer in the north and south. Dean McFarland asked whether he was referring to the Chief Business Officer position. Regent Sisolak said it was a Chief Operations Officer. Dean McFarland explained that each of the three practice plans had a chief financial officer. Those positions will remain in those centers doing the same thing, working with the vice dean in Las Vegas. Regent Sisolak asked whether any of the people presently on staff were going to be replaced due to qualifications for new job titles. President Lilley said he was uncomfortable answering a personnel question. Regent Sisolak asked whether any changes would be made to the job qualifications which would force the replacement of existing employees. President Lilley said that the new Vice President for Health Sciences and the SOM dean would be reviewing the matter with a consultant. It will be determined at a later time whether changes are necessary. He said there were always people talking about retiring or taking new positions. Regent Sisolak asked whether the job requirements or qualifications necessary under any of the new classifications would change so that any of the individuals might be impacted directly. President Lilley replied no, based on this restructuring. Regent Sisolak asked whether there was anything based on anything else. President Lilley replied there could be personnel situations, but the restructuring would not cause any changes.

Regent Sisolak expressed concern about complaints he received from southern doctors about this issue. Dr. Michael Harter, SOM Vice Dean and President of MSAS, replied that the only concern he was aware of had been expressed in an anonymous e-mail message. He had received no other complaints. Regent Sisolak asked how much representation from Las Vegas there would be as opposed to from Reno. Dr. Harter replied there would be at least three representatives from Las Vegas on the 9-member board. Regent Sisolak asked from where the rest would come. Dr. Harter replied it would be a combination of areas. Regent Sisolak asked how much time the dean spent in the southern part of the school. President Lilley said that they were making it clear that the new vice president and dean would spend 2-3 days in the location where they do not live. Regent Sisolak asked how much time was currently spent in southern Nevada. Dean McFarland replied that it varied (0-3 days/week). He said that he spent several days in Carson City speaking with Medicaid and Medicare officials. They also visited his Reno office.

Dr. Harter read a memo from the five chairs in Las Vegas to Dean McFarland regarding the anonymous e-mail message sent to UCCSN Regents. The memo indicated that many comments were inappropriate and a disservice to Dr. Harter, President Lilley, Dean McFarland, and Dr. Peck. The chairs were involved in the practice plan restructuring and philosophically supported it. The memo indicated that Dean McFarland had assured the chairs they would be capably represented during the next phase of implementation and development of a contract between UCCSN and UNR. The chairs believed that the contracting process would provide the appropriate definition of the chairs' roles in the restructured practice organization. The chairs indicated they had thoroughly discussed the practice plan restructuring with the faculty. They did not believe that the e-mail message represented their faculty. Regent Sisolak asked how many days Dean McFarland spent in Las Vegas during the last year.

Regent Hill noted a point of order, asking how this line of questioning related to the matter of approving the practice plan. Regent Sisolak felt it related to the restructure. Regent Hill failed to see the connection. Chair Anthony asked the conversation to continue.

Regent Bandera noted a point of order, stating that she had not received the anonymous e-mail. She requested that a copy be provided or that it be read. Regent Sisolak offered to read the e-mail.

Regent Hill noted a point of order, questioning whether it was wise to read an anonymous e-mail into the record. Copies of the e-mail were provided for the Board.

Regent Sisolak asked how many days Dean McFarland spent in Las Vegas during the last year. Dean McFarland replied that he traveled to Las Vegas between 0-3/days per week. He said he also uses a compressed video link for meetings. He said he had been in contact with the chairs and Dr. Harter by telephone and e-mail. Regent Sisolak suggested that Dean McFarland review his calendar and respond to his question in writing. He said he had received complaints that the dean did not come to Las Vegas often enough under the old structure.

Regent Bandera noted a point of order, asking whether Regent Sisolak regarded one day as a 24-hour, 10-hour, or 8-hour period. Regent Sisolak replied that he was referring to an 8-hour work day, not including Regent meetings.

General Counsel Ray stated that the presence of the new dean in general or hypothetically was relevant to the restructuring, but he was concerned about comments regarding the e-mail. He said it appeared to consider the conduct of the interim dean, which should not be discussed at this time during this item.

Regent Sisolak asked when he would receive the letter. Dean McFarland estimated the letter would be sent by the following Tuesday.

President Lilley clarified that his direction to the new Vice President for Health Sciences and the SOM dean was irrespective of this restructuring, and that time would be spent in both places.

Regent Howard asked about the percentage of time that the dean would spend in southern Nevada versus other areas in the state.

Regent Hill noted a point of order, stating that the question was not related to the restructuring plan. Regent Howard disagreed. Chair Anthony asked Regent Howard to continue.

Regent Howard asked about the current proposal for the percentage of time the dean will spend in southern Nevada versus the other areas. President Lilley replied that they were making it clear to the candidates that they would be on both campuses 2-3 days/week. He said it was not connected to the restructuring, but rather what he considered good personnel policy. Regent Howard said she was concerned whether enough time was being spent in southern Nevada. President Lilley said that it was not related to the restructuring.

Regent Sisolak noted a point of order, stating that Regent Howard was asking about the restructuring plan only to be told that it was not related to the restructuring plan. Chair Anthony said he would decide whether the questions were relevant. He felt that Regent Howard's question would be answered by Dean McFarland's response to Regent Sisolak.

Regent Howard asked whether the proposal was final or still under construction. President Lilley replied that the proposal would now lead to a contract. Regent Howard asked how she could find out whether enough time was being spent in southern Nevada. President Lilley suggested she call him. He said the new dean would spend 2-3 days/week in Las Vegas, but that is was unrelated to the restructuring. Regent Howard asked how many CFO positions there were in the SOM. President Lilley replied there was one for the entire school. Regent Howard asked how soon the position would be filled. President Lilley replied that a search was underway. Dean McFarland estimated that it would be filled in 4 months. Regent Howard asked whether a committee had been formed. Dean McFarland replied that one had.

Regent Alden said that he had thoroughly reviewed the plan, adding that it was a good plan and well thought out. He commended the medical school for being one of the finest medical schools in the country. He said they had great leadership and thanked Dean McFarland for stepping in. He urged Board support of the restructuring.

Motion as amended carried.

**27. Approved-Revisions to UCCSN Master Plan Goals** – The Board approved revisions to the UCCSN Master Plan for Higher Education, Building Nevada's Future. At its June 2003 workshop, the Board proposed new and revised goals, which were then circulated to the System institutions and to the local community for feedback. Chancellor Jane Nichols provided the Board with a summary of the feedback and a recommendation for the Board's consideration and action (Ref. Q on file in the Board office).

