

BOARD OF REGENTS
UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA
Rotunda, Third Floor
Frank H. Rogers Science & Technology Building
Desert Research Institute
755 East Flamingo Road, Las Vegas
Thursday-Friday, March 18-19, 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
Vice Chancellor, Finance & Administration Buster Neel
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; and 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; Mr. Chul Hwan Yim, UNR; Ms. Jessica Muehlberg, UNR-GSA, and Mr. Billy Jennings, WNCC.

Chair Stavros Anthony called the meeting to order at 12:32 p.m. on Thursday, March 18, 2004 with all members present except Regent Hill.

The Reverend Dr. Lloyd Gary Rupp offered the invocation.

Regent Hill entered the meeting.

1. Introductions – Chair Anthony thanked Mr. Michael Montoya, Mr. Greg Hampton and Mr. Ian Miller from CCSN's Communication Services for their assistance with the audio/visual requirements.

Chair Anthony then introduced Mr. Harry "Buster" Neel, System Administration's new Vice Chancellor for Finance & Administration. He also thanked the outgoing Faculty Senate Chairs for their service.

President Harter introduced UNLV's Faculty Senate Chair-Elect, Dr. Jane McCarthy.

President Romesburg introduced NSC's Faculty Senate Chair-Elect, Dr. Ed Baldwin, and thanked Dr. Erika Beck for her service.

President Wells introduced DRI's Faculty Senate Chair-Elect, Dr. Vic Etyemezian, and thanked Dr. Alan Gertler for his service.

President Lilley introduced UNR's Faculty Senate Chair-Elect, Dr. Leah Wilds, and thanked Dr. Trudy Larson for her service. President Lilley also introduced Ms. Cindy Pollard, Vice President, Marketing & Communications-UNR, and Dr. Fred Holman, Vice Provost, Extended Studies-UNR. Dr. Holman will be responsible for the Fire Science Academy.

Ms. Ann Johnson introduced herself as CCSN's Faculty Senate Chair-Elect.

Dr. Curry introduced Ms. Carla Williams, Sponsored Projects Director/Deputy Director Nevada EPSCoR-System Administration, and Mr. Courtney White, Research Analyst-System Administration.

President Harter reported that Ms. Monica Moradkhan was attending her last meeting as UNLV's Student Body President. A student delegation from UNLV's Hotel Administration College will participate in the 19th annual International Tourism Students' Conference in Finland in May. UNLV is the only American-based university represented at the conference.

Chair Anthony recognized State Senator Randolph Townsend.

2. Chair's Report - Board Chair Stavros Anthony thanked President Wells for hosting the Board meeting. He then discussed the importance of research within the UCCSN and its positive impact on the state economy. UNLV continues to play a significant role with the Department of Energy in research projects that explore alternative sources of fuel and energy. Approximately \$38 million in funding for such projects was realized during 2003-04. Mr. Grant Mastick, an assistant professor of biology at UNR, and graduate student, Ms. Gracie Andrews, are conducting pioneering research on brain development and uncovering potential methods for enabling spinal cord cells to regenerate. DRI is conducting an on-going investigation into changing environmental conditions occurring throughout the Walker River Basin. The results will be useful in understanding and modeling the conditions leading to the declining quality of lake water. TMCC, WNCC and GBC recently received the third largest congressionally-directed grant in the U.S. (\$750,000) from the U.S. Department of Education to create a pilot program responding to Nevada's nursing shortage. UCCSN also needs to ensure it is meeting the needs of its students. This month's issue of Regents' Review addresses some of the programs in place to help minority students navigate the often tricky and confusing waters of college:

- GBC recruiter, Mr. Shane Ridley-Scott, has turned to his Native American roots to encourage other Native Americans to take advantage of the opportunities education can provide.
- CCSN recently held its Cultural Diversity Scholarship Fundraiser, an annual event to raise scholarship monies for minority students and students in need. The event raised more than \$120,000.
- UNR Center for Student Diversity provides support for minority students and enhances cultural awareness on the university campus. Minority students refer to the Center as their "home away from home" and feel the programs and services it provides have been instrumental in helping them persist in their studies.
- NSC is working with the Latin Chamber of Commerce to provide scholarships for Latino students who would otherwise not be able to attend college.

3. Accepted-Regional Strategic Plans - As an extension of the UCCSN Master Plan for Higher Education, which calls for collaboration among UCCSN institutions, Chancellor Nichols requested that the presidents meet by geographic region and develop strategic plans for northern and southern Nevada. The objective of the plans is to move toward optimal use of each UCCSN institution to fulfill state needs, with different solutions designed for each region as necessary. The Board accepted the Regional Strategic Plans for northern and southern Nevada as presented (*Ref. A on file in the Board office*).

Dr. John Frederick, Executive Vice President and Provost-UNR, presented the Northern Regional Strategic Plan. He acknowledged the assistance of his colleagues: Dr. Betty Elliott, Vice President, Academic Affairs-GBC; Dr. Jowel Laguerre, Vice President, Academic Affairs-TMCC; Ms. Connie Capurro, Interim Vice President, Academic & Student Affairs-WNCC; Dr. Lois Becker, Academic Officer-NSC; and Dr. Roger Jacobson, Vice President, Academic Affairs-DRI. The northern group reviewed different methods for developing cooperative programs addressing workforce needs. A number of areas were identified in which the institutions are already cooperating and delivering higher education degree programs. Seven areas were identified in which these programs are already occurring:

- Education – A cooperative program between NSC and WNCC has been developed to deliver teacher preparation programs in elementary education to Fallon.
- Health sciences – All northern institutions are pursuing the nursing initiative to double the output of nursing graduates. TMCC offers a fast-track option for nursing by recruiting individuals who already hold a bachelor's degree.
- Social services – The Board recently approved a 3+1 B.S.W. cooperative program between GBC and UNR, which provides four-year degrees in social work to an area of the state that is currently underserved.
- Business – All northern institutions offer courses and programs in various areas of business, including finance, accounting and business management. TMCC and WNCC both offer courses that provide the first two years' curriculum for prospective baccalaureate students and associate's degrees in business skills areas.

- Land stewardship – DRI is currently involved in research in the Walker River Basin and is also a part of the NASA space grant consortium.
- Technology – TMCC offers a 2+2 program with NSC in digital media. UNR is planning an institute for information sciences and technology.
- Quality of life – TMCC opened a new theater in town, higher education is involved in the Reno Jazz Festival and UNR offers a program in orchestral studies.

Provost Frederick reported that an ongoing planning effort is required. He said the institutions must continue to cooperate and plan together. A mechanism is required for developing new cooperative programs and activities that ensure the efficient use of resources in the service of Nevada.

Regent Bandera asked whether all institutions would have an equal voice regarding which programs are offered. Provost Frederick replied that criteria had been established for establishing new programs. There has been a great deal of collaboration among the academic vice presidents, equally weighted amongst the institutions, when a societal need has been identified. Two-year degree programs fall within the service areas of the community colleges. Should a need exist in a service area and the community college serving that area does not wish to offer it, discussion would ensue regarding how to best offer the program at another community college. UNR has first opportunity to offer four-year degree programs in the northern region. If UNR elects not to offer a program, NSC would be afforded an opportunity. There is no voting in the planning sessions but rather open discussion about how to best provide the programs.

Regent Bandera asked about the lead time referred to in the reference's discussion of timing for planning and marketing. Provost Frederick replied that the group agreed to be sensitive to the lead time required to market a new program, particularly in underserved rural areas. When WNCC and NSC were collaborating on teacher preparation courses, UNR was not completing its planning timely enough for them to market the courses. Regent Bandera asked whether the issue regarding occupational programs had been resolved. Provost Frederick replied that it had been resolved. Regent Bandera asked whether the manner in which the issue was resolved would help prevent future difficulties. Provost Frederick replied that it should.

Dr. Kerry Romesburg, President, NSC, presented the Southern Nevada Regional Strategic Plan. A corrected version of the reference was provided (Ref. #3 on file in the Board office). President Romesburg acknowledged the assistance of his colleagues: Dr. Ray Alden, Executive Vice President and Provost-UNLV; Dr. Roger Jacobson, Vice President, Academic Affairs-DRI; Dr. Bob Palinchak, Vice President, Academic Affairs-CCSN; and Dr. Lois Becker, Academic Officer-NSC. The southern group reviewed guidelines for workforce development and workforce needs. CCSN will focus on the short-term needs and the training for high-technology fields at the certificate and associate's degree level, with some targeted four-year programs. NSC and UNLV will concentrate upon and emphasize medium- to long-range needs through a 4-year baccalaureate program. UNLV will continue to respond at the graduate level. DRI and UNLV are cooperating on a number of research programs. The group identified the following areas of workforce needs in the south: entertainment technology, engineering, informatics, tourism, construction, health and medical care, and education. The southern institutions are heavily involved in the nursing effort. A number of cooperative efforts are already under way within the southern region, and more are planned. UNLV and DRI jointly facilitate graduate programs and research associated with the Water Resources Management Program. DRI is providing faculty resources to NSC for science instruction. The institutions share faculty in a variety of arrangements to strengthen and advance science education and research within the region. Many of the science graduates earning masters and doctoral degrees at UNLV remain in the valley and work for NSC, CCSN, or DRI, as well as for other local employers. NSC and CCSN provide a 2+2 program in elementary education at the Charleston campus. UNLV and CCSN provide a 2+2 program in education at the Cheyenne campus to meet the growing demands for P-12 teachers in the valley.

President Romesburg related that UNLV and CCSN provide administrative assistance to NSC as it develops. The three institutions are exploring ways to share staff and classroom space for upper-level courses. All of the institutions in the Southern Regional Plan participate in numerous partnerships with agencies and businesses throughout the state. These partnerships involve such wide-ranging activities as applied research, internships, athletics participation, regional and national conferences, and meetings of community organizations and boards. Growth in Clark County is greatly outpacing the ability of the state to fund and complete higher education capital projects and to purchase new sites for higher education facilities. As the demand for participation increases throughout the greater southern Nevada area, all options for expanding capacity must be explored, including possible lease/purchase agreements for buildings, as well as other innovative arrangements. Preliminary consideration is being given to expanding higher education access through shared educational opportunities in North Las Vegas, Summerlin, Pahrump, and Mesquite. One model under consideration involves a site in North Las Vegas with CCSN offering the first two years, NSC offering baccalaureate education in their designated fields, and UNLV offering baccalaureate education in areas not offered by NSC. UNLV will offer all graduate-level programs. Research projects will be a partnership between UNLV and DRI. CCSN already has a presence in Pahrump and NSC offers law enforcement programs there. CCSN also has a presence in Mesquite. CCSN has established partnerships with UNLV and NSC. Both UNLV and NSC have a presence on CCSN campuses, using CCSN facilities and, at times, CCSN faculty to offer four-year programs in a 2+2 format. A strong partnership between institutions has developed through sharing library resources and services within southern Nevada and the state, as well as sharing information technology and curriculum planning.

Regent Derby applauded the collaborative effort and the progress realized over the past five years. She complimented the regional planning efforts with a focus on meeting state needs in a cooperative model. She felt it emphasized the value of having a system of higher education and provided the potential for utilizing resources in the most efficient manner. President Romesburg said he had never seen more collaboration and cooperation between public institutions of higher education. He said that continued planning efforts would benefit all System institutions.

Regent Bandera supported Regent Derby's comments, adding that the Board was supposed to support and be proud of such efforts. She thanked them for their efforts. She asked that Lincoln and Nye county school districts be included with non-UCCSN partnerships. President Romesburg assured her that those partnerships do exist.

Regent Derby moved acceptance of the Northern and Southern Regional Strategic Plans. Regent Dondero seconded. Motion carried.

4. Public Comment – Ms. Jessica Muehlberg, GSA President-UNR, reported the GSA had received a proclamation from Governor Guinn marking April 5-9, 2004 as Graduate and Professional Student Appreciation Week. Both UNLV and UNR will conduct events highlighting graduate student activities during the week, culminating with an awards ceremony. Ms. Muehlberg felt it was important to highlight Nevada's graduate students, noting that Nevada ranks 49th in the nation for the number of citizens holding advanced degrees.

Ms. Monica Moradkhan, Student Body President-UNLV, praised her collegiate experience while attending UNLV. She said she acquired important life skills through her education, campus leadership and activities. Ms. Moradkhan expressed her heartfelt thanks to President Carol Harter; Vice President-Student Life, Rebecca Mills; Vice President-University & Community Relations, Fred Albrecht; Vice President-Administration, Juanita Fain; Director-Athletics, Mike Hamrick; Provost Ray Alden; and the many other UNLV employees who answered her questions and listened to her concerns. She said the UNLV administration had worked diligently to address student needs. Ms. Moradkhan thanked her fellow student body presidents, the Board of Regents, Chancellor Nichols, Vice Chancellor-Academic & Student Affairs, Dr. Chris Chairsell, and the System staff for their continuing dedication to Nevada's students.

Mr. Steve Houk, Student Body President-GBC, echoed Ms. Moradkhan's comments, adding that he also had learned much from his student leadership experience. He related that he gained an understanding of the difficulties faced by Nevada's students and citizens. He said the current student leadership had accomplished a great deal by keeping the lines of communication open. He wished his fellow student body presidents well and encouraged the Regents not to forget the students and to do everything possible to accommodate students' needs.

5. Approved-Consent Agenda – The Board approved the Consent Agenda:

(1) Approved-Minutes – The Board approved the minutes from the joint meeting with the State Board of Education held December 12, 2003, the regular meeting held January 29-30, 2004 and the Board of Regents' Student Forum held February 24, 2004.

(2) Approved-Minutes – The Board approved the minutes from the Formula Funding Workshop held October 24, 2003.

(3) Approved-Tenure – The Board approved the UCCSN presidents' requests for granting tenure to the following faculty members. Each applicant met the standards for tenure in the UCCSN Code and was positively forwarded by his or her institution following a peer review process.