Chancellor Nichols explained there were three different versions of the goals. The Board focused upon the proposed goals (discussed in June 2003) and the version reflecting campus feedback. Chancellor Nichols said there was clear consensus for making Quality Education the first goal. The second goal was changed from "Student Friendly System" to "Student Focused System", and included a recommendation to add the phrase "to participate and succeed at every level of higher education." Chancellor Nichols said the Board needed to determine whether or not to combine goals 2 (Quality Education) and 3 (Opportunity and Accessible Education for All). Chancellor Nichols related there was common agreement for goal 4 (A Prosperous Economy), which would be renumbered if goals 2 and 3 were combined. The campuses recommend changing the "National Reputation" goal to "Reputation for Excellence" and changing its ranking to 6th, with "Building Quality of Life" moved to #5. The P-16 Education goal was established by the Regents as goal #7. Feedback from the community indicated that it was such an important goal that it should be moved to goal #4.

Regent Bandera moved approval of not ranking the goals, and approving the community-suggested goals in the order presented with the addition of another goal "Opportunity and Accessible Education for All" to more clearly explain the Board's position and beliefs. Regent Derby seconded.

Regent Schofield said that he preferred "Student Friendly".

Regent Derby supported the motion, adding that she did not want "opportunity and accessible education" excluded. She understood Regent Schofield's position, and suggested adding the word "friendly" to the description.

Regent Derby proposed a friendly amendment to insert "friendly" in the description of goal 2 (Student Focused System). Regent Bandera accepted the amendment.

Regent Sisolak asked whether someone had not been student friendly. Regent Schofield replied that he would rather not discuss it during the meeting, adding that he was attempting to address it in the proper manner.

Regent Kirkpatrick requested the motion be repeated.

Regent Bandera moved approval of not ranking the goals, and approving the community-suggested goals in the order presented with the addition of another goal "Opportunity and Accessible Education for All" to more clearly explain the

Board's position and beliefs. Goal #2 would include the words "and friendly" after the word "respectful" in the description. Regent Derby seconded.

Regent Seastrand established that the description under "Opportunity and Accessible Education for All" would be included.

Regent Howard asked whether the goals were ranked or numbered and how the Board would address the concern for not ranking the goals. Chancellor Nichols replied that it is a problem of perception. The Board was clear they did not want to rank them. The public perceived them as ranked. She understood the Board wanted to be very clear that the goals are not ranked. She said the numbers could be removed and suggested they could be randomly ordered. She noted that everyone would be held accountable for all of the goals. She said they would attempt to better portray that in the material.

Regent Schofield clarified that he has a personal goal to help create the finest university system in the U.S. He was very proud of this work from the workshop.

Motion as amended carried.

**28. Approved-UCCSN Values Statement** – The Board approved a statement of values for the UCCSN (Ref. R on file in the Board office).

Chancellor Nichols reported that the values statement included a preamble to the six established values: The Board of Regents, on behalf of the UCCSN, in order to fulfill its commitment to advance student learning to the highest level, foster the expansion of knowledge through teaching and research, encourage community service, and enrich the lives of our students, our communities, our state, and the nation, do hold the following values at the center of our endeavor:

- Integrity
- Excellence
- Accountability
- Inclusiveness
- Creativity
- Innovation

Regent Derby moved approval of the UCCSN values statement as presented. Regent Bandera seconded. Motion carried.

Regent Seastrand questioned the use of "on behalf of", adding that he felt it sounded awkward. Regent Howard agreed. Chancellor Nichols replied that staff had agonized over the choice of wording. She explained that it was the Board's leadership that was establishing these values for the entire organization. Some felt that "wishes" did not adequately indicate UCCSN's position. Regent Seastrand said that he had no better suggestion.

Chair Anthony said that future modifications could be considered. He said it was important to understand that these are the values for all System employees and that it was now mandated by the Board of Regents. He warned the presidents that he would be asking them in the future how they intended to inform the employees (i.e., letterhead, catalogs, posters) in the most cost efficient manner.

Regent Seastrand asked whether the language, "the Board of Regents is committed to advance student learning, ..." was proper. Chair Anthony suggested the Board review the statement, adding that he would consider changes at the next meeting.

**29. Approved-UCCSN Name Change** – The Board approved a name change for the UCCSN. The new name for the System will be: Nevada System of Higher Education. At the October 2003 meeting, the Board discussed a potential name change for the UCCSN and offered several suggestions. Staff was directed to bring forward a recommendation to the Board. Chancellor Jane Nichols provided a summary of feedback on a proposed name change (Ref. S on file in the Board office).

Chancellor Nichols reported that campus feedback regarding the six proposed names had been mixed. The majority of respondents preferred Nevada System of Higher Education or the Higher Education System of Nevada, which she noted was not on the list. DRI faculty preferred Nevada University System. TMCC faculty were evenly split between University and College System of Nevada and Nevada System of Higher Education. UNR preferred Nevada System of Higher Education. UNLV did not like any of the choices, but would opt for Nevada System of Higher Education or Higher Education System of Nevada. A number of respondents questioned the need to change the name absent any compelling evidence of a problem with the current one.

Regent Anthony observed that the name did not necessarily need to be changed.



Regent Alden stated that the System was facing many issues. He felt it was wasteful, ridiculous, ludicrous, arbitrary, and capricious to spend money on this. He did not want to spend any money and did not want to change the name. Regent Rosenberg agreed.

Regent Derby disagreed with Regent Alden's assessment. She observed that the Board had already changed the System's name to more inclusively reflect its makeup. She felt there was an opportunity to do the same in this case, adding that the System was more than just universities and community colleges. She wanted the Board to adopt a name that was inclusive of all of the institutions. She said that she liked Nevada System of Higher Education best. Regent Rosenberg agreed, adding that he did not want to spend any money. Chancellor Nichols related that existing letterhead and business cards would be fully depleted before ordering new materials. She said that, if the Board changed the name, a bill draft request would be sent to the legislature to change the name within the NRS. She related that, currently, two names were referred to in NRS. She said that implementation could be delayed until the NRS was changed.

Chair Anthony explained that this item initially arose from a desire to include NSC and DRI in the System's name. He observed that one of the values recently passed by the Board was inclusiveness. He felt it did not make sense for the System's name not to be inclusive.

Regent Sisolak said that he saw no point in changing the name. He said he was concerned with the perception. He said that changing the name was not what needed changing. He felt there were other matters on which the Board could focus its time and energy. He felt the perception of spending \$42,000 on a name change would not be received positively and that it would appear that the Board's priorities were out of line.

Regent Schofield disagreed. He noted that he had experienced public confusion when passing out his business cards with people thinking that he was part of the community college. He felt the name did not accurately reflect the System's makeup. He suggested depleting existing stationery to avoid extra charges and ordering replacement stationery with the new name.

Regent Rosenberg moved approval of changing the System's name, but that it not cost any money. Regent Howard seconded.

Chancellor Nichols requested the motion allow for a limited amount of cost. She said there would be some costs associated with replacing signage. She said it would not be possible to change the name for no cost.

Regent Rosenberg proposed a friendly amendment to allow for minimal cost (\$250).

Regent Rosenberg proposed a maximum total expense of \$250.00, adding that he would like to do it for no cost at all. He said there were departments within the System that could provide this service. He felt it would not require \$42,000.

Regent Bandera noted a point of order, asking Regent Rosenberg which name he proposed. Regent Rosenberg replied that it did not make much difference to him. Regent Bandera noted a point of order, stating that she had asked a serious question and that she expected a serious response. Regent Rosenberg proposed Nevada Higher Education System. Chair Anthony asked whether that was one of the proposed names. Regents Derby and Dondero observed that the proposed name was Nevada System of Higher Education.

Regent Rosenberg offered a friendly amendment to change the System's name to Nevada System of Higher Education.

Chair Anthony asked whether the motion included a cost limitation. Regent Rosenberg proposed spending no more than \$1,000.00.

Regent Rosenberg proposed a friendly amendment to spend no more than \$1,000.00.

Chair Anthony asked whether it was possible to change the name with that restriction. Chancellor Nichols and Ms. Ernst felt that it could be done within that limitation. Chancellor Nichols reported that the change would require changing the plates for stationery. She reminded the Board that each time the Board membership changed they were required to change the plates. She said they would try to accomplish it in concert with other changes. Ms. Ernst reported that it would be done over the course of a year in order to incorporate the change in NRS and felt that it could be done for \$1,000.00.

Regent Kirkpatrick asked whether the Board could legally change its name. Chancellor Nichols replied that they could, noting that it had been done before without seeking legislative permission. For the sake of consistency and partnership with the legislature, she suggested that a bill draft request be sent asking that the NRS be made consistent with the new name. Regent Kirkpatrick asked what the legislature might do with such a request. Chancellor Nichols replied that anyone could conjecture, but she felt it would not be high on anyone's agenda for mischief.

Regent Schofield recommended making it as simple as possible. He suggested calling it what it is: Nevada University System. Regent Kirkpatrick disagreed. Chair Anthony observed there was an existing motion.

Regent Howard requested a breakdown of the estimated \$42,000 expense. She noted that it would not affect System publications and felt that the website would be easy to change. She observed that letterhead would need to be changed. She asked what was included in the \$42,000. Chair Anthony stated that the motion stipulated that the cost was limited to no more than \$1,000.00. Regent Howard said that she wanted to know the breakdown of the \$42,000 estimate. Ms. Ernst replied that the estimate considered changing signage on buildings, doors, and parking areas. She related that signage was the biggest expense. Regent Howard asked about the cost for signage. Ms. Ernst replied that she did not have that figure with her. Mr. John Kuhlman, External Relations Associate, reported a cost of approximately \$2,000-3,000 for signage on the side of the Las Vegas System building. Regent Howard asked what constituted the remainder of the expense. Ms. Ernst said that she did not have that information with her. Regent Howard felt that someone should know something. Ms. Ernst apologized, adding that this item had been on several previous agendas. Chair Anthony said he was not sure that anyone present could answer her question. He said they would try to provide the information later.

Regent Sisolak wanted to be sure that other potential ramifications had been considered, including outstanding contracts and legislative issues. He asked whether the Board could ask the Legislative Council Bureau if this would cause a great deal of controversy. General Counsel Ray replied that the Chancellor had recommended that the name change would not be effective unless/until the legislature approved it. He noted that they would need to change all of the NRS citations. He said there were currently multiple references to the University System. Regent Sisolak asked about outstanding contracts. Regent Howard asked about litigation. General Counsel Ray said that was not a concern for him. He said that contracts could be amended to change the name. Unless there was a particular problem or issue, he said he would simply issue new contracts. Regent Sisolak asked whether it could cause problems for those individuals trying to sue the System. General Counsel Ray felt there would be no problem.

Regent Dondero said she was also concerned about bond issues and bank accounts that would need to be changed.

Chancellor Nichols said the System had changed its name previously. She said there was historic information available for reference to which staff could refer to ensure the proper steps were taken. She offered to review how it was previously handled.

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

Regent Kirkpatrick asked what the new name was. Regent Howard asked Chair Anthony to explain the motion. Chair Anthony replied that the new name was Nevada System of Higher Education. He clarified that the change was to be accomplished by spending no more than \$1,000.00 and that the System would approach the legislature to request the appropriate changes.

General Counsel Ray asked whether the new name would become effective immediately or whether they would wait for legislative approval. Chair Anthony said they would wait to implement the change until receiving legislative approval.

Regent Howard asked whether it would be introduced in the 2005 session or through a legislative committee. Chair Anthony replied it would be done in the legislative session.

The meeting recessed at 2:03 p.m. and reconvened at 2:28 p.m. with all members present except Regent Alden.

Chair Anthony related that item #31 (Northern Nevada Regional Strategic Plan) would be delayed until the next meeting.

**30. Approved-Southern Nevada Office Space** – The Board approved a 1-year extension on existing lease space for the Las Vegas System Office (Ref. U on file in the Board office).

Chancellor Nichols reported that System staff had been investigating options for southern Nevada office space, including a build-to-suit building, a lease purchase building, and continuing the lease in the present location. The current space has been maximized and the office will need to consider a change at some point as the southern office will likely continue to grow.

Regent Alden entered the meeting.

Chancellor Nichols related that Board members had expressed a desire for finding a location that could accommodate Board meeting space. At this time, she recommended a 1-year continuation of the current lease. On January 14, 2004, the state approved its first lease purchase of a new building for the Conservation of Natural Resources Department, resulting in some controversy. Eventually the decision was approved with the understanding that the state would save money over time since it was consolidating rented and leased space. The present lease agreement can be extended for one year with a 5% rent increase (\$209,518 to \$219,993). Chancellor Nichols requested Board approval of the lease extension while simultaneously asking staff to continue working on whether it would be cost effective and more efficient in the long term for the Board to have its own building. Staff is also considering gift opportunities for a building naming were someone to help with the costs of construction. Chancellor Nichols related that System Administration could not afford a lease purchase for the next year. She felt that a plan could be developed over time.

Regent Alden established that Suite A-5 housed the legal staff. He asked how much would be saved if that space were not renewed. Ms. Ernst replied the savings would total approximately \$1.96/sq. ft. Regent Alden said he would not approve the request, adding that he felt the Board should have the Attorney General represent the Board and eliminate the existing legal staff.

Regent Kirkpatrick moved approval of a one-year extension of the current lease. Regent Schofield seconded.