CCSN – (*Ref. C-3a on file in the Board office*)

Mr. Allan Ackerman	Ms. Deborah Ain
Mr. Stephen Alpern	Ms. Carole Brew
Ms. Rebeca Brittenham	Ms. Nancy Cassell
Dr. Walter Centuori	Dr. Darren Divine
Mr. Branislav Djuric	Ms. Shelley Fischer
Ms. Cassandra Gentry	Dr. John Michael Heath
Mr. Scott Alan Helkaa	Ms. Yolanda Hernandez
Ms. Anne M. Hoff	Mr. John Jacobson
Mr. Wayne S. Littlejohn	Mr. John P. Marsh
Ms. Jennifer Schwenk Nelson	Ms. Smita N. Rao
Ms. Diana D. Roberts	Ms. Kristina Kae Schmid
Ms. Judy A. Scott	Dr. David B. Shaffer
Dr. Denise Levin Signorelli	Mr. Ernest Spikes, Jr.
Mr. Michael R. Sthultz	Mr. Rhigel Tan
Ms. Gayle Thomas	Dr. Joel Thomas Tierno
Ms. Saraita Whan-McCarthy	Mr. Michael A. White

GBC – (Ref. C-3b on file in the Board office)

Dr. E. Jay Larson Mr. Patrick O’Hanahan
Mr. Bob Robertson

TMCC – (Ref. C-3c on file in the Board office)

Ms. Susan Jimenez-Anderson Mr. Steve Bale
Ms. Karen Cannan Dr. Brian Fletcher
Ms. DeeAnn Jaeger Ms. Cindy Mortensen
Ms. Julie Stage

UNLV – (Ref. C-3d on file in the Board office)

Dr. Wolfgang Bein Dr. David Beisecker
Mr. William Bernatis Dr. Pradip Bhowmik
Dr. Gregory Brown Dr. Timothy Bungum
Dr. Brenda Buck Dr. Maria Casas
Dr. Patti Chance Dr. J. Kelly Coker
Dr. Andrew Cornelius Dr. Bradley Donohue
Dr. Andrew Feinstein Dr. Bingmei Fu
Ms. Jennifer Gross Dr. Leah Jean Henry
Dr. Curtis Love Dr. Hong Lu
Dr. Michael Marcozzi Dr. Kelly Mays
Dr. Iain McGaw Dr. Michael Mejza
Dr. Gail Munde Dr. Alexander Nill
Ms. Terrill Pollman Dr. Philip Rusche
Dr. Sterling Saddler Mr. Sean Saxon
Dr. Nancy Sileo Dr. George Stelluto
Ms. Eva Stowers Dr. John Tuman
Ms. Diane VanderPol Dr. Jian Wang
Dr. Zhiyong Wang Dr. Jane Williams
Dr. Bradley Wimmer

UNR – (Ref. C-3e on file in the Board office)

Dr. David Ake Dr. Geoff Blewitt
Dr. Don Breazeale Dr. Randall A. Brown
Dr. Donnelyn Curtis Dr. Sheri Faircloth
Dr. Alan Fuchs Dr. Frank Goebel
Dr. Stacy Gordon Dr. Jennifer Greer
Dr. Eric Killian Dr. Jo Anne Kock
Dr. William L. Kuechler Dr. Leping Liu
Dr. Grant Mastick Dr. Dirk van Zyl

WNCC – (Ref. C-3f on file in the Board office)

Ms. Jayna Conkey Mr. Bill Oney
Mr. Christopher Ryan

(4) Approved-Allocation of Grants-in-Aid, 2004-2005 - NRS 396.540 provides for tuition waivers for students from other states and foreign countries based on 3% of each institution’s fall headcount enrollment. Board policy provides an equal number of grants-in-aid for Nevada students and requires that the total number of grants-in-aid allocated to each UCCSN institution be approved annually by the Board. The Board approved the recommended allocations for academic year 2004-2005, which represent the total number each institution could award. In all cases, funding is not sufficient to support the maximum allowable number of grants-in-aid:

	IN-STATE	OUT-OF-STATE
UNR	493	493
UNLV	804	804
CCSN	1,073	1,073
GBC	100	100
TMCC	345	345

WNCC	159	159
NSC	16	16

(5) Approved-Tenure Upon Hire, UNLV – The Board approved President Carol C. Harter’s recommendation of tenure upon hire for Mr. Thomas B. McAfee, Professor of Law, effective July 1, 2004. The law school faculty unanimously endorsed Professor McAfee’s tenure (*Ref. C-5 on file in the Board office*).

(6) Approved-Capital Improvement Fee Funds, UNLV – The Board approved President Carol C. Harter’s request for use of UNLV’s Capital Improvement Fees in the sum of \$2,586,375 (*Ref. C-6 on file in the Board office*).

(7) Approved-William F. Harrah College of Hotel Administration Continuing Education Effort in China, UNLV – The Board approved President Carol C. Harter’s request for a continuing education effort in China by the William F. Harrah College of Hotel Administration and for the MOUs to be approved by the Chancellor (*Ref. C-7 on file in the Board office*).

(8) Approved-Workers Compensation Letter of Credit – The Board approved UCCSN Risk Manager, Mr. Jon Hansen’s, request for a \$2,893,000 letter of credit (LOC) to be issued for the benefit of the Commissioner of Insurance of Nevada. The LOC is required by NRS 616B.300 for self-insured entities. The LOC secures 105% of the UCCSN’s expected losses for calendar year 2004 and will be used by the Commissioner of Insurance to pay claims in the event that the UCCSN does not have the resources to pay them (*Ref. C-8 on file in the Board office*).

(9) Approved-Handbook Revision, Residency Regulations, Definition of Armed Forces Personnel – The Board approved Chancellor Jane Nichols’ request for an amendment to the residency regulations (Title IV, Chapter 15, Section 2) to bring the regulations in line with the Board’s approval at the August 2003 meeting of a fee waiver program for members of the Nevada National Guard. One of the provisions of the fee waiver program defines active Nevada National Guard members enrolled at UCCSN institutions as Nevada residents for tuition purposes. The proposed amendment codifies this provision into the residency regulations (*Ref. C-9 on file in the Board office*).

(10) Approved-Handbook Revision, Millennium Scholarship – The Board approved Vice Chancellor Richard Curry’s request for two proposed Handbook changes (Title IV, Chapter 18, Section 18) to clarify student eligibility and reinstatement requirements (*Ref. C-10 on file in the Board office*).

(11) Approved-Handbook Revision, Refund Policy, WNCC – The Board approved President Carol Lucey’s request to change WNCC’s refund policy in the Board of Regents Handbook (*Title IV, Chapter 17, Section 8*) (*Ref. C-11*).

(12) Approved-Handbook Revision, Student Fee Distribution, Summer Programs – Board policy calls for Summer Session registration fees to be set at \$3.00 more than the academic year registration fee and for the distribution of the summer fees to be approved by the Board. The Board approved an update of the Summer Session 2004 registration fees (*Title IV, Chapter 10, Section 13(2)*) and the proposed distribution of the fees (*Ref. C-12 on file in the Board office*).

(13) Approved-Handbook Revision, New Endowment Gifts – The Board approved a request to eliminate the requirement for Board approval of new endowments that do not require any special commitments or services (*Title IV, Chapter 10, Section 9*) (*Ref. C-13 on file in the Board office*).

(14) Approved-North Las Vegas Field Station Lease, UNLV & UNR – The Board approved Presidents Carol C. Harter’s and John M. Lilley’s request for a change to the January 28, 2004 Board of Regents’ approval of 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 previously approved by the Board has been modified by the City of North Las Vegas increasing the size to 30 acres of land. This now includes 10 acres currently occupied and improved by the UNLV Center for Urban Water Conservation, UNR Cooperative Extension Service and UNR College of Agriculture and 20 acres of unimproved vacant land. All other conditions of the original approval remain the same. This sub-lease will formalize a 10-year verbal agreement between UNLV, UNR and the City of North Las Vegas and 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 10-year terms. The lease rent will be \$1.00/year (*Ref. C-14 on file in the Board office*).

(15) Approved-Nevada Power Grant of Easement, Shadow Lane Campus, UNLV – The Board approved President Carol C. Harter’s request for a Grant of Easement at the UNLV Shadow Lane campus between the Board of Regents of the University and Community College System of Nevada (Grantor), and Nevada Power Company (Grantee) in order to construct, operate, add to and maintain electrical systems needed for the construction of facilities for the UNLV School of Dental Medicine (*Ref. C-15 on file in the Board office*).

(16) Approved-Lease/Acquisition of BLM Land for University of Nevada Cooperative Extension in Las Vegas, UNR – The Board approved President John M. Lilley’s request to execute a lease agreement (subject to review by the General Counsel) with the U.S. Department of the Interior, Bureau of Land Management, for the purpose of leasing and ultimately acquiring approximately 9 acres of land in Clark County, Nevada. The land acquisition would provide a site to construct a building for

University of Nevada Cooperative Extension in Clark County. The request for approval to construct a building on this site will be forthcoming at a future Regents' meeting (*Ref. C-16 on file in the Board office*).

(17) Approved-Letter of Support, GBC – The Board approved President Paul Killpatrick's request for the Board of Regents to send a letter in support of moving the Animal Disease Lab from the Great Basin College campus. The letter of support will be addressed to the Nevada State Department of Agriculture to assist that department in making a capital request to the State Public Works Board. There will be no cost to GBC or the UCCSN for this project. All costs will be paid by the Nevada State Department of Agriculture (*Ref. C-17 on file in the Board office*).

(18) Approved-Building Naming, Residence Hall, UNR – The Board approved President John M. Lilley's request for naming the new residence hall "Argenta Hall" (*Ref. C-18 on file in the Board office*).

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

Regent Kirkpatrick observed that the 32 individuals approved for tenure at CCSN all had a minimum of four years of service at the college.

Regent Sisolak noted a point of order, asking whether all individuals recommended for tenure had been properly notified. General Counsel Ray replied that every individual named on the agendas had been provided notice.

6. Approved-Regents' Awards – The Board approved the following Regents' awards:

6.1 Approved-Regents' Awards – The Board rendered a decision on the 2004 Regents' Awards:

A. Honorary Doctorate Degrees – *Policy: Handbook, Title IV, Chapter 1, Section 13.2 (Ref. B on file in the Board office)*

Ms. Joyce Mack, UNLV
The Honorable Mikhail Gorbachev, UNLV
Ms. Dolores C. Huerta, UNR
Congresswoman Barbara Vucanovich, UNR

Regent Alden moved approval of the honorary doctorate degree nominees. Regent Sisolak seconded.

President Harter stated that Mr. Gorbachev's lecture had been moved to another venue providing more seating space. Regent Alden asked whether the reception would be held in the same place. President Harter replied that it would.

Chair Anthony read a letter from Governor Guinn (*on file in the Board office*) supporting Congresswoman Vucanovich's nomination.

Ms. Jan Hunt spoke on behalf of Governor and Mrs. Guinn. She noted that Ms. Vucanovich served the state congressionally for 14 years and had worked in Nevada for over 50 years. Ms. Vucanovich was responsible for bringing thousands of dollars to the University System.

Motion carried.

B. Honorary Associate Degrees – *Policy: Handbook, Title IV, Chapter 1, Section 13.4 (Ref. C on file in the Board office)*

Ms. Robbie D. Graham, CCSN
Mr. Ray E. Norvell, CCSN
Mr. Tony Ciorciari, TMCC
Ms. Greer Gladstone, TMCC
Mr. Red Sumner, WNCC
Mr. Tom Metcalf, WNCC

Regent Alden moved approval of the honorary associate degree recipients. Regent Kirkpatrick seconded.

Regent Bandera praised the nomination of Ms. Gladstone.

Motion carried.

C. Regents' Scholars – Policy: Handbook, Title IV Chapter 1,
Section 14 (Ref. D on file in the Board office)

Mr. Lorenzo Nichols, II, UNLV Undergraduate
Ms. Jocelina Santos, UNLV Graduate
Ms. Jennifer Handog, UNR Undergraduate
Ms. Amy Carter, UNR Graduate
Ms. Evelyn Flores, CCSN
Ms. Margo Teague, GBC
Ms. Milissa Etta Avila, NSC
Ms. Lisa Carpenter, TMCC
Mr. David Dye, WNCC

Regent Rosenberg moved approval of the Regents' Scholar recipients. Regent Sisolak seconded.

General Counsel Ray conveyed Ms. Santos' appreciation for the award. Ms. Santos could not be present due to her mother's passing.

Motion carried.

Regent Kirkpatrick left the meeting.
Regent Sisolak left the meeting.

7. Approved-Resolution 04-12, Graduate Student Association, UNR – The Board approved President John M. Lilley's request for a Board Resolution recognizing the achievements of the UNR Graduate Student Association (*Ref. E on file in the Board office*).

Regent Alden moved approval of Resolution #04-12 recognizing the achievements of the UNR Graduate Student Association. Regent Dondero seconded.

President Lilley introduced UNR GSA Student Body President, Ms. Jessica Muehlberg, and Director, Graduate Student Services-UNR, Ms. Susan Henthorne.

Motion carried. Regents Kirkpatrick and Sisolak were absent.

Regent Sisolak entered the meeting.

8. Approved-Comprehensive Campus Master Plan, UNLV – The Board approved President Carol C. Harter's request for the new UNLV Comprehensive Campus Master Plan. The Master Plan proposes organizational strategies and principles that are supported by detailed technical research and recommendations for campus zoning; facilities development; transportation and parking concepts; utility infrastructure improvements; and future property acquisition. Individual project initiatives will always be subject to detailed review, comment and approval by the Board of Regents. The Campus Master Plan was presented by representatives of UNLV and SmithGroup JJR, the university's nationally recognized master planning consultants (*Ref. F on file in the Board office*).

President Harter reported that the comprehensive plan was the product of 31 meetings over the past two years with representatives from UNLV Facilities Planning, SmithGroup JJR, as well as campus-based and public groups. She introduced Mr. Steve Troost, Vice President, SmithGroup JJR.

Mr. Troost acknowledged the tireless efforts of President Harter's staff and Mr. Thomas Hagge, Associate Vice President, Facilities Management & Planning-UNLV, and his staff. He reported that a campus plan is a fundamental tool for an institution to begin working towards implementing its strategic vision. A master plan provides the organizational strategy for the campus' physical composition so that investments can be targeted in a timely and optimal manner. It also provides a guiding framework with the necessary flexibility to accommodate the ever-changing aspects. He said the master plan focuses on establishing a high quality physical environment that is necessary to achieve a superior learning environment. The UNLV campus currently maintains 3.8 million gross square feet, 26,162 students, and 2,596 faculty and staff.

Master Plan Goals:

1. Assess and quantify the campus' ideal development capacity.
2. Reinforce the campus' distinctive urban/desert environment.
3. Provide a high quality image and identity for the institution.

4. Improve the physical environment for students.
5. Establish a flexible planning framework.

Mr. Troost related that an open and interactive planning process was employed to facilitate dialog on the issues and to build consensus on the recommendations. Nearly forty venues were held with the Campus Advisory Committee, Community Concerns Committee, Presidents' Cabinet, public open houses, and countless special sessions with university staff and special interest groups. A website has also been maintained to share information and enable dialog on the issues.

Planning Principles:

1. Strategically develop the academic core organizing academic development around the Lied Library.
2. Extend and reinforce the existing pattern of pedestrian malls and open spaces.
3. Provide a multi-modal circulation system, including a significant paradigm shift that works to manage the movement of people to and from campus, rather than simply the movement of cars.
4. Strengthen institutional image and identity by embodying quality as a central value in everything done and constructed.
5. Optimize development capacity, including utilizing limited resources to their fullest, balancing building volumes with open space to create comfortable human environs, and incorporating a mix of land uses that promote collaboration.

Regent Kirkpatrick entered the meeting.

Mr. Troost reported that four major vehicular entrances would be established to safely allow traffic on and off campus. This will significantly impact current circulation patterns. Parking garages will be located at the campus perimeter and should supply adequate parking to support a campus population ranging from 35,000-36,000 students in addition to faculty, staff and visitors. A well-defined pedestrian circulation loop will be developed within the academic core and major pedestrian gateways established at each of the parking garages. Open space will also be developed with signature spaces providing places for social interaction and informal recreation. A primary challenge was to understand the potential capacity for new development on the land currently owned by UNLV and to test the operational systems capabilities to support that growth. The campus can accommodate approximately 3.6 million additional gross square feet of buildings, bringing the total facility resources to approximately 7.4 million gsf. With an average projected 5% enrollment growth, UNLV could realize nearly 37,000 students by 2010, requiring it to build between 1.7 million and 3.6 million additional gsf at a modest range of 150-200 gsf per student in a 7-year timeframe. UNLV has built 1.4 million gsf in the last 10 years.

Mr. Troost reviewed the short-term strategies (2002-2006). The additional 725,000 gsf (*estimated \$251,000,000*) would provide a total of 4.5 million gsf (*estimated 150 gsf/student*):

1. Early Childhood Center.
2. Science, Engineering & Technology Building.
3. Satellite Energy Plant.
4. Wright Hall renovation and expansion.
5. Recreation Center.
6. Student Residences.
7. Student Union renovation and expansion.
8. Greenspun College of Urban Affairs.

Mid-term strategies (2006-2010) include developing unencumbered parcels and the incorporation of major parking garages (*estimated \$337,000,000*). These projects will add 670,000 gsf for a total of 5.2 million gsf (*141 gsf/student*). The long-term strategies (*beyond 2010*) project an additional 2.2 million gsf for a total of 7.4 million gsf (*202 gsf/student*) at an estimated cost of \$1,087,000,000. Prudent planning requires the university to continue to monitor strategic property acquisitions.

Another critical issue is balancing the systems and understanding what is necessary for targeted investments. Many electrical systems are at capacity. The goal is to provide adequate and reliable power with the redundancy necessary for growth in research initiatives. One challenge is working with Nevada Power Company to ensure adequate supply from the off-campus grid, which is challenged by the fact that many of the adjacent substations are already at or near capacity. With the continued growth around the campus, the university is competing for power. A second challenge is upgrading the on-campus system to accommodate the building programs beyond the short-term timeframe. UNLV is moving in a positive manner to establish a reliable communication and information technology system. A second internet connection is anticipated for the Science, Engineering & Technology building.