Regent Kirkpatrick stated that he had always hoped that a new building could be erected in both the northern and southern parts of the state for the Board. He expressed concern for entering into a lease-purchase agreement for fear the legislature would require classrooms to be handled in the same manner. He said he wanted the Board to continue to consider building its own buildings (north and south). Chancellor Nichols reminded the Board that they own the building in the north and that it was of sufficient size to meet current needs, though it does not have a meeting room for Board meetings. She noted it was in close proximity to the UNR campus. The System also has two buildings for System Computing Services (one on the UNLV campus and one on the UNR campus). However, the building on the UNR campus is not in good shape.

Regent Dondero asked about costs associated with changing the infrastructure in the current building were another place to lease became available. Chancellor Nichols said that SCS had been working closely with System staff and was reviewing the matter. One of the advantages of a new building is the ability to install the proper connectivity to meet System Administration needs.

Regent Howard asked whether this was an annual renewal. Ms. Ernst replied that it was a 5-year lease, adding that a 1-year extension had been authorized by the landlord. Regent Howard asked about efforts made to consider building a building in southern Nevada.

Chancellor Nichols said that staff had been exploring the feasibility of building a facility that would meet the Board's needs. Lease-purchase arrangements have been primarily considered due to the upfront costs associated with a purchase. She said they would explore other methods. Regent Howard felt it was a lot of money to pay on a lease. Chancellor Nichols explained that it would be foolish to build a facility of the same size because it is too small. Building a new structure would cost more than the lease or a lease-purchase. No new income is expected for the second year of the biennium to pay for such an expense. She felt that a suggestion could be brought forward as part of the budget discussion that could address these needs in the year following the legislative session. Regent Howard said that she had hoped to have some plans regarding building costs and square footage requirements. She asked when the Board could expect to see some plans. Chancellor Nichols said that she would have brought preliminary figures if the recommendation had been different. She offered to bring them to the next meeting and to include them with the budget discussion.

Regent Sisolak asked about the 5% rent increase. Chancellor Nichols said that it was higher due to the 1-year extension. A better rate was available for a longer extension period. Regent Sisolak said he wanted the Chancellor to move forward but was unsure if a move could be made in 12 months. He asked whether the Board was responsible for repairs. Ms. Ernst replied that the lease payment included electricity, repairs, and janitorial services. She related that the cost was \$1.96/sq. ft. inclusive. Regent Sisolak felt that was not bad.

Regent Schofield agreed with Regent Howard that the Board should move in the direction of ownership. He asked about the feasibility for adding a conference room to the existing Reno building. Chancellor Nichols did not know, but offered to find out. She said it would require major remodeling dollars and she was unsure there was sufficient space to do so. Regent Schofield suggested an extension to the building. Chancellor Nichols noted the Board was holding more meetings in southern Nevada so the focus has been on southern Nevada.

Regent Bandera supported Regent Howard's request for preliminary numbers for a possible build or lease-build in March. She said that she would like to have a good master plan to review where the Board wants to go with the southern System office and what to do about the SCS facilities no later than August.

Regent Seastrand supported building a building. He felt it was critical for the long-term future to ensure the Board has invested in the appropriate infrastructure of high technology. He said that meetings could be attended using videoconferencing, which would not require as much travel. He thought there were economies of scale that could be realized. He supported the 1-year extension, but agreed a move would not likely occur before one year. He also supported a longer lease at a better rate.

Regent Rosenberg thought it would be more prudent to renew the lease for 2 years since a move would not be made within the first year. Chancellor Nichols said that they had been approached about a lease-purchase on a building that System Administration could move into at the end of the 1-year lease. She said they could not pursue the matter because the System budget for the following year had not been set. She said that System Administration would have to assess the campuses more for the following year in order to afford such a move. She did not feel it was proper to assess the campuses for the difference in the lease payment. She felt there was potential for a move to occur by June or July 2005. Her recommendation for the 1-year extension suggested the feasibility of moving within one year.

Regent Seastrand suggested that a Board meeting site near the airport would be better. He suggested moving SCS to the North Las Vegas campus and allowing the Board to take over the vacated space on campus. Chancellor Nichols said the dilemma was deciding whether to build on their land and pursuing a lease-purchase and a private developer.

Motion carried. Regent Alden voted no.

**31. Information Only-Handbook Revision, 2005-2007 Student Tuition and Fees** –Chancellor Jane Nichols presented for the Board's information a recommendation for student tuition and fees for 2005-2007. Per Board policy, final action will not be taken on 2005-07 tuition and fees until the March 2004 Board meeting (Ref. V on file in the Board office).

Chancellor Nichols reported that prior to 1996, no process existed for making gradual tuition and fee increases with any degree of predictability. Accordingly, tuition and fees were often increased in an irregular fashion. Years of no increase were sometimes followed by a large increase.

Regent Alden left the meeting.

Chancellor Nichols related that the Board felt at that time that this resulted in an uneven burden on students and made it more difficult for students to plan their educational expenses. She complimented the efforts of the student participants on the tuition and fee committee. The committee reviewed WICHE historical data, UCCSN historical tuition and fee increases, credit distributions by level and institution. The committee also examined data on varying percentage increases for 2005-07. The final recommendation represents a compromise. The committee examined tuition structures in other states, especially new fee options (i.e., credit plateaus and day-of-week/time-of-day discounts). The committee reviewed trends in tuition, including pricing incentives used in some states, and recommended approval of policy language that would enable the future possibility of tuition incentives to promote improved efficiencies in enrollment management, space utilization, and time-to-degree objectives.

Regent Bandera asked the Chancellor to define tuition incentives. Chancellor Nichols replied they take a variety of forms, including charging less for classes held at times when students do not like to come. She said it was a complex issue and that the students were nervous about it. She explained that the policy opened the possibility for discussion to encourage students to behave in ways that fill the buildings during certain hours.

Regent Sisolak left the meeting.

Chancellor Nichols reported that six student hearings were held in November, December and January. The committee recommendation was formally presented to each group, followed by an opportunity for student questions and feedback. Students' comments focused primarily on how the revenues are distributed to benefit students. Students also were interested in understanding their share of the overall higher education budget. UCCSN in-state students pay approximately 20% of the cost of their education through registration fees (compared with 21-31% nationally). In order to improve the access for all students to higher education, 50% of all tuition and fee increases is earmarked for student financial aid at the undergraduate and graduate levels (90% need-based; 10% merit-based).

Chancellor Nichols recommended the following increases:

- \$1.75/credit increase-community colleges for 2005-07.
- \$7.00/credit increase-university undergraduate courses for 2005-06.
- \$7.25/credit increase-university undergraduate courses for 2006-07.
- \$4.50/credit increase-state college and GBC upper-division courses for 2005-07.
- \$12.50/credit increase-university graduate courses for 2005-06.
- \$13.75/credit increase-university graduate courses for 2006-07.