UNLV is also reviewing opportunities afforded by regional campuses. The master plan for the Shadow Lane campus identified an increase of approximately 231,000 gsf in program space, for a total building inventory of 420,000 gsf. Land acquisition for the Shadow Lane campus should continue as opportunities arise. A study will be conducted for the North Las Vegas Regional campus to assess development opportunities consistent with prior Board authorization. A master plan is

being initiated for the UNLV Technology & Research campus to understand its ability to service the growing research and academic agenda.

Regent Dondero asked whether existing infrastructure had been considered (i.e., sewer and water). Mr. Troost replied it had, adding that Mr. Hagge's department was keenly aware of the requirements. He explained that this master plan had emphasized the infrastructure. Future modeling of the campus is being conducted to determine specific projects and growth thresholds to provide an idea of what needs to be upgraded.

Regent Sisolak asked whether 4-story buildings could be built near the Thomas & Mack Center. Mr. Troost replied there had been good discussion regarding building heights. The plan provides the flexibility to do a number of things. Regent Sisolak doubted that the Airport Authority would allow 40-foot buildings at the location depicted. Mr. Troost replied that the consultants had studied the airport landing three dimensional cone and found the height to be within acceptable limitations. He said that noise mitigation was a greater concern. Regent Sisolak observed that the location was in the direct landing pattern. Mr. Troost stated that it was not within the runway protection zone, adding that McCarran International Airport had participated on the Community Concerns Committee. He said the plans were well within the height restriction limits. Regent Sisolak thought that county ordinances would prohibit such development and suggested they pursue such an agreement while they could. Mr. Troost said the AmeriSuites building was located even closer to the airport and was a taller building. He assured Regent Sisolak they had obtained maps from the airport identifying the vertical and horizontal alignment of the runway zones and the plans were well within the limits. Regent Sisolak asked whether they had checked with the FAA. Mr. Troost replied they had not. Regent Sisolak suggested that it might be a good idea to do so.

Regent Sisolak asked how many parking spaces would be required for an additional 3.6 million gsf. Mr. Troost replied they studied campus utilization to determine the peak times of utilization. Approximately 12,890 parking spaces will be provided for a projected demand of 12,500 (based on 35,000 students, 2,600 resident students, 3,200 faculty). They will embark on a more detailed study of the parking system to ensure accuracy. Regent Sisolak asked about auxiliary use at the old Paradise School. Mr. Troost replied that it was undesirable to locate academics across Tropicana Avenue due to the high traffic volume. That property could be used for facilities services and storage yards that do not need to occupy primary land on-campus. He observed it would also provide space when other buildings are being upgraded. The space can be used to accommodate the university's growth.

Regent Bandera asked what comprised a "signature space". Mr. Troost replied that such space provided open space for the community but did not necessarily need to be of the highest quality. Students desired a gathering/recreating space. Signature space identifies a little higher level of quality (i.e., specialty paving, benches and amenities to support student life).

Regent Whipple asked about the location of recently acquired land. Mr. Troost replied that property was located just north of the parking garage by the Thomas & Mack Center. Regent Whipple asked how many acres were identified as potential purchases. Mr. Troost replied it comprised slightly over 100 acres over the entire perimeter. Regent Whipple expressed concern that this land may become too expensive at some point. He asked whether the university should concentrate upon other sites. Mr. Troost said they looked at the carrying capacity with the land currently owned by UNLV. The university will continue to assess the cost of acquisitions as opportunities arise. As regional campuses are established it may alleviate the need to acquire more contiguous property. Regent Whipple asked whether the Board should be considering that. President Harter replied that the university's largest dilemma was whether to buy expensive contiguous land or to shift to regional sites. A local developer is taking her to Tempe, Arizona to see how the university and the city developed the surrounding areas with private developers. She felt the process would require employing several strategies simultaneously. Regent Whipple asked whether final decisions had been made. President Harter replied they had not. Regent Whipple asked whether they were reviewing other opportunities. President Harter replied they were reviewing the best strategy. Regent Whipple asked about the price and acreage on the Naples property. Mr. Hagge replied the vacant land cost \$8.85/sq. ft. A premium was paid on the apartment complex. President Harter stated that UNLV paid \$2 million for land and \$2 million for renovation for a total of 3 acres.

Regent Kirkpatrick asked about the parking garages. President Harter replied that one garage was built and one was under construction. Regent Kirkpatrick asked when all 6 would be completed and the cost. President Harter replied that parking garages were very expensive structures (\$10,000-12,000/space) and no state dollars could be used. UNLV is trying to find a way to combine the monorail system with a parking garage for a federal grant. They are trying to determine every possible way to enhance parking without charging more fees. Mr. Troost said they would assess the cost-benefit of other options (i.e., remote parking with shuttle systems) to ensure that customer demand can be met.

Chair Anthony recognized Assemblyman David Parks. President Harter thanked Assemblyman Parks for his fine representation throughout this process.

Regent Bandera moved approval of UNLV's Comprehensive Campus Master Plan. Regent Rosenberg seconded.

Regent Kirkpatrick established that the Board was merely approving acceptance of the report. Chair Anthony agreed.

Motion carried.

9. Approved-Handbook Revision, Lobbying Activities – The Board examined the current policy on lobbying activities and approved proposed amendments to the Board of Regents Handbook (*Title IV, Chapter 1, Section 23*), which provide clarification about the role of UCCSN employees who serve as registered lobbyists during a legislative session (*Ref. H on file in the Board office*).

Chancellor Nichols noted the proposed amendment provided additional structure to the use of employees as lobbyists while ensuring some flexibility for the Chancellor. The Chancellor may set other policies to govern the activities of employees serving as lobbyists and their reporting relationships. Chancellor approval is required prior to the assignment of an employee to perform lobbying duties. A UCCSN registered lobbyist shall provide a copy of the required State of Nevada expense reports (current reports sent to LCB) to the Chancellor. The Chancellor shall have the authority to establish internal policies governing the activities and reporting relationships of any persons approved to perform lobbying services.

Regent Rosenberg moved approval of the Handbook revision concerning lobbying activities for UCCSN employees. Regent Derby seconded.

Regent Kirkpatrick suggested adding a statement authorizing the Chancellor to remove, at will, any System employee from specified activities or from support of any lobbying activities. Chancellor Nichols felt that was implicit with the requirement for Chancellor approval.

Regent Hill proposed a friendly amendment to include a statement (at the end of item #4) that the Chancellor could revoke approval at any time. The amendment was accepted by Regents Rosenberg and Derby.

Regent Hill asked whether the presidents had any concerns. President Harter felt that the geographic distance (from Las Vegas to Carson City) needed to be recognized. She said there were times when it was difficult for someone to be present in Carson City when it was extremely important for the institution. She felt it was clear that those institutions required access at the right moment.

Chair Anthony left the meeting.

Regent Whipple asked about the need for employee lobbyists. Chancellor Nichols replied that the design of an effective lobbying team in Carson City would vary by session, circumstance, and governor, adding that the necessity for voices in Carson City was very clear. Lobbyists today provide a needed service to legislators (information). She explained that the Chancellor appears before the legislature as the UCCSN's representative and not as a lobbyist. The design of who should be a lobbyist and/or an employee providing information is a delicate one. Almost 100 bills were introduced concerning higher education last session. She said she was struggling with the issue of whether or not an employee should be a lobbyist and that she was not asking for a decision that day. She felt that some circumstances could warrant one lobbyist for the universities, a separate one for the community colleges, and one chief lobbyist for the System. Another model might include one lobbyist for the southern institutions and one for the northern institutions. Regent Whipple questioned whether money was wisely spent with employees acting as lobbyists or if it would be better to hire a specialist. He observed there is an inherent conflict with having an employee act as a lobbyist.

Regent Howard asked why the Chancellor felt it was necessary to be at the legislature on a regular basis during the legislative session. Chancellor Nichols replied that she was present to testify at hearings (estimated two hearings/week). She said she only attended when she had a specific piece of business to address. Regent Howard asked whether one lobbyist could do the job. Chancellor Nichols replied that the Board would set its legislative priorities in June and August (bill draft and budget-related). A professional lobbyist was hired for the previous session and was assigned responsibility for the budget as the Board's highest priority.

Chair Anthony entered the meeting.

Chancellor Nichols said that one person would be unable to keep track of all the other bills in addition to the budget. Regent Howard was concerned that one institution could receive more attention than another. She asked how an institution could be assured it would receive the same attention as others. Chancellor Nichols acknowledged that it was always a problem. She related that some institutions did not have a lobbyist during the last session while others did, which created some ill will. She said that was the difficulty in creating a good team to approach the legislature. She felt the Chancellor would need to differentiate between those who respond with information and the official System lobbyist (possibly a firm), adding that it was a very complex issue. Governor Guinn has indicated that he does not want to see campus lobbyists in Carson City and has threatened to reduce the budget accordingly. She did not feel the Board was in a position to make a decision on the best method of representation, but needed time to discuss how to assemble a team that will provide an effective voice. Regent Howard asked why two institutions had no lobbyist. Chancellor Nichols replied that those institutions could not afford one.

Regent Howard asked whether they had chosen to use the money for another purpose. Regent Howard stated there are legislators who tell the campuses what they need and the projects are forced upon the campuses without their approval. Chancellor Nichols stated that the Board of Regents has the opportunity to determine that list. She noted that the current model has the Chancellor put together a plan, which is shared with the Board. The proposed policy provides the opportunity to work out these issues in the months ahead.

Regent Rosenberg felt it was important to allow Chancellor Nichols the responsibility and the authority. He questioned where "lobbying" began. He noted there were also informal lobbying activities and he did not want to close that avenue. He cautioned against a policy that closed an avenue they may want open in the future. He did not want to lose current strengths because of perceived past occurrences.

Regent Alden stated that the Board was established for two purposes: budget process and policy for higher education. The Board will decide upon its budget priorities and line items. The Board empowers the Chancellor, with no "end-runs" by the Board or presidents. He felt the policy was very important. He said the legislative team consists of the Chancellor, Vice Chancellor-Finance & Administration, and the eight unit presidents. If there is a need for assistance in the legislature, the Chancellor and Board Chair should decide. Each unit president becomes the spokesperson (when called upon by the Chancellor) to represent their portion of the budget and their request. He supported the policy.

Regent Howard left the meeting.

Regent Derby favored the proposed amendment. She observed the Board was granting greater authority to the Chancellor while not locking into one particular method. She acknowledged there could be an immediate need for information that an institution representative could provide and a general lobbyist could not. She approved that the policy allowed the Chancellor to assemble the team in the best possible manner.

Regent Sisolak observed there was confusion about the type of expense reports. Chancellor Nichols suggested it could be clarified by adding, "the Legislative Counsel Bureau expense report", noting that those requirements were different (including any expenses for a legislator). A lobbyist's expense report might include a dinner between two lobbyists (not required by LCB). Regent Sisolak asked about the use of private funds to hire a lobbyist (i.e., Foundation funds). Chancellor Nichols replied the lobbyist would still adhere to this policy. Regent Sisolak then asked how the legislators (present at the meeting) felt.

Senator Randolph Townsend stated that it would be physically impossible for one individual to represent the vast interests of the entire System. He stressed the importance for consistency in the message so that all legislators are told the same thing and cautioned that sending too many informational representatives could be confusing to legislators.

Regent Howard entered the meeting.

Senator Townsend acknowledged that only certain System individuals could answer certain questions, agreeing that the immediacy of information was often crucial. He said that legislators often had unrealistic expectations. He advised employing a consistent message, remembering those who do not sit on money committees, focusing on needs, and letting the legislators know who the players are. He said it would be nice if the Chancellor or Board Chair would provide telephone notification when sending forward a contact. He suggested that it is the people you don't know that are the most important to contact. He said that time was well spent with those who can bring the Board's goals to fruition. He recommended spending time with those who will make decisions directly affecting the System (i.e., Board size). He encouraged a focus upon all 63 legislative members.

Regent Sisolak requested comments regarding "end-runs" or legislative advocacy. Senator Townsend replied that the most important thing for the System was to continue with a consistent message to maintain its integrity. He acknowledged that legislators could have a special interest or program on a certain campus and take action to help a particular program. He said he understood the difference when someone spoke as an individual on behalf of a particular project. He said they should guard against a group trying to affect a particular outcome and the need to protect the integrity of the process.

Assemblyman David Parks stated that he had nothing but good experiences in the last four sessions with System lobbyists/representatives. He said he liked to speak with individuals who are part of the organization, noting that professional lobbyists were often unable to answer the questions. He felt that use of staff lobbyists was a considerable asset for the System.

Regent Kirkpatrick established that Governor Guinn had not restricted the use of a president or vice president. Chancellor Nichols agreed, adding that Governor Guinn had been a friend to the System. She felt he did not fully understand the complexity of the situation. She said it was a multifaceted job to be present and effectively communicate the needs.

Regent Schofield felt that legislators were looking for integrity and people that could be trusted. He said it takes time to establish that trust. The Board needs to carefully select its representatives and ensure they will be able to make the appropriate contacts.

It was determined that the reports referenced in item #3 were those currently sent to the LCB.

Motion carried as amended.

The meeting recessed at 2:59 p.m. and reconvened at 3:18 p.m. on Thursday, March 18, 2004 with all members present.

10. Approved-Handbook Revision, New Student Union, UNR – The Board approved President John M. Lilley's request for a mandatory fee to fund the costs of a new student union (*Ref. G on file in the Board office*).

UNR graduate student, Ms. Mary Bayer, participated via teleconference. Ms. Bayer said that \$100 million was a large debt and that a 30-year repayment was a long time period. She did not think the students were aware of the length of time required to repay the note prior to their vote.

Mr. Chul Yim, Student Body President President-UNR, stated that a forum was held specifically to address this issue; over 130 people participated. Students will continue to be very involved with each stage of the new student union.

Ms. Jessica Muehlberg, GSA Student Body President-UNR, thanked those who attended the forum, adding her hope that the Board would approve the new student union.

Regent Rosenberg moved approval of the Handbook revision concerning a new student union fee for UNR. Regent Bandera seconded.

Regent Kirkpatrick said he received calls from UNLV students and felt the same thoughts might apply to this matter. Individuals taking a 4-credit course must pay an additional \$69 for the additional credit. He asked whether the policy could be amended to accommodate students taking 5-undergraduate credits or less. Dr. Shannon Ellis, Vice President, Student Services-UNR, replied that various proposals were considered and that scenario could not be accommodated when keeping the fees under \$100. Regent Kirkpatrick said the students indicated they would never use the facility and they resented the additional fee.

Regent Schofield indicated his support for the motion, adding that he felt the university really needed the new facility. He felt it would help attract students. Mr. Yim replied that 72% of the students supported the project. Dr. Ellis reported the \$46 million dollar project (6.25% over 30-years) equated to a \$96 million project over the long-term. She said that UNR was very attentive to educating students about the project with many educational forums and student newspaper ads. She said it was always a concern to listen to students' concerns. The fee will not be assessed until 2006 when students will be able to use the new facility.

Regent Derby indicated her support for the facility acknowledging that it was not easy to significantly increase student fees. She understood that some students would not use the facility and that some would graduate before the facility was complete. She felt that these kinds of facilities enriched student life and that the students had performed their due diligence by conducting surveys with significant response rates. She urged Board support.

Regent Howard said she felt comfortable supporting the project and commended UNR for the manner in which they conducted the information sessions, adding that she did not like to raise fees.

Regent Rosenberg noted that all students use the bookstore, which was in desperate need of space, and many students use the food facilities. This fee provides the students with something they will see. While he also did not like raising fees, he indicated his support.

Regent Bandera complimented those involved with the professional proposal, adding her support of the project.

Regent Dondero suggested building a wall with all of the students' names on it.

Regent Hill was impressed with the articulate abilities of the students in expressing their opinions and ideas.

Motion carried.

11. Approved-Handbook Revision, Host Accounts – The Board examined the current policy on host accounts and approved proposed amendments to the Board of Regents Handbook (*Title IV, Chapter 10, Section 18*), which clarified hosting expenditures by UCCSN employees who serve as registered lobbyists during a legislative session (*Ref. I on file in the Board office*).