Chancellor Nichols then reviewed (by institution) the actual registration costs using proposed undergraduate fees for Fall 2005. Non-resident students pay in-state registration fees plus an annual flat tuition charge.

Regent Sisolak entered the meeting.

Chancellor Nichols reported that Board policy (Title IV, Chapter 17) stated that non-resident tuition for full-time students will equal the WICHE median for non-resident tuition (using a three-year lag) times 120%. Non-resident tuition for part-time students will equal an amount calculated by multiplying the registration fees times 110%.

Regent Howard asked why the community colleges incurred a higher percentage increase in 2004-05 than GBC upper-division, NSC and the universities did. Chancellor Nichols replied that the percentage was based upon the fee increase. Regent Kirkpatrick explained that the percentage of \$10,000 is much less than the percentage of \$500,000. Regent Howard asked who prepared the figures and whether the legislative formula had been used. Chancellor Nichols replied that the formula used was the Board approved formula. She explained that the committee decided the fees and the formula drives everything else. The Board approves fees and tuition, which is included in the budget. The state has the option of building the budget around a different fee amount.

Chancellor Nichols reported that the state general fund provides financial aid through the scholarship function of the UCCSN budget. While the state contribution for financial aid will likely remain at \$13,141,570 from FY 2004 through FY 2007, student-funded financial aid will increase over the same time period.

Regent Kirkpatrick observed that those increases would not equal what is lost from the Estate Tax fund. Chancellor Nichols did not anticipate UCCSN would lose the money in the Estate Tax. The state assumed the responsibility for that \$90 million in the last legislative session. The governor is amenable to continuing the \$90 million as part of the state general fund. Regent Kirkpatrick said he feared that the legislature would not fund UCCSN for that portion. Chancellor Nichols said that it was possible UCCSN could see a cut in state funding.

Chancellor Nichols provided a comparison of tuition and fees with WICHE states. Nevada ranks fifth lowest in western states in resident tuition and fees, and lowest for resident graduate tuition and fees. According to The College Board, 2003 tuition and fees averaged \$579 more than last year at four year public institutions. At two-year public institutions, 2003 tuition and fees averaged \$231 more than last year. 60% of undergraduates are using financial aid packages to help pay for college. Grant aid increased to its highest level ever in 2003. The report cited state budget cuts as the primary reason for the increases in tuition and fees at public institutions. Nevada ranks 50th out of 50 states in:

- Undergraduate tuition and fees at public universities.
- The dollar change in undergraduate tuition and fees at public universities from 1980-81 through 2000-01.
- The percentage change in undergraduate tuition and fees at public universities from 1980-81 through 2000-01.
- Public university tuition and fees as a percent of median state household income.

Chancellor Nichols reported that the recommended tuition and fee increases were necessary in order to accomplish the goals of the master plan and to meet the expectations of the legislature for students to do their part to support higher education in Nevada. She noted they are less than the WICHE median (with a 3-year lag) and less than other comparable public institutions. The recommended tuition and fees contribute to greater need-based financial aid and continue to charge in-state students approximately 20% of the cost of instruction while charging non-resident students the full cost of education.

Regent Whipple said he was concerned about taxpayer cost and asked about contingency plans. Chancellor Nichols replied that when the Board makes a recommendation on tuition and fees to the legislature, they are also seeking legislative agreement for those fees. She observed that Nevada had the lowest college continuation rate until the Millennium Scholarship was introduced. Each time fees are increased, the value of the Millennium Scholarship is decreased. She said that all of those factors were considered when deciding whether the correct public policy strategy was to increase student tuition and fees.

Regent Seastrand observed that this was the first semester that fees had exceeded the Millennium Scholarship provision, noting that would continue through 2005-07. He calculated that Millennium scholars would pay \$25.25 out of pocket and asked whether the state was planning to increase the Millennium Scholarship ceiling. Chancellor Nichols did not believe there would be increases to the scholarship. She noted they had already decreased the number eligible as well as increased the requirements for continuation. She said the fund would be depleted by 2008. The percentage of fees covered by the Millennium Scholarship for the community colleges would be 79% (2005-06) and 76% (2006-07); university undergraduate 82% and 76%; and NSC and GBC 81% and 76% respectively. The percentage of fees covered by the Millennium Scholarship will continue to decrease as tuition and fees are increased. Regent Seastrand asked about data suggesting that increasing fees limited the number of people attending college. Chancellor Nichols replied that many studies had been conducted showing that access for low income students is decreased by increased use of merit-based aid. She said the Millennium Scholarship did not tend to impact low income students as significantly. Low tuition states tend to have the lowest college going rate, while high tuition states tend to have the highest college continuation rate. The Board agreed to increase tuition and fees while simultaneously increasing financial aid. Regent Seastrand asked whether people would be deterred from attending as fees were increased. Chancellor Nichols replied there was tremendous concern nationwide regarding the impact of large tuition increases. She felt that UCCSN needed to do a better job of communicating the real costs of attending college as well as the availability of financial aid. She noted that Nevada would still be the least expensive in the country.

Regent Sisolak asked about the cost incurred for taking 12 credits for each of the last 10 years at the community colleges and at one of the universities. Chancellor Nichols referred to the actual registration costs reviewed earlier in the presentation. She noted that these mandatory costs did not include lab and/or dormitory fees. Regent Sisolak said to omit laboratory and dormitory fees, adding that he wanted a 10-year historical perspective with projections extended to 2007-08. Chancellor Nichols said that she could only provide projections to 2006-07. Regent Sisolak said to include the new fees at UNLV and UNR. He also asked how many tuition waivers were in effect (full-time teachers not paying for classes). Chancellor Nichols said that she could provide that data at a later date. Regent Sisolak asked whether the teachers' children would be considered out-of-state. Chancellor Nichols established that Regent Sisolak was referring to waiver of the non-residency portion. She said that it might be difficult to determine, but she would try. She related that all school teachers are considered residents for tuition purposes. She offered to provide the number of fee waivers for special categories. Regent Sisolak asked her to include that information as well. Regent Sisolak asked whether waivers were only extended to teachers and not to their offspring. Chancellor Nichols replied that the teacher and their immediate family members were provided in-state rates.

Regent Derby felt the Board should realize that Nevada was part of a disturbing national trend of states diminishing their support for higher education. She felt there were serious socioeconomic consequences, further justifying the necessity of need-based aid. She noted that Nevada is demographically different from other states and that the Millennium Scholarship made a distinct difference in enrollments. She felt that access is cut off as tuition increases and that the Board must continue to pay attention to financial aid.

Regent Rosenberg asked how much of the increase was dedicated to need-based financial aid. Chancellor Nichols replied that the policy stipulated that 50% of the increase would go towards need-based financial aid. The Board will address that when it approves the distribution of fees at a future meeting.

Regent Kirkpatrick established that 50% of the increase would be dedicated to student aid (90% need-based and 10% merit-need based).

**32. Approved-Handbook Revision, 2004 Summer Term Salary Schedules, UNLV, UNR, & NSC** – The Board approved 2004 Summer Term salary schedules for UNLV, UNR, and NSC.

A. UNLV

The Board approved President Carol Harter's request for increased salary schedules for summer session faculty at UNLV (Ref. W on file in the Board office).

The following schedules are effective for the [2003] 2004 Summer Term:

1. UNLV Faculty

Professor \$[1,900] \$2,100 per credit hour  
Associate [1,800] \$1,990  
Assistant [1,700] \$1,880  
Lecturer [1,500] \$1,660

2. Visiting Faculty

Professor \$[1,800] \$1,990 per credit hour  
Associate [1,600] \$1,770  
Assistant [1,400] \$1,550  
Lecturer [676-1,375] \$730-1,500  
Lab Assistant [1,092] \$1,200  
Professor Emeritus: Rate depends upon rank at time of retirement.  
Pay per credit hour of individual instruction is:  
[\$70.00] \$73.00 for Undergraduate Courses and  
[\$95.00] \$100.00 Graduate Courses

The per-credit-hour salary is the maximum allowable. A lower amount (prorated to enrollment) when necessitated by low enrollment and when agreed to by the instructor, is permitted.

President Harter reported the recommendation was provided following consultation with the faculty senate.

B. UNR

The Board approved President John Lilley's request for the following Summer Salary Schedule for the University of Nevada, Reno for the 2004 Summer Session. The recommended rates for faculty are consistent with last summer's rates, with the exception of the rate for a visiting associate professor, and are justified by the anticipated financial resources of UNR Summer Session (Title IV, Chapter 3, Section 27) (Ref. X on file in the Board office).

2. University of Nevada, Reno

a. The following salary schedule applies to classes taught on- or off-campus during the inclusive dates of Summer Session.

1. Resident Faculty

Professor \$1,800 per credit hour  
Associate Prof. \$1,500

- Assistant Prof. \$1,450
- Instructor \$1,225-1,800
- Teaching Assistant/  
Graduate Assistant \$1,005
- 2. Visiting Faculty
  - Professor \$1,435 per credit hour
  - Associate Prof. \$1,270
  - Assistant Prof. [\$980] \$1,100 requested new rate
  - Instructor \$980-1,43

The per-credit hour salary is the maximum allowable. A lower amount is permitted when agreed to by the instructor.

#### C. NSC

The Board approved President Kerry Romesburg's requests for the addition of the following language in the Board of Regents Handbook (Title IV, Chapter 3, Section 27.3).

#### 3. Nevada State College, Henderson

Nevada State College has a temporary summer term salary schedule in place until a permanent policy is approved. Tenure track B-contract faculty and adjunct instructors teaching in the 2004 Summer Term will be paid \$725 per credit hour.

Regent Rosenberg requested an explanation for the differences between UNR and UNLV. Chancellor Nichols replied that UNLV's summer school has a broader base of students and holds larger classes than UNR. She related that UNR would like to pay what UNLV was recommending, but they cannot afford it.

Dr. John Readence, Faculty Senate Chair-UNLV, reported that UNLV has approximately 14,000 students during the summer. Many are non-traditional students taking fewer courses during the academic year, but attending all three summer sessions. The entire program is offered year round, which necessitates the need to recruit faculty.

Dr. Trudy Larson, Faculty Senate Chair-UNR, reported that the size of the classes at UNR are smaller and fewer classes are offered than at UNLV. She said that UNR faculty did not object to the differential.

Regent Bandera moved approval of the Handbook revision concerning 2004 Summer Term salary schedules for UNLV, UNR, and NSC. Regent Seastrand seconded.

Regent Howard asked whether UNLV uses the same schedule for courses taught on- and off-campus. President Harter replied that they did.

Motion carried. Regent Rosenberg abstained. Regent Alden was absent.

**33. Approved-Handbook Revision, 2005-2007 Tuition & Fees, William S. Boyd School of Law, UNLV** – The Board approved President Carol Harter's recommendation for 2005-07 tuition and fees for students in the UNLV William S. Boyd School of Law. The proposal included consideration of a set-aside from the proposed increase to be used for need-based financial aid in the law school (Ref. Y on file in the Board office).

President Harter reported that much of Chancellor Nichols' presentation was true of the professional schools as well. She reported the law school has a large applicant pool and had recently received accreditation. She stated that Dean Morgan believed that tuition could be raised by a reasonable amount and was requesting that 60% of the increase be reserved for financial aid.

Dr. Richard Morgan, Dean, Boyd School of Law-UNLV, thanked the Board for their support of the law school. He noted that tuition had remained relatively flat since opening. When the law school first opened the tuition was generally high by comparison. Now that the school is well established and regional competitors have significantly raised their rates, he felt the recommended increase was justified. He emphasized that UNLV proposed the increase to be prospective because it is a large increase and they did not want to be unfair to current students. The increase will apply to students having notice of it. He asked that 60% of the increase be set aside for financial aid.

Regent Whipple asked about the percentage of in-state vs. out-of-state law students attending. Dean Morgan replied that UNLV attempted to keep the resident/non-resident mix in the first year class at 20-25%. Many students establish residency by the second year. Overall, approximately 90% of the students are residents. Regent Whipple asked whether the same percentages applied to applications. Dean Morgan replied it did not. Mr. Frank Durand, Assistant Dean, Admissions & Financial Aid, Boyd School of Law-UNLV, replied that 27-28% of applicants are residents, while 72% are non-residents. Dean Morgan stated there were 1,800 applications last year for 150 seats.

**34. Approved-Handbook Revision, 2005-2007 Tuition & Fees, School of Dental Medicine, UNLV** – The Board approved President Carol Harter's recommendation for 2005-07 tuition and fees for students in the UNLV School of Dental Medicine.

No fee change was recommended for 2005-07 (Ref. Z on file in the Board office).

**35. Approved-Handbook Revision, 2005-2007 Tuition & Fees, School of Medicine, UNR** – The Board approved President John Lilley's recommendation for 2005-07 tuition and fees for students in the University of Nevada School of Medicine. The proposal included consideration of a set-aside from the proposed increase to be used for need-based financial aid in the medical school (Ref. AA on file in the Board office).

Regent Dondero moved approval of the Handbook revisions concerning 2005-2007 tuition and fees for UNLV's William S. Boyd School of Law, UNLV's School of Dental Medicine, and UNR's School of Medicine. Regent Rosenberg seconded.

Regent Kirkpatrick asked whether Dean Morgan had noticed a difference in the number and/or type of applicants since achieving accreditation. Dean Morgan felt that full accreditation had increased the number of applicants.