Regent Hill moved approval of the Handbook revision concerning host account expenditures by UCCSN employees serving as registered lobbyists during a legislative session. Regent Seastrand seconded.

Regent Bandera proposed a friendly amendment ensuring that all host accounts be audited annually by Internal Audit.

Mrs. Cardinal said that it would be feasible when testing a sampling of transactions instead of all transactions.

Regent Hill proposed that Internal Audit will test and sample host accounts annually.

Regent Seastrand asked what would be audited in a sample. Mrs. Cardinal replied there is a Chancellor's Memorandum governing host accounts that provides the standards.

Regents Hill and Seastrand accepted the friendly amendment.

Chancellor Nichols proposed inserting the statement as a new item #4: "The UCCSN Internal Audit department will test and sample host accounts annually."

Regent Howard asked whether it included all host accounts within the System. Board Chair Anthony replied it applied to all host accounts.

Regent Sisolak asked about the number of host accounts in effect. Chancellor Nichols replied that it would need to be tallied. Regent Sisolak asked whether there were several hundred, adding that it would be a major undertaking that would require more staff. Mrs. Cardinal said that the request could be accommodated. She said she would use the process as a training tool for new staff.

Motion carried.

12. Approved-Handbook Revision, General Counsel Reporting Line - At its December 2003 meeting, the Board discussed the reporting line for the UCCSN General Counsel and requested that staff bring back policy language for further consideration. The Board approved an amendment to the Board of Regents Handbook (*Title IV, Chapter 2, New Section 3*) (*Ref. J on file in the Board office*).

Chancellor Nichols presented Deputy to the Chancellor, Ms. Nancy Flagg. Ms. Flagg reported that the item had originally been requested by four Regents. Staff was requested to provide language for the January agenda. The item was deferred due to lack of time. In January 2003, a consultant recommended having the General Counsel report directly to the Chancellor. The Executive Evaluation and Compensation Committee considered the matter with some agreement expressed for this reporting line. Subsequent to the Handbook change, four Regents requested it be considered again. Presently, the Handbook does not discuss the position or role of the General Counsel. Staff considered adding a section addressing the System Administration executive staff. Ms. Flagg suggested the addition of a paragraph establishing the duties and responsibilities of System Administration executive staff. Optional language was also provided for Board consideration. She recommended approval of the Handbook change even without inclusion of optional language.

Regent Rosenberg felt strongly that the General Counsel should report to the Board with a line to the Chancellor. He suggested creating a committee of the Board with whom General Counsel works. He questioned why he was not represented individually by General Counsel, but General Counsel acts for him as a member of the Board.

Regent Hill moved approval of adopting the proposed amendment in bold face type, including the language in Section 3 and the two options provided. Regent Derby seconded.

Regent Howard said she realized how it could be problematic for the General Counsel to report to the Chancellor since the reporting line had been changed. She felt the General Counsel should report to the Board and that the position was not sufficiently independent, which could create a conflict when dealing with certain matters. She asked why the reporting line had been changed to the Chancellor. Regent Derby explained that the position formerly reported to the Board through the Chancellor. The Board changed it in 2000. General Counsel provided counsel to the Board, but the Chancellor was the executive officer who prepared the evaluation. A problem arose with yearly evaluations not working well. The Committee then recommended reverting back to the previous reporting line.

Regent Sisolak acknowledged that evaluations had been one of the issues. At the time the Committee made its recommendation, it had not contemplated the situation that later arose (November 2003 issue).

Regent Rosenberg requested the Chancellor's feelings. Chancellor Nichols replied that the consultant, Mr. Bob Woodruff, had suggested the General Counsel should report to the Chancellor. At that time, the presidents were concerned about diverse opinions/defenses being written in court that they and she were unaware of that were also not particularly beneficial for them. Mr. Woodruff suggested it would be better for the position to report to the Chancellor. She related that General Counsel Ray and his staff had worked diligently, to communicate well with everyone regarding the arguments being made in court. She

said that communication was the key. The attorneys primarily work for the presidents and campuses. The General Counsel supervises the legal staff. Although he spends a tremendous amount of time working with the Board, his job description indicates equal parts supervision and direct work with the Board. She felt it made sense to at least have a dotted line to the Chancellor. She also felt the Board clearly needed its General Counsel. She felt the General Counsel would speak up if he felt there was any conflict.

Regent Bandera favored the motion. She congratulated Regent Sisolak's forethought in making the change, adding that the process in place since October 2003 had worked well in a difficult situation. She said it insulated the General Counsel from 13 different bosses and she praised the organizational structure.

Regent Rosenberg disagreed. He asked who would determine the conflict. Chancellor Nichols replied that either one could. Regent Rosenberg said that could be problematic and suggested use of a third party.

Regent Dondero asked how many Regents were required to determine whether a conflict existed. Chair Anthony replied that the Board Chair would decide whether a conflict existed. Regent Dondero asked whether one Regent could bring it to the Chair's attention. Chair Anthony replied that if the Board Chair or the Chancellor decided there is a conflict in supervising the General Counsel, the Board Chair would then become the General Counsel's supervisor.

Regent Sisolak felt it was a difficult situation if the General Counsel did not report to the client. He asked why the Board would need to approve the General Counsel settling a case, since the Board was not the reporting line. General Counsel Ray stated that the Board is the client to whom he reports. The relationship is complicated by being comprised of 13 people. It is further complicated by the diverse sizes and institutions represented. It would depend upon who is involved in each case and at what level the issue was. He viewed this issue as more of a personnel matter than a description of his legal obligation. The key for him was what entity is involved. Regent Sisolak was not sure that was clearly specified, and he did not want to forego the attorney-client privilege. He requested a definitive opinion. He did not want to be unable to meet with the attorney. General Counsel Ray said that if it was an issue he needed to communicate to the Board, he would do so. He said he would also communicate information when asked. Regent Sisolak asked whether General Counsel Ray was responsible to the person he was defending and who was paying the bill or rather to someone designated by the client. He asked whether General Counsel could have an attorney-client privilege with multiple parties. General Counsel Ray replied that the client was the single entity of the Board of Regents. He said it became very complex, adding that his legal and ethical obligations were to the Board of Regents. Chancellor Nichols said that the entire legal staff acted on behalf of the Board of Regents. She said the Board delegated to the presidents when working on campus-based lawsuits. The attorney-client privilege is extended to the legal staff's discussions with UCCSN presidents. General Counsel Ray explained that did not infer that he could not discuss matters with the Board. Chancellor Nichols again stated that all of the attorneys work for the Board.

Regent Hill stated the same situation was found in corporate America. The collective Board is the client. He advised Board members not to concern themselves about the attorney-client privilege with regard to communication with individuals within the line of command. He said the ultimate boss is the Board and they delegate certain duties to others. He agreed that the Board Chair would make the decision if a conflict arose. Regent Hill did not feel a group of three Regents was necessary to make such a decision and that such an arrangement could entail Open Meeting Law issues. He indicated his support for the proposed language.

Regent Kirkpatrick suggested making the reference to the Board Chair consistent throughout the reference material. He then asked how conflicts would be resolved if the Chancellor overrides General Counsel's advice and cited a specific instance involving a settlement. Chair Anthony replied that the Board Chair would become involved. General Counsel Ray stated that, in the instance posed, the authority rested with the institution president and that is how the settlement occurred.

Regent Rosenberg said he failed to see how meeting with three Regents would require public notice of a meeting, noting that it did not comprise a quorum of the Board. He felt the Board should have representatives helping to make the decisions with General Counsel.

Chair Anthony indicated his support for the motion, praising the appropriate use of the chain of command. He was comfortable with the General Counsel reporting to the Chancellor. He observed that the Board Chair could handle any conflicts that arise. If the Board disapproved, the matter could be placed on the next meeting agenda. He felt it was more a personnel issue.

Ms. Flagg suggested the Board could consider as part of their motion for the Chancellor to return with proposed annual evaluation guidelines for the General Counsel (Ref. J, Page 3 of 3). She said the Chancellor would not evaluate the General Counsel without consulting with the clients.

Regent Howard noted a point of order, stating that she did not think that Ms. Flagg should advocate for or against this agenda item, adding that it was not appropriate. Chair Anthony established that Ms. Flagg had merely provided a suggestion.

Regent Sisolak stated that the situation cited by Regent Kirkpatrick could not be brought before the Board. He said the Board had tried to do so, but did not have that option. Even though it went through the chain of command, it was a done deal

in spite of the fact that some Regents wanted to discuss the matter.

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

13. Tabled-Handbook Revision, Employee Leave of Absence for Government Service - The Board tabled action on the current policy on leaves of absence for employees providing government service and amendments to the Board of Regents Handbook (*Title IV, Chapter 3, Section 8*), providing additional clarification of the rights and responsibilities of UCCSN employees who take a leave of absence without salary for the purpose of providing government service. The agenda item was to include a discussion of the Opinion of the Nevada Attorney General on the issue of public employees' service in the Nevada State Legislature, which was issued on March 1, 2004. Opinions of the Nevada Legislative Counsel Bureau on this issue, which were referenced in the Attorney General Opinion, were also to be discussed (*Ref. K plus additional reference material marked #13 on file in the Board office*).

Regent Sisolak moved approval of tabling the matter until a definitive answer from the Attorney General was received. Regent Rosenberg seconded. Motion carried. Regent Hill voted no.

14. Approved-Handbook Revision, Board Bylaws, Composition of Investment Committee – The Board approved final action on a proposal to amend the Board Bylaws (*Title I, Article VI, Section 2*) to change the composition of the Investment Committee (*Ref. L on file in the Board office*).

Regent Kirkpatrick moved approval of the Handbook revision concerning the composition of the Investment Committee. Regent Sisolak seconded. Motion carried.

15. Information Only-Handbook Revision, Credential Verification and Pre-Employment Screening – The Board approved a staff recommendation for a System-wide policy on credential verification and pre-employment screening (*Ref. M on file in the Board office*).

Mrs. Carla Henson, Director, Human Resources-System Administration, reported that the proposed policy had been developed with input from the chief human resources officers at each institution. The presidents and faculty senate chairs also had an opportunity to review the proposed policy and to provide feedback. Mrs. Henson explained that the policy required that: degrees must be awarded from an accredited institution, all vacancy announcements and advertisements for professional positions must include reference to this requirement, each institution will verify academic credentials within 30 calendar days from the date of employment, and each institution will develop procedures to ensure that the verification takes place. The policy also requires that each candidate interviewed for a professional position sign a pre-employment certification before they are interviewed. This declaration will certify that the application material submitted is a true and accurate representation of their academic qualifications and credentials. It also acknowledges that falsifying materials or making false or fraudulent representation in securing employment is prohibited. The policy further states that falsification or misrepresentation of credentials or evidence that degrees have been issued from a non-accredited institution will invalidate the employment contract and will be grounds for immediate termination without appeal.

Regent Hill moved approval of the Handbook revision concerning a System-wide policy on credential verification and pre-employment screening. Regent Seastrand seconded.

Regent Kirkpatrick asked whether these statements were included in the employment process. Mrs. Henson replied that the human resources officers were designing a pre-employment questionnaire that everyone will be required to sign. It will include a statement that making false statements is prohibited and, further, that if false statements are made their employment contract can be terminated.

Regent Rosenberg observed there are two separate classifications: professional and classified. He asked whether the state presently has any disclaimer regarding classified employees lying on the state application being grounds for termination. Mrs. Henson replied that the state classified application included a declarative statement with an understanding that falsification is subject to the penalties of the provision of NRS 284.430 and the applicant becomes ineligible for employment in public service for a period of 5 years. Regent Rosenberg asked whether it was legal for someone to complete an application for another person. Mrs. Henson replied that it was legal to fill out the application, but not legal to sign for the individual. Regent Rosenberg asked whether a person could sign a blank application. Mrs. Henson replied that they could do so, but it was not recommended. Regent Rosenberg asked whether the disclaimer was currently included on professional applications. Mrs. Henson replied that some of the community colleges have applications for professional positions, while the two universities do not. This provision would add that requirement.

Regent Rosenberg asked whether references were checked prior to hiring. Chancellor Nichols replied that it varied according to the level of the position. She explained that this matter arose from a question about when a transcript is required. Mrs. Henson stated that sometimes a certified copy of the transcript is not provided prior to the interview.

Regent Howard asked about the reference to immediate termination. Mrs. Henson replied that she was reading from Section 5.10.2(c) in the reference material. Regent Howard asked whether the statement inferred that termination would definitely result from falsification of an application. Mrs. Henson replied that it did. Regent Howard established that a degree was required from an accredited institution. Mrs. Henson stated that the community colleges require a degree from an accredited institution. She said the Handbook did not make reference to an accredited institution. Regent Howard asked about the System's definition of an accredited institution and whether the institutions had a different definition from the System. Mrs. Henson replied that the System office's definition of an accredited institution held to certain guidelines originally prepared by the U.S. Secretary of Education in 1952. Federal recognition was limited by statute to those agencies whose accreditation was used for federal purposes. In 1992, an amendment to the Higher Education Act restricted federal recognition to those agencies whose accreditation was used to establish institutional eligibility for participating in Title IV. As a result, a number of well-established and legitimate accrediting agencies were excluded from federal recognition. In 1975 the Council on Postsecondary Accreditation conducted a recognition process for accrediting agencies by publishing a list of those agencies that had both institutional and programmatic accreditation. Currently, the Council on Higher Education for Accreditation publishes those institutions that are accredited. The criteria for inclusion is that they must be degree-granting and they must be an institution that is accredited at a college-level by an accrediting agency that is recognized by the Secretary of Education, or holds pre-accreditation status with an accrediting agency recognized by the Secretary of Education, or an institution that is accredited at the college-level by an accrediting agency recognized by the Council for Higher Education for Accreditation. Regent Howard asked whether the federal law superceded any state laws. Mrs. Henson replied that was the basis the System used to recognize accrediting agencies or programs. It was established that it was identical at the campus level. Regent Howard was under the impression that different institutions had different guidelines as it related to accredited degrees. She asked whether that was true and how it was done. She asked whether everyone used the same criteria. Chancellor Nichols stated that the item was being presented for information since Code changes required two appearances. She advised the Board to wait until the June meeting to make a decision. She said that a written definition for accreditation could be provided for the June meeting. Regent Howard wanted her question answered that day. Chancellor Nichols established that the question was whether the institutions used different standards for an accredited degree.

President Harter stated that UNLV's employment policy specifically requires that anyone hired in any professional position have a degree from a regionally accredited institution. The accreditations accepted are from the list approved by the Secretary of Education. Regent Howard asked how long that policy had been in place. Dr. Juanita Fain, Vice President, Administration-UNLV, replied that the policy had been in place for several years. Regent Howard asked how long the specific reference to a "regionally accredited institution" had been required. Dr. Fain replied it had been in place at least for over a year. Regent Howard wanted to know exactly when it became effective. She asked what "regionally accredited" meant. President Harter replied that it was according to the list of accrediting agencies approved by the Secretary of Education.

President Lilley believed that UNR's policy was the same as UNLV's, adding that UNR's human resources representative was not present. He explained that the regional accrediting associations were the fundamental, major accrediting associations for the entire country. Regent Howard asked how she could obtain a copy of the list. Chair Anthony said that a copy would be provided. Regent Howard established that the two universities have the same policy and that they could make their own policy institutionally. President Harter replied that they could, adding that they were now trying to make a System-wide policy. Chair Anthony suggested the information could be mailed to Regent Howard.

Regent Rosenberg asked whether the NCAA had qualifying requirements for hiring. President Romesburg replied that would vary by organization. He said there were no NCAA requirements but other professional organizations could have requirements. He was confident that every institution in Nevada required regional accreditation as defined by the federal list and COPA (Council on Postsecondary Accreditation).