Regent Sisolak asked why New Mexico's non-resident rate was so high in comparison to its resident rate. Dean Morgan did not know, but felt that New Mexico was making a policy decision to provide substantial subsidy to in-state students. He said the out-of-state rate may be their calculation of the actual cost. UNLV did not want to raise tuition too much. The median tuition is \$9,400 and UNLV is proposing \$8,900. He said that UNLV was following the University of Utah's example. Regent Sisolak asked about the rate for students entering in 2004-05. Dean Morgan replied that students matriculating in August 2004 would be notified that their tuition would increase in 2005. Students already enrolled in the law school will not realize an increase. Regent Sisolak asked whether non-resident students remained classified as non-residents. Dean Morgan replied they did not and were subject to general university rules for reclassification. He related that most law students are financially independent adults and are able to reclassify. Regent Sisolak asked whether they were able to achieve the necessary income levels while attending full time. Dean Morgan replied that they were. Mr. Durand stated they were demonstrating financial independence, including scholarships and loan funds. Regent Sisolak asked about the income earned requirement. Mr. Durand replied that the level of financial independence was based on funds that the individual is able to generate on their own, including loans, scholarships and spousal income. Regent Sisolak asked General Counsel to review the matter, adding that he thought the requirement was for individually generated income. Dean Morgan said they would like to be apprised if they were doing it wrong. Regent Sisolak was under the impression that it is difficult for an undergraduate to change their status once they are admitted. He asked how the law students were able to meet the requirements. Dr. Juanita Fain, Vice President, Administration-UNLV, clarified that the student was required to demonstrate they can earn a certain amount and that part of that could be financial aid assistance. She said she would verify the information. Regent Sisolak felt that made it more subjective. Dr. Fain replied that it did not because the amount is the same. She said the source of income could also come from loans, scholarships, or financial aid.

Ms. Muehlberg reported that she was currently classified as a non-resident student though she has moved to Nevada permanently. She said the general qualifications included: the student is not claimed as a deduction by their parents on their taxes, the student pays their own taxes (i.e., car registration) and votes in Nevada. Buying a house is also helpful in establishing residency. She said that any non-resident student meeting those criteria was able to apply for a change of classification. Regent Sisolak said that many students were hindered by the \$23,000 income requirement.

Chancellor Nichols suggested bringing a presentation to a future Board meeting regarding each institution's practices.

Regent Hill questioned the practice for allowing non-residents to become residents. He felt it was an issue the Board should address. Dean Morgan felt it was appropriate to do so, adding there were many institutions that did not permit a change in status following matriculation.

Chair Anthony left the meeting.

Regent Kirkpatrick asked Dean Morgan to keep track of those students who register as non-residents, change their classification, and then leave the state following graduation. Dean Morgan said that data could be provided, adding that he was not aware of many cheaters.

Regent Howard asked about the percentage of out-of-state students in the law school. Dean Morgan replied that, overall, approximately 10% were out-of-state and 90% were in-state. He said the first year of attendance was closer to 75-80% in-state and 20-25% out-of-state. The overall figure changes because many students establish residency after the first year. Regent Howard asked about the graduation rate for residents vs. non-residents. Dean Morgan replied there was no discernable difference.

President Harter noted a correction to Ref. Z (on file in the Board office), noting there was no fee increase for the dental school. Non-resident tuition will remain at \$30,000 from 2004-07.

Motion carried. Regent Alden was absent.

**36. Approved-Handbook Revision, Amendment of Student Fee Section** – The Board approved the UCCSN Student Affairs Council's request for revision to the Board of Regents Handbook (Title IV, Chapter 17, Section 10) to remove a



number of special fees for services that are optional and are not required of all students. Many of the fees listed in Chapter 17 are assessed at a single campus to individual students for the actual costs of using a specific service. Currently, Board policy states that the "Board of Regents shall establish tuition rates for students who are not residents of Nevada, and registration and other fees to be assessed all students (emphasis added)." The request would reserve the listings in Chapter 17 of the Board Handbook for special fees assessed to all students (Ref. BB on file in the Board office).

Chancellor Nichols indicated her support for the changes proposed by the student affairs council.

Dr. Rebecca Mills, Vice President, Student Life-UNLV, proposed elimination of those fees required of no students for clarification and simplification. The fees recommended for elimination include fees for service. She observed that outside sources (i.e., testing companies) could increase their fees and the institutions would be unable to recover those costs until the next fee consideration (handled once per year).

Regent Kirkpatrick moved approval of the Handbook revision concerning amendments to the student fee section. Regent Hill seconded. Motion carried. Regents Alden and Anthony were absent.

Chair Anthony entered the meeting.

**37. Approved-Handbook Revision, Composition of Investment Committee** – The Board approved the Investment Committee's recommendation that the composition of the Committee be revised (Title IV, Chapter 10, Section 4) to be consistent with the Bylaws (Ref. CC on file in the Board office).

Ms. Kathleen Payne, Director, Banking & Investments-System Administration, reported that the proposed change would bring the Handbook into alignment with the Board Bylaws.

Regent Hill moved approval of the Handbook revision concerning the composition of the Investment Committee. Regent Sisolak seconded.

Regent Rosenberg asked whether this item was related to increasing the number of Committee members with outside membership. Ms. Payne replied it did not.

Motion carried. Regent Alden was absent.

**38. Information Only-Handbook Revision, Board Bylaws, Composition of Investment Committee** - The Investment Committee recommended that the composition of the Committee be changed (Title I, Article VI, Section 2). Because Bylaw amendments require two hearings, final action on this proposal will be taken at the March 2004 meeting (Ref. DD on file in the Board office).

Ms. Payne reported that this item required two appearances before the Board. She said the proposed change provided the necessary flexibility for the number of Committee members.

Regent Seastrand requested an explanation for "outside members". Ms. Payne replied that a provision in the Bylaws allowed a person from the public to serve as a non-voting member on the Investment Committee. The Committee will consider this matter at its February meeting. It is anticipated that the Committee will recommend the addition of a non-voting public person to the Committee.

**39. Approved-Handbook Revision, Code and Policy Amendments** – The Board approved Code and policy amendments. In early 2002, Chancellor Jane Nichols began working with the Faculty Senate chairs to discuss topics that the faculty were interested in seeing added to the UCCSN Code. The proposed amendments were presented for information at the December 2003 meeting. Since the December meeting, minor editorial changes have been made to correct typographical errors and omissions (Ref. EE on file in the Board office).

- Title II, Chapter 1, Section 1.6 – Appointment of Administrators.
- Title II, Chapter 3 - University Tenure.
- Title II, Chapter 4 – Community College Tenure.
- Title II, Chapter 5, Section 5.6 – Personnel Files.
- Title II, Chapter 5, Section 5.11 and 5.12 – Evaluations.
- Title II, Chapter 7 – State College Tenure.
-

Title IV, Chapter 3, New Section 3 – Evaluations.

Chancellor Nichols reviewed the proposed changes presented in bold in the reference material (Ref. EE on file in the Board office). She said the faculty was seeking consistent policies regarding tenure.

Regent Bandera moved approval of the Handbook revision concerning Code and policy amendments. Regent Kirkpatrick seconded.

Chair Anthony established that the Faculty Senate Chairs did not object to the proposed changes. No objections noted.

President Lilley asked whether the same rating criteria would apply to annual evaluations (i.e., the use of plus/minus). Chancellor Nichols replied that the change established the standards, adding that pluses and minuses would not be used. General Counsel Ray affirmed that the Code language was quite specific and that no other rating terminology should be used.

Dr. Larson said the proposal represented 3 years of very difficult work. She noted that three different faculty senates had voted on the issue. She commended the Chancellor for her efforts in working with them, adding that she had been patient, fair, and honest. She said the faculty senate would appreciate the Board's approval.

President Wells stated that DRI used a category indicating "needs improvement". He asked whether they should remove that from their evaluations. Chancellor Nichols replied that they should. She said they considered the use of "needs improvement", adding that it was never included in the Handbook. She said the matter could be reviewed after the meeting if this created problems for DRI. General Counsel Ray clarified that President Wells was referring to DRI's personnel evaluations and not to tenure. He explained that the evaluation process was separate from the Code and tenure process under discussion. President Wells said that "needs improvement" held a specific meaning at DRI regarding continued employment. Chancellor Nichols said that the Handbook revision extended the ratings to the annual evaluations as well. Chancellor Nichols said the matter had not been discussed before. She said the matter would be reviewed and that if a change were necessary a proposal would be brought forward at a future meeting. She encouraged Board approval of the recommendation, adding that she would address the DRI situation.

Regent Rosenberg observed the Board was talking about tenure, adding that the annual evaluations would be considered during the tenure process. He suggested that the evaluation rating structure should match the tenure structure. He felt that using pluses and minuses would confuse the situation substantially. He noted that evaluations were also used for merit considerations. He felt the structure should be uniformly applied. Chancellor Nichols noted that the reference material (Ref. EE, page 22 of 22 on file in the Board office) established the ratings to be used (Excellent, Commendable, Satisfactory, Unsatisfactory). She said that the changes also addressed the issue of a mid-tenure review, which was very important to the faculty senate chairs.

President Lilley stated that page 22 clarified that the annual evaluations were included, which would require a change in procedures. He agreed with using consistent ratings for annual evaluations and tenure considerations. Chancellor Nichols said they would address the matter. She recalled that UCCSN requires post-tenure review, which was also an issue in terms of consistency.

Chancellor Nichols noted that faculty were requesting the ability to submit a written rejoinder and/or a peer evaluation if a faculty member disagreed with a supervisor's evaluation.

Regent Seastrand observed the use of four rating categories (Excellent, Commendable, Satisfactory, Unsatisfactory) suggesting a link with a grade scale (A, B, C, F). He suggested they were missing a level between "D" and "F" that could possibly be filled by "needs improvement". He said there were three positives and one negative. President Lilley stated that only two were considered positive. Regent Seastrand felt that an additional category could be useful at times.

Regent Sisolak noted a specific reference on page 6 stating that "no other rating terminology shall be used", which precluded the use of a plus or minus symbol. He suggested adding the same phrase to the sentence on page 22. General Counsel Ray said the Board could choose to do so. Regent Seastrand thought that flexibility should be provided for the use of pluses and minuses. All of the faculty senate chairs replied no.

Regent Sisolak asked whether that constituted a substantive change. Chair Anthony said that while Regent Seastrand made a good point he felt that evaluations were not using pluses and minuses. Regent Sisolak asked whether the sentence could be added. General Counsel Ray replied that it could be added.

Regent Sisolak offered a friendly amendment to include the phrase "no other rating terminology shall be used" to Ref. EE, Page 22 of 22, Section 3.2.

Regent Bandera said she needed to ask a clarifying question prior to agreeing to the amendment. She asked President Wells to repeat his concern. President Wells apologized, adding that he thought the change only applied to tenured faculty. He

expressed concern for the removal of a category indicating there were performance problems requiring improvement that DRI has used for many years. He said it presented a real problem for DRI's evaluation system.

Dr. Larson said the faculty received quite a bit of input from DRI during their discussions and they understood that this was one of their categories. The rest of the faculty senate chairs did not want that category in their rating systems. She felt it would be acceptable to include language allowing a waiver for DRI. She said the other faculty senate chairs felt it would not help them in their rating systems.

Regent Bandera asked whether everyone could accept a motion approving the changes for all UCCSN institutions except DRI and requiring them to return with a proposal for the March meeting. General Counsel Ray clarified that the section under discussion applied to the universities and colleges and not to DRI.

Regent Bandera asked whether President Wells was satisfied with the assessment. President Wells indicated that he was.

Regents Bandera and Kirkpatrick accepted the friendly amendment.

Regent Seastrand asked why a "needs improvement" category could not be included. President Lilley explained that the "satisfactory" rating indicated "needs improvement" since tenure represented the search for excellence.

General Counsel Ray again clarified that the proposed change affected the Handbook (Title IV, Chapter 3) and specifically exempted DRI.

Motion carried. Regent Alden was absent.

Chair Anthony proposed withdrawing items #42-47 (Handbook Revisions). No objections noted.

**40. New Business** – Regent Kirkpatrick asked the Chair to consider appointing an ad hoc committee to review prohibiting elected officials from being UCCSN employees. He suggested that anyone who was an elected official on or before January 1, 2005 would not be affected by any change. After that time, elected persons would not be eligible for employment and UCCSN employees would need to resign if elected to public office.

Regent Sisolak observed that the Attorney General was currently developing an opinion regarding public employees serving in the legislature. He suggested the Board wait for his opinion. Regent Kirkpatrick said he wanted the Chair to think about it.

Regent Bandera said the Board should consider it, adding there could be a ballot item addressing this. Chair Anthony said he would follow the course of events on this issue.

Dr. Larson said the faculty also wanted clarification of this particular section regarding the meaning of "government service", noting that some faculty take a leave of absence to provide government consultation and other forms of government work. Chair Anthony asked the Faculty Senate Chairs to provide their recommendation.

Chancellor Nichols asked the Board to express their appreciation to Mr. Larry Eardley for serving as acting Vice Chancellor, Finance & Administration-System Administration, adding that he had done a wonderful job.

The meeting adjourned at 4:55 p.m.

Suzanne Ernst  
Chief Administrative Officer