16. Approved-Handbook Revision, Distribution of Student Fees, Professional Schools, UNR & UNLV – The Board approved the proposed distribution of student fees for 2005-2007 for the medical, law and dental schools. The distribution is based upon the tuition and fees approved by the Board at the January meeting (*Ref. N on file in the Board office*)

Regent Alden moved approval of the Handbook revision concerning the distribution of student fees for the medical, law and dental schools at UNR and UNLV. Regent Whipple seconded.

Regent Kirkpatrick asked why the general fund fee was only used once in the calculation. Chancellor Nichols replied that it was just the manner in which it was presented.

Motion carried.

Regent Hill left the meeting.

17. Approved-Handbook Revision, 2005-2007 Student Tuition & Fees – The Board approved Chancellor Jane Nichols' recommendation for student tuition and fees for 2005-2007. The Board had an initial hearing on this request at its January meeting (*Ref. O on file in the Board office*).

Chancellor Nichols reported this was the second hearing for 2005-2007 student tuition and fees. She reminded the Board it was the result of a process starting in September 2003 with a committee comprised of institution presidents, faculty, and students. Community college fees will increase by 3.6% (2005-06) and 3.4% (2006-07); university undergraduate fees will increase by 7.7% (2005-06) and 7.4% (2006-07); the state college and CCSN and GBC upper-division fees will increase 6.4% (2005-06) and 6.0% (2006-07); and university graduate fees will increase by 10.1% in both years of the biennium. She noted that UCCSN was still trailing the WICHE median with a 3-year lag. The proposed non-resident tuition rates are all driven by the base fee and will increase by smaller percentages in each year of the biennium. A portion of the increase will be set aside for need-based student-funded financial aid, resulting in a total of \$10,500,000 in student-funded financial aid in 2006 and \$16,300,000 in 2007. State-funded financial aid should remain the same at \$13,141,570 in each year. Nevada ranks 5th lowest in tuition and fees for 2-year colleges in the western states; 2nd lowest in undergraduate 4-year institutions; and the lowest for graduate tuition and fees. Chancellor Nichols reported that other states were experiencing much higher tuition increases (14%). She said they tried to keep student fees equal to approximately 20% of the state-supported operating budget.

Chancellor Nichols said that the question was asked whether raising tuition influenced students not to attend college. She felt that the lack of financial aid was more of a factor. She reported there was no correlation between increased fees and the annual average FTE in the data reviewed. She noted that the Board made a previous decision to incur regular reasonable tuition increases rather than large sporadic increases.

Regent Alden said he would oppose the tuition and fee increases due to the state resident tuition. He felt all of the other fee structures were fair. He said he wanted to keep tuition at a fair rate providing access to Nevada's students. He said his main concern was the resident undergraduate tuition at the institutions.

Regent Derby moved approval of the Handbook revision concerning 2005-2007 student tuition and fees. Regent Kirkpatrick seconded.

Regent Kirkpatrick asked why graduates of Nevada State College and Great Basin College had been omitted from the reference to Children of Alumni tuition (*Ref. O, Section 10a, page 13 of 14*). Chancellor Nichols replied that it was an oversight. Regent Kirkpatrick requested that NSC and GBC be included in the Handbook language.

Regent Kirkpatrick proposed a friendly amendment to include NSC and GBC to Title IV, Chapter 17, Section 10a. The friendly amendment was accepted by Regents Derby and Kirkpatrick.

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

18. Approved-Handbook Revision, Student Special Fees – The Board approved student special fees. The Board of Regents Handbook (*Title IV, Chapter 17, Sections 10-17*) calls for the Board of Regents to approve any special fees that are charged to students. At the direction of the Chancellor, special fee requests are brought forward to the Board once a year for consideration and action. These fees do not include per-credit student registration fees and non-resident tuition that are approved separately in the biennial budget process (*Ref. P on file in the Board office*).

Ms. Kathleen Payne, Director, Banking & Investments-System Administration, presented the special fees. She explained the item was considered annually by the Board and consisted of special fees and not tuition.

Regent Kirkpatrick moved approval of the Handbook revision concerning student special fees. Regent Whipple seconded.

Regent Bandera asked whether the referenced art courses (*Ref. P, Page 21 of 27*) were new offerings. Regent Rosenberg replied that only the color photography courses were new. In order for students to afford the chemicals and paper, UNR purchases the materials in bulk at a 35-40% discount. Students are unable to purchase the materials locally. Regent Bandera asked about the lab fees prior to the increase. Regent Rosenberg thought the fee had been \$45. Regent Bandera noted a \$30 increase in these fees. Regent Rosenberg said the average per-student expenditure would be in excess of \$300 without the discount.

Regent Kirkpatrick indicated his support for the motion. He felt it was difficult to follow all of the fees at each of the institutions.

Motion carried. Regent Hill was absent.

19. Approved-Handbook Revision, Salary Schedule Revision – As required by the Board of Regents Handbook, salary schedules are reviewed every four years. The Board approved Chancellor Jane Nichols' recommendation for revisions to the salary schedules under *(Title IV, Chapter 3, Section 27) (Ref. Q on file in the Board office)*.

Chancellor Nichols reported that the salary schedule was last updated in 2000. She commended Mrs. Carla Henson and Mr. Tyler Trevor for their work in updating the schedule. The salary schedule is part of the formula for state funding. The midpoint of the faculty salary schedule becomes a driving factor of the formula.

Regent Bandera left the meeting.

Chancellor Nichols said that each institution participated on the salary committees. Peers and benchmarks were developed. DRI was included with the university salary schedule. It is difficult to establish a peer group for DRI. Chancellor Nichols reported that no one would receive a salary increase as a result of Board action that day except for community college faculty. She explained that community college faculty adhere to an actual salary schedule. When adjustments are made to the salary schedule it immediately affects community college faculty. Eighty percent of the medians were adjusted upward, while 20% were adjusted downward.

Regent Bandera entered the meeting.

Chancellor Nichols recommended a \$200 increase to the base (.8% increase) for all full-time professional community college faculty. The new schedule includes steps with automatic increases for evaluations of satisfactory or above. Community college faculty receive an automatic 2.5% step increase every year. Changing the base affects all faculty on the salary schedule. Peer data indicate that UCCSN community college faculty are below the median of the WICHE region and that it is difficult to recruit new faculty at that low entry point. Chancellor Nichols then reviewed the salary schedules.

Regent Alden asked whether terminal degrees (MFA's) had been addressed. Chancellor Nichols replied that a recommendation had not been provided because they were unable to reach agreement with the faculty senates. She said the faculty senates were working on the issue to reach agreement. Regent Alden said he would oppose the motion in protest that the MFA's had not been addressed, though it had been requested for the past 7 years.

Regent Rosenberg commended the increases to the lower end of the pay scale. He was disturbed that part-time employees were not addressed. Chancellor Nichols replied that the Board approved a policy whereby the part-time faculty salary goal is driven by the lowest point on the instructor salary schedule. Increases to the instructor schedule will increase part-time faculty salaries as well.

Regent Bandera requested an explanation for the community college having to fund the revisions. Chancellor Nichols replied that the change would become effective next fiscal year. The community college presidents will need to identify the money within their budgets to fund the salary increases. They have all agreed that they will or can do so. If the money is not identified and the changes become effective with the next biennium, the request would equate to a budget enhancement. It is preferred to fund increases in the second year of the biennium because the state will fund those salaries in the following biennium. Regent Bandera asked about the two universities. Chancellor Nichols replied there were no salary increases for university faculty unless they fell below the lowest point on the schedule. She did not believe that any university faculty were affected. Regent Bandera asked whether the Board could help the community colleges with this matter, adding that it did not seem fair to ask them to pay for these increases. She asked the Chancellor to consider the request and to report back to the Board. Chancellor Nichols agreed to do so.

Regent Kirkpatrick asked about the 2004-05 salary schedule for the Chancellor and university presidents (Ref. Q, Page 2 of 6). Chancellor Nichols replied that the proposal constituted a recommendation to change the midpoint on the salary schedule from \$222,810 to \$265,000. Regent Kirkpatrick observed that the proposal included a recommendation for lowering the Grade 2/community college presidents and vice Chancellors (\$171,866 to \$151,041). Chancellor Nichols replied that the recommendation was based upon the comparison data collected. She explained that they had used the CUPA-HR (College and University Professional Association for Human Resources) data, which did not include perquisites (i.e., automobile allowances, housing allowances). It is unknown what perquisites other institutions afford those employees. Regent Kirkpatrick asked how bound the Chancellor was to the salary schedules (when hiring). Chancellor Nichols replied that the Board could offer any salary they wish. She observed the proposal was for a midpoint on the schedule. The maximum salary would be in the \$200,000 range.

Regent Hill entered the meeting.

Regent Kirkpatrick moved approval of the Handbook revision concerning salary schedule revisions with the exception of the decrease to Grade 2 hires, which would remain at its current level.
Regent Hill seconded.

Regent Rosenberg established that the Board was approving the median salaries and that no one's salary would be cut as a result of Board action.

Regent Derby discussed part time faculty and her pleasure that salaries at the lower end of the scale had been increased. She said that no progress had been realized in spite of setting that goal for part-time faculty. She asked the Chancellor to discuss how much had been used to increase part-time faculty salaries. Chancellor Nichols replied that as a result of the formula funding received in the past session the presidents had been able to increase part-time salaries, though they had still not met the goal. Regent Derby asked what gains had been made. Chancellor Nichols reported the following increases:

- CCSN increased their pay from \$681/credit hour (Fall 2002) to \$700/credit hour (Fall 2003) and \$735/credit hour (Spring 2004) as compared to the Task Force recommendation for \$776/credit hour.
- GBC increased their pay from \$420/credit hour (Range II, Step 1 Fall 2003) to \$445/credit hour (Range II, Step 1 Spring 2004) and from \$470/credit hour (Range III, Step 1 Fall 2003) to \$495/credit hour (Range III, Step 1 Spring 2004) as compared to the Task Force recommendation for \$776/credit hour.
- NSC increased their pay from \$692/credit hour (Fall 2002) to \$725/credit hour (Fall 2003) and \$755/credit hour (Fall 2004) as compared to the Task Force recommendation for \$819/credit hour.

Regent Derby said she was pleased to see some movement because there had been none for such a long period of time. She felt they constituted modest gains and that part-time faculty were still grossly underpaid. She said that UCCSN should do better and she did not want the Board to lose that focus.

Regent Whipple was curious how the proposed decrease to community college presidents' salaries would impact the ongoing presidential search. Chancellor Nichols said that it would certainly have an impact on the base salary for a new president, adding that she was comfortable with maintaining the current level (\$171,866) rather than decreasing the salary. She said that would maintain a higher base salary that could be offered to the community college president in the current search. Regent Whipple suggested that it would be appropriate to hire the incoming president at a level consistent with the other community college presidents. He asked for clarification of the motion.

The motion was clarified: Regent Kirkpatrick moved approval of the Handbook revision concerning salary schedule revisions with the exception of the decrease to Grade 2 hires, which would remain at its current level. Regent Hill seconded.

Regent Whipple clarified that the motion was to approve the proposed salary schedule without the recommended reduction to Grade 2 hires and indicated his support for the motion.

Regent Bandera said that she wanted a very careful review of current community college presidents' salaries to ensure an equitable grouping.

Motion carried. Regent Alden voted no.

The meeting recessed at 5:07 p.m. and reconvened at 5:20 p.m. on Thursday, March 18, 2004 with all members present except Regents Derby and Seastrand.

20. Approved-Presidential Periodic Evaluations - The Chancellor and the Board discussed the current presidential periodic review process and potential other models. Due to the present uncertainty about the procedures by which the Board or one of its committees may conduct closed personnel sessions, the Board approved Chancellor Jane Nichols' recommendation for the following: (*Ref. S on file in the Board office*).

Regents Derby and Seastrand entered the meeting.

A. Postpone the periodic evaluations for GBC President Paul Killpatrick, UNR President John Lilley, TMCC President Philip Ringle and NSC President Kerry Romesburg to Fall 2004. Periodic evaluations normally occur in the next to last year of each president's current employment contract (Spring 2004).

B. Approve a one-year contract extension for:

- President Paul Killpatrick from June 30, 2005 to June 30, 2006.
- President John Lilley from June 30, 2005 to June 30, 2006.
- President Philip Ringle from June 30, 2005 to June 30, 2006.
- President Kerry Romesburg from June 30, 2005 to June 30, 2006.

C. Direct the Chancellor to bring to the next meeting some proposed options for revising the presidential evaluation procedures.

Regent Alden moved approval of the periodic presidential review process as outlined by the Chancellor. Regent Rosenberg seconded. Motion carried.

21. Denied-Reimbursement for Legal Services – The Board denied Regent Mark Alden's request for reimbursement of expenses he incurred for securing independent legal services in connection with the lawsuits *Cummings v. Board of Regents* and *Remington v. Board of Regents*. The Board also discussed the circumstances under which an individual Regent is entitled to retain independent legal counsel at Board expense (*Ref. T on file in the Board office*).

Chair Anthony asked Regent Alden for comments. Regent Alden stated that he felt it would be inappropriate for him to comment. He related that he was requesting reimbursement for the referenced itemized expenses and that he would not request reimbursement for any subsequent charges.

Regent Kirkpatrick asked whether Judge Glass had indicated that Regent Alden had no legal standing. Regent Alden replied that his legal counsel had indicated otherwise. Regent Kirkpatrick asked General Counsel Ray whether the judge had indicated that Regent Alden had no legal standing. General Counsel Ray replied that the judge had indicated that the opinions of one individual Regent were not relevant because it was a Board decision. Under the statute, a public officer or public employee is entitled to a legal defense for acts or omissions that occur within the scope of their duties or employment. He said that was complicated somewhat with the issue of a board vs. individuals. The statute also contemplates a conflict of interest where a governing body has the authority to cover the conflict by hiring outside counsel and paying the cost of the legal defense. If the Board were to approve the request, General Counsel Ray suggested that 1) Reimbursement be capped and 2) Reimbursement be made without prejudice to the judge's decision.

Regent Kirkpatrick moved approval of denying the request for reimbursement of legal services for Regent Mark Alden. Regent Hill seconded.

Regent Sisolak noted a point of order, asking whether the request would automatically be approved if the motion to deny failed. General Counsel Ray replied it would not. Chancellor Nichols stated that a separate motion would be required.

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

22. Approved-Appointment, Athletic Director, UNR – The Board approved President John M. Lilley's request for the appointment of Ms. Cary Groth as Director of Intercollegiate Athletics at the University of Nevada, Reno. The Board also approved President Lilley's request for the proposed employment agreement. The terms of the agreement were presented at the meeting (*Ref. 44 on file in the Board office*).

President Lilley reported that UNR had engaged one of the top search firms in the U.S. for this search. Ms. Groth is one of five sitting female athletic directors in the country for Division 1A programs (out of 116). She has a tremendous record and the two presidents for whom she worked speak very highly of her.

Regent Hill moved approval of the appointment of Ms. Cary Groth as Director of Intercollegiate Athletics at the University of Nevada, Reno with employment terms as presented. Regent Derby seconded.

Regent Kirkpatrick expressed concern for the difference in salary between UNLV's and UNR's athletic directors. He observed that Ms. Groth would earn at least \$30,000 more than Mr. Hamrick. He felt that Mr. Hamrick was worth as much as Ms. Groth. President Lilley replied that the universities make no particular effort to coordinate salaries. He said that salaries were widely divergent, particularly in athletics. He said the two presidents made their salary decisions independently, though they pay attention to what the other pays. He noted that Ms. Groth was in a slightly different market with only five female athletic directors in the country (compared to the remaining 111 men). He said it was the salary that had been negotiated, noting that the difference in pay was not as great as Regent Kirkpatrick had indicated. He urged the Board not to press the presidents to coordinate their appointing salaries. Regent Kirkpatrick felt that Mr. Hamrick was worth at least this much. He was troubled by the inequity.

Regent Rosenberg stated that he had turned away an average of 4,000 students/semester in three departments due to the lack of classroom space. He said he would support the motion but felt there should be some consideration for the shortage of classroom space, teachers and people to help move students through programs. He felt the priorities needed to be reexamined. He said he reluctantly supported the motion.

Regent Derby said that she was very proud of UNR for hiring one of the five female athletic directors in the nation.

Regent Howard commended UNR for having a diverse pool and making an historical move by hiring a woman for the position.

Regent Sisolak echoed Regent Kirkpatrick's comments regarding Mr. Hamrick. He asked about Mr. Ault's salary. Mr. Chris Ault, Interim Athletic Director-UNR, replied it was approximately \$197,000. Regent Sisolak asked about President Lilley's salary. Chancellor Nichols replied that President Lilley earned less than President Harter. Regent Sisolak asked whether it was less than the athletic director. President Lilley replied that they were in very different markets. Chancellor Nichols believed that it was less than the athletic director. Regent Sisolak asked whether Ms. Groth's salary would be more than President Harter's, President Lilley's or Chancellor Nichols'. It was established that it would be more.

President Lilley introduced Ms. Cary Groth. Ms. Groth said that she was looking forward to working for UNR.

Regent Sisolak asked whether this was the first time that an automobile and insurance coverage were provided. President Lilley replied it was not, adding that Ms. Groth's contract was precisely the same as Mr. Hamrick's with very few exceptions. He said they used UNLV's contract as the basis for Ms. Groth's, adding that Mr. Hamrick has the same benefit. Regent Sisolak asked whether the Board paid for presidents' insurance. President Harter replied they do not.

Regent Schofield indicated his support for the motion, stressing the need to bring System athletic programs to the same level as the academic programs. He said that successful athletic programs drew students. He felt that this hire provided such an opportunity. He encouraged everyone to work together in a team effort.

Regent Hill welcomed Ms. Groth. He said he would not support the motion if he felt that she had been hired solely because she is a female. He assumed the reason she was hired was due to UNR's feeling that she would do a good job.

Motion carried.

23. Approved-Appointment, Head Men's Basketball Coach, UNLV – The Board approved President Carol C. Harter's request for the appointment of Lon Kruger as Head Men's Basketball Coach at the University of Nevada, Las Vegas. The Board also approved President Harter's request for the proposed employment agreement. The terms of the agreement were presented at the meeting (*Ref. 45 on file in the Board office*).

Regent Alden moved approval of the appointment of Lon Kruger as Head Men's Basketball Coach at the University of Nevada, Las Vegas with employment terms as presented. Regent Sisolak seconded.

President Harter reported that UNLV's head coach departed mid-season due to health reasons, adding that the university had to respond quickly. She said that Interim Coach Jay Spoonhour did a superb job during the intervening period. She said it had been a difficult chore to act quickly and responsibly, adding that Athletic Director Mike Hamrick assisted with the national search. Mr. Kruger earned a master's degree and was an Academic All-American player. He coached twenty-three years in the collegiate ranks and four years in professional basketball. He took his collegiate teams to post-season play eleven times, including the University of Florida to the Final Four.

Mr. Mike Hamrick related that Mr. Kruger was a quality individual and provided several quotations attesting to Mr. Kruger's extraordinary value. Mr. Hamrick said that Mr. Kruger was a teacher who cares about his players. He then introduced Mr. Lon Kruger.

Mr. Kruger said he was delighted with the opportunity presented.

Regent Howard said that she had been waiting for this opportunity to ask her questions, adding that she had not talked to the press about this issue. She said that she had heard that Mr. Kruger is a good coach. At Monday's press conference she was hoping to hear more about his recruiting record and his fundraising plans. She felt that someone earning \$700,000/year must possess all of the skills and attributes necessary to perform the job. She asked about Mr. Kruger's recruiting record and his strategy for recruiting top-tier, blue chip athletes. Mr. Kruger said that recruiting directly correlated to the win-loss record. He said that you win with good players. The key to getting good players is hiring a staff with a great awareness of what it takes to win and what fits well. He said it involved helping young men develop as basketball players, students, and individuals. He said they would concentrate upon staff over the next 3-4 days, adding that he had already hired a highly-respected individual from southern California. He said he likes the present staff very much and that he would finalize the staff after the Final Four. Regent Howard asked about fundraising. Mr. Kruger said he was available and interested in helping President Harter and Director Hamrick and everyone involved in any way possible. Foremost is locating young people to help win games. He also felt that being available to the community and campus was important. Regent Howard asked about his recruiting record. Mr. Krueger replied that would correlate to the win-loss record, because if you're winning games you have recruited well and you have a good staff. Regent Howard asked about his past record on retaining and graduating student athletes he had recruited. Mr. Kruger replied that anyone who completed their eligibility at UNLV should absolutely graduate. He acknowledged that it was not always realistic since some athletes would transfer away. He said that he would expect everyone to graduate.

Regent Howard asked about his record for graduating student athletes that he had recruited in past positions.

Mr. Kruger did not have a specific number, adding that the number was very good. He felt there was no reason that student athletes should not graduate. Regent Howard asked about the kind of student athletes Mr. Kruger planned to recruit at UNLV. Mr. Kruger replied that not every good player was a good fit for the university. He said he wanted people who wanted to be there, wanted to graduate and would represent the institution well in the community. Regent Howard said that UNLV has a low student-athlete graduation rate. Mr. Kruger replied that the present group was doing well by everyone's report. He hoped the Spring GPA (grade-point average) would be even higher than the Fall. He said it would require everyone's effort. Regent Howard said that a division in the community arose during the Maxson-Tarkanian era.

Regent Sisolak noted a point of order. Chair Anthony asked Regent Howard not to mention any specific names.

Regent Howard asked about Mr. Kruger's plans to bridge the gap with the community. Mr. Kruger replied that it was important to recognize Jerry Tarkanian's success, adding that he wanted him to be welcome on campus and at practice. He said that Mr. Tarkanian was recognized by coaches everywhere as an outstanding coach. He felt that Mr. Charlie Spoonhour had made this a very appealing job. He explained they would continue what he had started. He related they would use Coach Tarkanian's standard as a goal. He felt it was a matter of communicating with everyone, making them feel welcome, and working together.

Regent Howard asked Mr. Hamrick about several former donors, Rebels, season ticket holders, and others who were upset with the manner in which the search was conducted. She said there was a lack of diversity in the pool of candidates and that Regents were disrespected by donors. She said there were no System policies ensuring accountability for a fair process. She said that she spent a lot of time on telephone calls regarding this matter and that she had a large cell phone bill to pay. She said she received numerous e-mail messages expressing concern about the process employed. She was particularly interested in a former Black alumnus, who was interested in working for UNLV and was upset by being ignored, disrespected, and barred from the interview process. These people feel that their reputations, records, and credentials were attacked during this process. She said the General Counsel advised her not to mention names, adding that these people had vowed not to let this pass quietly. She said she was really concerned about it. She was also upset by what she experienced as a result of how the search was conducted. She asked about Mr. Kruger's plans for correcting this, adding that she felt these people deserved an apology. She said they had risen to a level of national success and had put the university on the map. Mr. Hamrick asked whether Regent Howard was asking him to apologize to those who were not hired as basketball coach. Regent Howard replied no, but rather to those who were disrespected in the process.

Regent Sisolak noted a point of clarification, asking Regent Howard what she wanted.

Regent Howard said that Mr. Hamrick did not need to apologize that moment, but felt the university president should apologize. She said that people's feelings had been hurt, and they had been disrespected and lied about. She felt President Harter should consider apologizing to these people.

Regent Howard said that she was prevented from asking some questions because certain names could not be mentioned. She suggested that a personnel session could be requested. She told Mr. Hamrick and Mr. Kruger that UNLV is one infraction away from losing a basketball program. She asked how they would assure that would not happen under their administration. Mr. Hamrick felt that a good step had been made with this recent hire. He said Mr. Kruger had coached 18 years in the Big Eight, the Big Ten, and the SCC, had won big, and graduated his student athletes with no hint/record of NCAA infractions. He said Mr. Kruger has an impeccable reputation for integrity and doing things the right way.

Regent Alden said that some people believed that the Board is involved in the selection process of the coach. Rather, when presented with the contract, the Board ensures the financial assets are in place to honor the contract. He said that President Harter and Mr. Hamrick agreed that the duty for hiring a basketball coach was solely vested in the institution. He asked whether he was correct on institutional control. He said that Board members had been inundated with calls, adding that he too had a significant cell phone bill. He felt it was very important in the future for these kinds of calls to be returned by the university.

Regent Alden stated that counsel had assured him that the agenda was properly noticed and that reference materials were not under the same restrictions of notice. General Counsel Ray agreed.

Regent Alden said that Mr. Hamrick and Mr. Jerry Koloskie, Sr. Associate Athletic Director-UNLV, assured him that the selection process had been conducted properly. He said it could not be accomplished by committee or by the Board of Regents. He felt that Mr. Hamrick had done an excellent job. He referred to the contract (202A and 202B), which constituted base salary and fringe benefits funded with state funds. He noted that sections 202C-E were funded with soft/non-state money. He asked whether the money was in place so there would be no shortfalls, and was properly budgeted for the self-supporting contract. Mr. Hamrick replied that it was. Regent Alden established that no state funds would be used for the Golf Country Club membership (202G) and that the membership would be donated for the duration of Mr. Kruger's employment. Mr. Hamrick agreed. Regent Alden asked whether a five-year contract (with yearly renewals) was normal for recruiting purposes. Mr. Hamrick stated that it was standard within the industry. Regent Alden noted a post-season competition bonus

of \$175,000 if the team goes to the Final Four. Mr. Hamrick said that was also normal across the country. Regent Alden established that everything flowed properly through the university in accordance with NCAA requirements. Mr. Hamrick replied that it did. Regent Alden indicated he would be voting affirmatively.

Regent Sisolak said that unfortunate circumstance led to this moment. He said the Board's thoughts were with Mr. Charlie Spoonhour. He said that President Harter had been under immense pressure during this search. He noted there was an enormous amount of calls and letters and he commended President Harter for holding up to that. He noted that she said "no" to big donors, which said a lot about her character and the individual she hired. He said that she found the best candidate for UNLV. He noted that Mr. Kruger graduates his athletes and has no NCAA violations. He said the community was dying for the basketball program to return to its glory days. Regent Sisolak asked whether the contract provided at the meeting was the only contract in existence and that there was no other secret contract. Mr. Hamrick replied that it was the only contract. Regent Sisolak established that the contract would be paid with money that was already allocated. He acknowledged that UNLV would continue to raise private funds. Mr. Hamrick stated that the money was budgeted for 2004-2005 and was not much more than Mr. Spoonhour's contract. He commended Mr. Hamrick on the hire, adding that every UNLV fan got a steal with this hire. He commended President Harter and Mr. Hamrick for standing up to the enormous pressure exhibited by the community.

Regent Kirkpatrick said that he received a call from the first UNLV graduate to become a professional player. Regent Kirkpatrick asked about the number of positions that could be recruited in the upcoming season. Mr. Kruger replied that he would recruit two this year and five next year, adding that no more than eight could be recruited over a 2-year period. Regent Kirkpatrick was hopeful for a successful season.

Regent Hill commended Mr. Hamrick on his willingness to take suggestions. He said that he was impressed with the new coach and his integrity.

Regent Howard agreed that Mr. Kruger was a good hire. She said she was disappointed that no one had said anything about people who were left out of the process. She referred to the Board's policy (Title IV, Chapter 8) indicating that the UCCSN is guided by a principle whereby ". . . there shall be no difference in the treatment of persons because of race, religion, color, age, sex, disability, national origin, and the equal opportunity and access to facilities shall be available to all." She noted that it further states that ". . . affirmative action requires more than employment neutrality. It requires that the System make additional efforts to recruit, employ, retain, and promote qualified women, minorities, and the handicapped . . . to overcome the effects of long-established and pervasive forms of exclusion and discrimination. . . ." She noted this was a priority issue with the Board of Regents and that she was referring to alumni. Mr. Hamrick replied that he has a senior administrative staff of ten people; six are either African American or women. Regent Howard asked what positions they held. Mr. Hamrick replied that two were Associate Athletic Directors.

Regent Hill noted a point of order, stating that the discussion went beyond the scope of the agenda item.

Regent Howard disagreed. She said that Mr. Hamrick did not need to answer the question. She said she did not believe his response, adding that she had been told he only has one such director. Chair Anthony asked Mr. Hamrick to send Regent Howard a list of all of his employees. Regent Howard reminded Mr. Hamrick that, at a prior appearance before the Board, she had told him that she wanted to speak with him. She said she was still waiting for his call.

Regent Hill noted a point of order, stating that the discussion was beyond the scope of the agenda item.

Chair Anthony said that Mr. Hamrick would provide the information and she could have a private discussion with him.

Regent Bandera explained that she would abstain from voting on this item. She felt she was unqualified to select a head men's basketball coach and she was not questioning the selection of the individual. She explained that she did not receive a copy of the contract before coming to the meeting. She said she could not approve something she had not read. She said her decision had nothing to do with President Harter or Mr. Kruger.

Chair Anthony said that he received the contract late the previous evening. He said it was a lengthy contract for \$3.8 million. He said he has complete trust in President Harter and Mr. Hamrick, adding that he had only heard great things about Mr. Kruger. He said he could not approve a contract without reviewing it. He said he spends up to a month reviewing some contracts. He said he would also abstain because he had not had a chance to review the contract.

Regent Schofield indicated his support for the appointment. He said he had watched Las Vegas grow and that he loves this community. He wants to once again fill the Thomas & Mack Center and now sees some hope. He believed that Mr. Hamrick and President Harter did the right thing. He said he also saw hope with Mr. Chris Ault returning to coaching. He asked the Board to stop bickering and to start winning championships.

Regent Kirkpatrick said he was extremely proud of the System's minority recruiting and its record in hiring basketball coaches. He noted that Mr. Hamrick's charge had been to get the best person possible, and not a specific race or gender.

Regent Sisolak said that he also received the contract the previous day. He said that he knew that General Counsel had read the contract and had no problems with it. He was confident there was not a problem and that it was a well crafted document.

Chair Anthony clarified that he was not saying there was a problem with the contract. He simply did not have an opportunity to review it.

Regent Bandera clarified that she did not receive it the previous night.

Regent Derby felt that this decision belonged at the university level and that the Board should not be involved. She expressed her confidence in Mr. Hamrick and President Harter and her support for their recommendation.

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

The meeting recessed at 6:38 p.m. and reconvened at 8:13 a.m. on Friday, March 19, 2004 with all members present.

6.1 Approved-Regents' Awards (Cont'd.) - The Board rendered a decision on the following 2004 Regents' Awards:

D. Distinguished Nevadan Awards – *Policy: Handbook, Title IV, Chapter 1, Section 13.1 (Ref. 6.1.D handout on file in the Board office).*

Mr. Siegfried Fischbacher and Mr. Roy Horn
Mr. Madison B. Graves II
Mr. M. Kent "Tim" Hafen
Mr. Michael Kinnaird
Mr. Glenn Schaeffer
Mr. Jerry Tarkanian
Dr. Robert C. Weems

Chair Anthony asked each Board member to present their nominations.

Regent Dondero nominated Mr. Siegfried Fischbacher and Mr. Roy Horn, noting that their Secret Garden was a beautiful attraction for youth and the community. As Siegfried and Roy, they have been big supporters of Las Vegas and of education.

Regent Alden nominated Mr. Madison B. Graves II, adding that he is a decent human being and was an outstanding Regent and Board Chair. Mr. Graves has been a great supporter of higher education and has a wonderful reputation in the business community. Regent Alden felt Mr. Graves deserved the award in recognition of his service to the Board and the community.

Regent Bandera nominated Mr. Kent "Tim" Hafen. Mr. Hafen served in the Assembly from 1966-1974 for Nye, Esmerelda and Mineral Counties. A long-time Nevadan, he developed Pahrump's first water company and has given generously of his time and resources to the state and education.

Regent Kirkpatrick nominated Mr. Michael Kinnaird. A 30-year educator in the Clark County School District, Mr. Kinnaird also served as principal of several local schools. He also helped start the prestigious Las Vegas Academy.

Regent Sisolak nominated Mr. Glenn Schaeffer, president and CFO for Mandalay Resort Group, and the casino industry's longest serving president. Mr. Schaeffer graduated summa cum laude in English literature with a minor in economics from the University of California at Irvine. Mr. Schaeffer has been a tremendous supporter of UCCSN and UNLV. In 2000, he founded the International Institute of Modern Letters at UNLV that trains, promotes, translates and protects writers of imagination. Through Mr. Schaeffer's contributions, UNLV was able to bring Nevada's first Nobel Laureate, Wole Soyinka, to become part of the faculty in the Institute of Modern Letters.

Regent Schofield nominated Mr. Jerry Tarkanian. He said the Thomas & Mack Center was built due to Mr. Tarkanian's efforts, which energized the community. Regent Schofield quoted Congresswoman Shelley Berkley's letter supporting Mr. Tarkanian's nomination. He developed a 5th year scholarship program allowing players to remain an additional year to complete graduation requirements and helped establish a scholarship to

assist basketball players returning to complete degrees. Regent Schofield said that Mr. Tarkanian had received many awards for his humanitarian efforts.

Regent Hill nominated Dr. Robert C. Weems, the 90-year old, founding dean of UNR's College of Business. Regent Hill said Dr. Weems published several books, including a history of the business school. Dr. Weems dedicated his life to education and the university and had done so much to make the System as wonderful as it is.

Regent Whipple moved approval of suspending Board policy (Title IV, Chapter 1, Section 13.1.C) limiting the number of Distinguished Nevada awards to five and further moved approval of the nominations itemized. Regent Hill seconded. Motion carried.

24. Approved-Bringing Contract for Orthodontics Residency Program, UNLV Back to Next Meeting – The Board discussed President Carol C. Harter's request for a Memorandum of Understanding between UNLV and Orthodontics Education, Ltd. (OEC) that describes a public-private partnership to establish a residency program in orthodontics. This advanced educational program in Orthodontics and Dentofacial Orthopedics will be administered by the UNLV School of Dental Medicine (*Ref. R on file in the Board office*). The Board decided to bring the contract back to the next meeting with amendments and a condition for a totally blind admissions procedure.

President Harter reported the plan for a private financial commitment would allow UNLV to establish a unique public-private partnership for a residency program in orthodontics to be administered by the UNLV School of Dental Medicine. She said they had tried to address all of the concerns raised at the October 2003 Board meeting. She said the current proposal was stronger than the one proposed in October, and that the program would greatly benefit Nevadans by providing well-trained orthodontists to address the critical state shortage while providing financial support for qualified Nevada students who wish to continue their dental education in an area that is very expensive. She said the plan also allowed all students from Nevada to be eligible for financial assistance if they have financial need whether or not they are in the OEC program. The project will bring \$74 million to UNLV to support advanced education and community service over a 30-year period. President Harter said it was a marvelous opportunity for UNLV.

Executive Vice President and Provost-UNLV, Dr. Ray Alden, reported the program represented a public-private partnership that would help provide advanced oral dental care to Nevadans. Nevada has severe basic dental care needs. The largest issues involve access and dentist availability. The lack of dentists further translates into a lack of advanced expertise to help prevent, diagnose and treat major dental conditions. The specialty areas include orthodontics, pediatric dentistry, periodontics, endodontics, oral maxillofacial surgery, prosthodontics, and oral pathology. Orthodontics is the division of advanced dentistry dealing with the prevention and correction of irregularities (improper alignment) of the teeth and jaws. Lack of appropriate care can lead to gum damage, speech difficulties, jaw joint problems and extensive tooth wear. The ratio of orthodontists to the population in the U.S. is 1:32,000, while the ratio in Las Vegas is 1:55,000 and the ratio in Reno is 1:45,000. There is also a national need. Over 8,200 applications were received by U.S. orthodontic schools for the 292 seats available in the 2001-2002 class. Orthodontics has experienced class size reductions since 1977 and UNLV is initiating advanced dental care programs to address this need.

Provost Alden reported that UNLV proposes to enter into a public-private partnership with Orthodontic Education, Ltd. (OEC) to improve access to advanced dental care for the people of Nevada. The partnership will be the largest private commitment ever made to UNLV and will establish the first and only orthodontic residency program in Nevada. It will provide significant health benefits to Nevada residents. Before 2006, UNLV residents will provide orthodontic care to traditionally underserved groups. No later than 2008, the first graduates will begin caring for patients in need. The program will attract talented new faculty and students. Annual net revenues can be used to construct other research and academic health sciences facilities. The program improves access to advanced dental education for underserved populations. The initial \$3.5 million gift will create an endowment for a 50,000-sq. ft. space for UNLV dental and health sciences programs (i.e., nursing). Annual revenues will allow bonding for construction (Phase I). The program will improve access to advanced dental education to underserved populations. Long-term OEC revenues will expand other facilities and endow chairs (Phase II). The \$74 million commitment is comprised of a start-up commitment of \$3.5 million, an average \$2.2 million for fellowships annually for 30 years totaling \$66 million, and endowment income of \$4.5 million. Net revenues will allow UNLV to develop research and health sciences programs. Provost Alden then provided business projections for the orthodontic oral health program (*Ref. 24 on file in the Board office*).

Provost Alden reported that the program would be established in strict compliance with the ADA's Commission on Dental Accreditation and would be governed by the academic mission set by the Board and the Northwest Commission on Colleges and Universities. UNLV will have sole control of setting and applying admission criteria; selection and retention of faculty; development of the curriculum; student grading, retention and graduation procedures; and selection of vendors and equipment. UNLV faculty will set the criteria (i.e., GPA, class ranking, national board scores, and other factors). UNLV faculty will select the qualified candidate pool. OEC will identify its potential candidates from the established pool of qualified applicants. UNLV faculty will conduct the interviews and select the residents from non-OEC candidates (Nevadans receive preference and financial aid consideration), as well as those interested in the OEC program. Provost Alden reviewed the

process employed by most schools for selecting their entering classes. Most public schools recognize two kinds of qualified applicants within the pool (in-state and out-of-state students). It has been UNLV's experience that there are many more out-of-state candidates than in-state. Preference will be given to in-state students (i.e., law school = 80% in-state students; dental school = 67%). Most traditional public orthodontic programs actually include several pools of qualified applicants (i.e., legacy students, foreign-trained students, in-state students, out-of-state students). In the last 7 years, between 20-40% of the dentists hired were employed by family members. Without this program, UNLV dental school graduates would compete against three other pools of candidates at a severe disadvantage and would not be given in-state preference in those programs.

Provost Alden felt that UNLV's model was far more equitable. The qualified applicant pool will consist of OEC students, non-OEC in-state students, and non-OEC out-of-state students. Nevadans will be given preference and financial support as opposed to competing with other students outside Nevada. Many self-supported executive masters programs provide slots for major corporations. This program provides access to individuals who would otherwise not be able to afford the program. Access is often limited by finances. The average debt load of a dental school graduate is \$132,000. The average debt load of orthodontic graduates is significantly more, approaching \$400,000. Fellowship recipients will receive full tuition and fees, a stipend, plus programmatic costs. The 7-year practice placement commitment includes a \$150,000 salary, profit sharing, provision of capital start-up costs, a known geographic location of practice, and opt-out provisions (costs invested). OEC residency frees graduates from the cost of establishing a new practice (\$200,000-\$500,000), the cost of attending an orthodontic program, and offers \$150,000 in guaranteed salary plus profit-sharing, stocks, and partnership status. The program permits UNLV to offer a minimum of \$175,000 per year in financial aid to Nevadans. Other programs employing this model include Jacksonville University in Florida and the University of Colorado. The ADA Commission on Dental Accreditation validated the public-private model in a press release on August 1, 2003. Dr. Howard Landesman, Dean, School of Dentistry, University of Colorado, was quoted as saying, "Corporate funding has to become a reality for all schools of dentistry and medicine if they are going to thrive. We can no longer depend on state support, or to wait for the state to give us money."

Provost Alden requested Board approval of a Memorandum of Understanding for a 30-year public-private partnership establishing the first orthodontic residency program in Nevada. He related that the UNLV Foundation had retained a lawyer to review the MOU to ensure it is in the Foundation's best interests and to perform an independent due diligence on these issues. Provost Alden then introduced Mr. Peter Christiansen, Esq.

Mr. Christiansen said that his firm had reviewed the contracts to determine their legality. He noted that he attended law school under a similar provision with the WICHE program prior to the development of UNLV's law school. He said it was a common practice in the law and dental fields. He reported that the federal government, particularly the Department of Education, had been involved in the accreditation of these programs. The United States Department of Education, Office of Postsecondary Education Accreditation and State Liaison endorsed the OEC partnership at Jacksonville University, though many practicing orthodontists opposed the Florida program. The Department of Education found that the program is actually above-board and in compliance with all ADA standards. Additionally, they found that the American Association of Orthodontists had created a conflict of interest with the governing board of dental regulators (CODA-Commission on Dental Accreditation). Their complaint was determined to be unfounded and the orthodontists to be violating many of their own rules by trying to squelch future competition. The Florida Attorney General opened an active criminal investigation into organized anti-competitive activities by the orthodontists making the false claims. He explained that the investigation did not involve OEC, but rather the orthodontists who were opposing the OEC program. The Department of Education reviewed the matter thoroughly. Mr. Christiansen said that UNLV's agreement was even stronger than the University of Colorado's.

Mr. Christiansen said that he also reviewed the agreement between the proposed fellows and OEC, noting there had been some claim of indentured servitude. He said that he would have welcomed the opportunity to earn \$150,000 to attend law school and practice law. He said it was a simple contract with a buyout provision similar to the one he would have exercised had he not returned to Nevada to practice law. He reminded the Board that these students were not 18-year old youngsters signing their lives away (i.e., to ROTC), but rather, 30+-year old, Ph.D. educated adults signing a contract and making an educated decision. He observed that the Department of Education, the University of Colorado and its attorneys, Jacksonville University and its attorneys, and the American Dental Education Association had all endorsed the OEC program. He felt it was a unique educational model.

Regent Kirkpatrick questioned how Mr. Christiansen could compare this program to WICHE, noting that WICHE is a public consortium of states while OEC is a private, for-profit entity. He also asked about the comparison to the ROTC program. Mr. Christiansen replied that Mr. John Barth, Director, Accreditation and State Liaison, had indicated that the OEC program was modeled after the ROTC program. Regent Kirkpatrick stated that those who serve their country were not doing it for profit. Provost Alden said the program was more closely aligned with programmatic examples in other disciplines where this model is employed (i.e., executive MBA programs). He agreed that a public interest has a payback commitment, while private entities are different. There are 43 states employing placement programs with private concerns in return for the payoff of college debt incurred. He noted there were opt-out provisions and that most models involved businesses. Regent Kirkpatrick asked about the money flowing through the UNLV Foundation. Provost Alden replied that the initial \$3.5 million gift would be endowed. That endowment, plus tuition and clinic revenues, will allow bonding for the building. Part of the building will be fully developed for this program, while the remainder will be held as expansion space for health-related programs. Phase II

expansion would not be initiated until/unless the program achieves accreditation and realizes sufficient revenues. President Harter clarified that all of those dollars flow into Board of Regents' accounts to pay program expenses. She said the Foundation would hold the funds for university use and that the Board was in control of the expenditures.

Regent Kirkpatrick asked about the cost of the facility and the length of time required for repayment. Mr. John Gallagher, Vice President, Development-UNLV, replied that the financial model was based on building a 50,000-sq. ft facility, with approximately 14,000-sq. ft. initially built out, at a cost of \$17,500,000 over 30 years. Debt service over the 30-year period is approximately \$1,550,000/year. Once the clinic is operational, the program's net revenues will be sufficient to service the debt.

Regent Kirkpatrick requested an explanation of the admissions process. Provost Alden replied that UNLV expects that OEC will be marketing and seeking highly qualified candidates, who will be asked to apply to UNLV's program. The UNLV faculty admissions committee will not know which applicants are OEC participants until after the pool of qualified applicants is selected. At that point, OEC will obtain letters of commitment from a certain number of applicants. Faculty will then identify which applicants will be considered for the program. He said there was no obligation to fill any or all of the 8 OEC-sponsored seats, adding that the program would be self-supporting. He felt that OEC would likely increase its recruitment efforts if those seats were not filled. Regent Kirkpatrick asked about ranking the applicants. Provost Alden said that UNLV would look at pools of people who would be selected as a cohort and they would not be ranked. Eight individuals will be selected for the program, as well as a pool of alternates. None of those applicants will be ranked. Provost Alden acknowledged there was a perception that everyone in the qualified pool would be ranked, which was not the case. He explained that the admissions committee would work with cohorts (i.e., entering class, alternates, or outside either cohort). Regent Kirkpatrick asked how many applicants would be admitted. Provost Alden replied that, initially, they would admit 16 residents, adding that it might increase to 20. He expected the entering class to be comprised of between 16 and 20 residents, 8 of whom will be OEC participants. Regent Kirkpatrick asked about the outcome if all sixteen applicants selected declined OEC's offer. Provost Alden replied that if the faculty admissions committee was presented with a list they considered to be under-qualified, in whole or in part, there was no obligation to select any or all of OEC's people. Regent Kirkpatrick asked whether the admissions faculty would know which candidates were OEC participants. Provost Alden replied they would only know that once the qualified pool had been selected. He related that subjective criteria (i.e., in-state, out-of-state, minority, community service) would be employed only after the objective decisions (i.e., GPA, class-ranking) had been cleared. He noted that when preference was given to in-state students, it disadvantaged other more qualified students. He observed that the state would not be paying for this program, but rather that the OEC partnership would. President Harter clarified that the first round of elimination was blind. Provost Alden said that all applicants in the pool are qualified and that no one would know who had been recruited by OEC until after the qualified pool was selected.

Regent Rosenberg asked whether it was conceivable that OEC might not have a candidate in the class. Provost Alden replied that it was, though it would not make good business sense for OEC to recruit people who do not meet the criteria. Theoretically, OEC's recruits could be eliminated before they were identified.

Regent Sisolak noted a point of clarification, asking about the criteria. Provost Alden replied that the School of Dental Medicine faculty would set the criteria (i.e., GPA, national board scores, class-ranking, licensed practicing dentists from ADA accredited schools). Regent Sisolak asked whether applicants would know the qualifications when they applied. Provost Alden replied that they would. Regent Sisolak observed that whomever OEC may have encouraged to apply would meet the minimum requirements. Provost Alden replied that it would make good business sense to do so.

Regent Whipple asked where Nevada students could currently attend orthodontic schools. Dr. Patrick Ferrillo, Dean, School of Dental Medicine-UNLV, replied that California was nearest. He noted they would have to compete as out-of-state students and/or pay higher tuition. Regent Whipple said it was an uphill battle for Nevada's students. Provost Alden replied that out-of-state students were at a disadvantage in such a tight pool, especially with 20% of the seats going to foreign-trained dentists and 60% going to legacy applicants. Regent Whipple asked how far away UNLV was from developing such a program if OEC had not proposed this offer. Provost Alden replied that it was unlikely that it would occur as a state-funded venture. He said the program required a significant start-up cost, but would then generate sufficient funds to become self-supporting.

Regent Whipple asked Mr. Christiansen if there was a "catch". Mr. Christiansen replied that Mr. Barth (U.S. Department of Education) had supervised the investigation and had indicated that the orthodontists who initiated the complaint were actually at fault. He said the Jacksonville University joint venture was completely above-board. Regent Whipple asked whether Mr. Barth was familiar with OEC's procedure. Mr. Christiansen replied that he was, adding that Mr. Barth is the Director of the U.S. Department of Education Accreditation and State Liaison. He clarified that the complaint was initiated by the local orthodontists who felt that OEC at Jacksonville was not working in compliance with the governing codes for orthodontists. He clarified that Mr. Barth felt the orthodontists were trying to undermine the program via underhanded methods. Regent Whipple asked whether Mr. Barth had expressed any other concerns regarding OEC's process. Mr. Christiansen replied he had not.

Regent Seastrand asked Provost Alden to discuss the clinical revenue of \$2,050,000. Provost Alden replied that the figure assumed that every resident in the program sees at least 50 cases, charging half of what a practicing orthodontist normally charges (i.e., 32 practicing residents each seeing 50 new cases). He felt it was a very conservative number since many

schools expect their residents to see more patients. Regent Seastrand asked about the ability to treat those who could not afford this care. Provost Alden replied that these resident programs typically charge a reduced rate. Medicaid covers those people with no financial resources. Both Florida's and Colorado's programs have worked with local banks to allow reasonable payments. Regent Seastrand asked how many people would be treated at the reduced rate (Medicaid/Medicare). Provost Alden replied that it was difficult to determine, adding that it would depend on whether the Medicaid program would pay for it. He felt that severe health problems would likely be covered, while cosmetic problems would not. Regent Seastrand asked whether the cosmetic cases would be handled for 50% less than prevailing costs. Provost Alden replied that was the typical practice in orthodontics. If more patients can be seen, the cost could be reduced even further. Regent Seastrand said that by charging half as much UNLV would not have a shortage of patients. He asked how they would determine which patients to treat. Dean Ferrillo replied there was no clear answer. He said they would be facing that situation when opening the Shadow Lane clinic in May. He said they had been screening over 100 patients/week. He expected the demand to more than exceed what could be provided in care. He said they would consider patient needs as well as the educational needs of the residents, and then patients would be seen on a first-come first-served basis.

Regent Seastrand presented a hypothetical situation to reveal the risk and exposure from the Board's perspective: A Nevada student and practicing dentist applies for the orthodontic school meeting the minimum qualifications. OEC approaches the student after being selected to the pool of qualified applicants. The student declines OEC's offer. The student does not make the final cut. What is the student's ability to sue the System because they are not an OEC candidate. Mr. Christiansen replied that the contract requires the private company to marry itself to the public entity (NRS 41.035-discretionary immunity statute), which provides a \$50,000 cap for any lawsuit against the public entity. He said that provided the largest protection because anyone could sue for any reason. That type of litigation has been ongoing for years. He felt the statute provided the best protection. Regent Seastrand asked whether any non-subjective criteria would help protect the System against someone claiming that the eight OEC slots were filled first. General Counsel Ray said that Regent Seastrand was alluding to claims about discrimination involved with these decisions. He felt there would not be cause unless it was based upon some protected class. So long as recruitment was conducted in a non-discriminatory manner, there should be no problem. Mr. Christiansen observed that issue was considered during the Department of Education's review of the Jacksonville OEC program. The Department of Education endorsed the admissions procedure employed by Jacksonville University, which was the same as that proposed for UNLV. Provost Alden said that OEC has a commitment to recruit those who have been underrepresented in this discipline. He said that minorities lacked practitioners, yet preferred to be treated by such practitioners. He said it would make good business sense to seek out those candidates in order to diversify the discipline.

Regent Dondero asked how long the Jacksonville and Colorado programs had been in operation. Dean Ferrillo replied that Jacksonville was in its first year of operation, while Colorado would start its program in July this year. Regent Dondero asked whether a thorough investigation had been conducted. Dean Ferrillo replied that one had. He reported that in August 2003, the Dental Commission approved the Jacksonville program to begin. Colorado is now going through that process. Regent Dondero established that UNLV would be in total control of the program. Provost Alden agreed, adding that in order to receive accreditation, UNLV had to maintain control of everything. He said the faculty would decide all academic issues including the dental suppliers. Regent Dondero asked about the money going to the Foundation. Provost Alden replied that the money from OEC would go to the Foundation and would be used to supplement the endowment for the Phase II programs and would be part of the revenue stream keeping those programs going. He related that even if the Department of Education changed its mind and changed the standards so UNLV could not maintain accreditation under this business arrangement, the Phase I model would allow the program to continue. Provost Alden said the Foundation would handle the endowment and the bonding.

Regent Sisolak asked whether the Department of Education was investigating the opposing orthodontists. Mr. Christiansen replied that the investigation was initiated by their complaint to investigate the Jacksonville/OEC program. The investigation revealed the Jacksonville program and its accreditation process were completely acceptable and, further, that the orthodontists were trying to undermine the Jacksonville program.

Regent Sisolak said that OEC's leader had indicated there are two pools. Provost Alden replied there are two pools after the prequalification. There is one pool of qualified applicants. Once the faculty committee has defined which applicants are qualified there are two pools comprised of OEC applicants and non-OEC applicants. Regent Sisolak observed there were three pools (in-state, out-of-state, and OEC). Provost Alden agreed, adding that preference would be given to in-state and OEC candidates for subjective decisions. Regent Sisolak observed that the OEC pool could be comprised of entirely out-of-state applicants. Provost Alden said it was possible, though currently there are Nevada students attending the Jacksonville program to be able to practice in Nevada.

Regent Sisolak asked about the distinction Mr. Christiansen made with regard to indentured servitude. Mr. Christiansen replied that these students were Ph.D. educated adults who signed an agreement. Provost Alden clarified that those students were not Ph.D.'s, but rather had received a doctorate in dental medicine. Mr. Christiansen stated that they had been in college for 8 years, had signed an agreement to become a partner in the joint venture with OEC, and would earn a decent living with benefits. He did not feel it defined indentured servitude. Regent Sisolak asked about the buy-out. Mr. Christiansen replied that the buy-out changed with the business model. Students receiving the full benefit of having two years of their education paid for in addition to the stipend would have a different buy-out than those students who worked for OEC for six of the seven-year requirement. Regent Sisolak asked about the value of the buy-out immediately upon

completion of the program. Mr. Christiansen said he did not know. Regent Sisolak said that it was close to \$1 million. Provost Alden stated that the amount invested in the student and the lost business opportunity had to be considered, adding that it could be slightly less. He said that it was clearly outlined in the contract and that those residents could have their own legal experts review the contract prior to signing. Regent Sisolak observed that it would cost them close to seven figures prior to becoming a partner with the firm if they chose to leave. Provost Alden agreed.

Regent Sisolak said that commitments were made when the dental school first started. He noted that Senator Rawson was not advocating the orthodontic program. Dean Ferrillo said that Senator Rawson called him about the letter he wrote. General Counsel Ray said that Dean Ferrillo could repeat the conversation, but cautioned the Board not to discuss Senator Rawson. Dean Ferrillo said that he indicated there was some misunderstanding about the admissions process, adding that Senator Rawson had not discussed the admissions process with Dean Ferrillo or anyone at the university. He felt that Senator Rawson's comments were based upon conversations held external to the university. Regent Sisolak recalled that, when the dental school started, a commitment was made that there would be no state money. Regent Kirkpatrick agreed. Regent Sisolak said that he was aware that Provost Alden had researched the minutes, adding that the minutes were not always totally accurate. He asked Provost Alden whether he recalled representations ever being made to the Board or to the Legislature that state funds would not be used.

Vice Chair Bandera asked Regent Sisolak not to criticize past minutes or work that had been done. She said that Board members should make their concerns known prior to approval if there were a concern about the minutes. Regent Sisolak observed that minutes were not verbatim transcripts. Vice Chair Bandera said that Regent Sisolak should have corrected the minutes at the time they were approved.

Regent Sisolak asked whether a representation was made that no state funds would be used. Provost Alden replied that, following a search of the minutes, he could find no such representation made by any university representative. He said that even Senator Rawson had said that he did not expect the dental school to be treated any differently than the other professional schools. Regent Sisolak noted that the contract (OEC funding obligations) allowed for annual adjustments to scholarship funds and laboratory fees based upon the CPI. He noted that tuition had recently increased 10%, which was nowhere near the 1½-2% CPI. He asked whether the state would absorb the difference between the increase in tuition and the CPI. Provost Alden said that Regent Hill had requested a change in the contract relative to this issue. The contract was changed to indicate that the tuition could come from either the tuition pool or the other operating pool and the contract no longer states that tuition will be fully funded. If tuition exceeds the \$60,000/year, they would have to pay the difference. Regent Sisolak asked about the other operating pool and whether Provost Alden was referring to the stipend pool. Provost Alden replied that there is a \$30,000 operating pool. Regent Sisolak asked whether he was referring to the working capital or the stipend pool. Provost Alden replied that the working capital was the operating pool. Regent Sisolak asked whether the stipend would go towards tuition or living expenses. Provost Alden replied the stipend would be used for living expenses, but if the tuition exceeds the two pools (tuition pool and OEC-supported working capital), the individual or OEC would have to pay the difference. He related that those two pools could be applied towards tuition. The contract did not say that OEC was obligated to fully pay for tuition. Regent Sisolak asked whether Provost Alden would concede that the CPI was not keeping pace with tuition increases. Provost Alden agreed, adding that was why the contract was revised at Regent Hill's suggestion.

Regent Sisolak asked whether the entire \$74 million was classified as a gift. Provost Alden replied it was not, adding that only certain portions qualified as a gift. Mr. John Gallagher explained that approximately \$74 million would come to UNLV over the life of the arrangement. Approximately one-third of that is a gift (\$3.5 million initial contribution plus \$720,000/year). When the program is fully built out at 32 students, 16 would be residents of the program. He said this operating pool came as an unrestricted gift to the university for use in the dental school. The stipend, tuition and the fee are not considered a gift. Regent Sisolak asked what the \$720,000/year would be used for. Mr. Gallagher replied it would depend upon the situation. Currently, it would not be used for tuition. He said that any portion used for tuition would not be considered a gift. Regent Sisolak asked what the first \$720,000 installment would be used for. Mr. Gallagher replied that the provost and dental school dean would make that decision. Regent Sisolak established there would be a \$3.5 million gift upfront. OEC will also pay the tuition and an annual living expense for their scholarship recipients in addition to providing \$720,000/year. Mr. Gallagher agreed. Regent Sisolak said it had been explained differently to him. Provost Alden stated that the \$720,000/year pool would go towards operating costs. If revenues from the clinic and tuition do not cover all operating costs, that pool would go towards those operating costs. If there is excess revenue it would go towards the endowment for Phase II projects.

Regent Hill discussed the OEC funding obligation. He referenced \$30,000 for scholarship funds and \$30,000 for tuition. He said that when \$30,000 for tuition was compounded at 5% over 30 years it would erode all of the original \$30,000 and \$60,000 and would result in a deficit position. Provost Alden replied that the phrase indicating that tuition would be fully funded was removed from the contract. It was stipulated at OEC's request that if the CPI adjustment could not pay for the full tuition then the yearly operating funds (gift) could be used to defray tuition costs. There is nothing in the wording suggesting that it will fully cover tuition. If tuition increases, either the student and/or OEC would have to pay the difference. He noted that tuition for an undergraduate program, which is heavily subsidized by the state, has increased nationwide because state revenues have decreased so significantly. He related that this was a professional program with an extraordinarily high tuition. He did not believe tuition could be projected to increase in a similar manner to tuition at an undergraduate level. Regent Hill suggested that other language was required. He felt it should stipulate that if the \$30,000/\$30,000 was not sufficient to cover the tuition that somebody, and not UCCSN, needs to make up the difference.

Provost Alden suspected that OEC would not object to such language. Mr. Christiansen said that OEC tried to address that concern and they did not object to even more specific terms. Regent Hill requested the language be amended.

Regent Hill then discussed potential lawsuits, adding that he felt that two issues needed to be addressed. He noted that the ADA could determine this program is inconsistent with accreditation requirements. He felt the contract required the following provisions: 1) If the ADA determines that the program does not meet accreditation requirements, OEC should pay the cost of litigation; and 2) If the case is not ruled in our favor, the agreement is terminated. Mr. Christiansen observed that the contract stated that if the standards changed the program would cease and OEC would not receive a refund. Regent Hill said that it did not specifically address loss of accreditation. Provost Alden observed that the first part of the paragraph did. Regent Hill said that it did not address attorney fees. Mr. Christiansen felt that OEC's attorney would be willing to stand shoulder-to-shoulder with UNLV on that issue. Regent Hill asked whether they would insert a clause indicating that OEC would pay the cost of attorney fees to litigate the matter. Mr. Christiansen replied that OEC had indicated they would work with the university in whatever fashion is appropriate and would split the fees. General Counsel Ray said it was not something that could be bargained for in the agreement. His understanding was that the Board's attorney would appear on behalf of the Board of Regents and OEC would also have an attorney.

Regent Hill asked about the removal of the governing law. Mr. Christiansen stated that the designation of Florida law as the governing law had been completely removed. Regent Hill requested that the governing law be stipulated as the State of Nevada and any litigation between the parties must be either in the state or federal court in the County of Clark. Mr. Christiansen believed that OEC would agree to include the stipulation. Regent Hill was concerned that a suit filed in Florida would require a Florida court appearance. Regent Hill stated that he had received a copy of the redacted agreement. He was concerned that OEC could enter into an agreement with the scholarship recipients with which Board members might not agree. He asked to see the unredacted agreement, acknowledging that it is proprietary information for OEC. He asked that the unredacted agreement be made part of a confidential placement with Board legal counsel and that OEC will not change this agreement without the permission of the Board and/or Board legal counsel and that permission will not be unreasonably withheld. He said that if those issues were addressed he could support the agreement, adding that he could not if it were not agreed upon. Mr. Christiansen believed that OEC would agree, adding that they tried to amend the contract to address Regent Hill's concerns. He had no firm answer on reviewing the contract for the practicing dentists and questioned the Regents' role in reviewing such a contract when those dentists could hire their own lawyer to review the contract. He said it was a major concern of OEC that it remain confidential. He said that he could provide the present unredacted contract with the assurance that it remain confidential. Regent Hill said that he would read it and hand it to legal counsel.

Regent Rosenberg asked whether the proposal created a two-tier system of admissions by which UNLV effectively loses admission-granting authority over part of the cohort that is admitted. Provost Alden replied it did not. Regent Rosenberg asked whether UNLV's admissions procedures are the only ones employed with the first group that is admitted. So it is conceivable that there could be no OEC people in the first class. Provost Alden agreed it was conceivable. Regent Rosenberg asked whether that affected the agreement with OEC in any manner. Provost Alden replied that the MOU stipulated that UNLV might not admit the full complement or any of those individuals. He clarified that it was entirely a faculty admissions committee decision at both steps. Regent Rosenberg observed that some people felt that UNLV was selling public university admission slots to train employees for private companies. He asked how Board members should respond. Provost Alden replied there are examples in pharmacy and business schools and local hospitals providing similar services for nurses. Regent Rosenberg stated that his National Defense loan was forgiven by working for a public school in the city in which he went to school. He asked whether this was not so much a gift but an investment in UNLV. Provost Alden replied they were trying to use the term "public-private partnership," with a portion provided as a gift to enable UNLV to start the program. The program then becomes self-supporting. He clarified that the gift would start the program and the program would become self supporting. Beyond that it is a partnership. Regent Rosenberg asked whether all professional schools were in danger of having similar arrangements. Provost Alden said he could not speak for medical schools, adding that the law school was doing fine. A number of professional organizations have observed that state support for these expensive, professional programs will not fulfill the mission of graduating a sufficient number of people. He said that entrepreneurial relationships were necessary with health professional institutions to support the common goal of developing a more diverse workforce. More creative ventures will be required in order to reverse the trend of less state support. The accrediting bodies have indicated that these models are perfectly appropriate.

Regent Rosenberg asked whether the complaints that the AAO had filed with the U.S. Department of Education had been settled. Mr. Christiansen replied that they had. Regent Rosenberg asked whether the Board needed to worry about repercussions. Provost Alden stated that the MOU addressed the issue. If the standards change in the future UNLV can sever relationships and continue the program with the gift that started the program. Mr. Christiansen said that the American Dental Education Association had called the OEC program, "...instructive to other dental education institutions as they seek legitimate partnerships for new models of educational funding." Regent Rosenberg observed that tuition would increase over the 30-year period. He asked whether OEC would pay its fair share of future tuition increases and who would decide what is fair. Provost Alden replied that Regent Hill's suggested changes addressed those issues. The contract no longer states that it will fully cover tuition if the CPI adjustments and the operating pool do not cover the tuition. He noted that Regent Hill suggested the contract stipulate that either the student will pay for it out of their stipend or OEC will pay the difference. He said they would not receive a reduced tuition. Regent Rosenberg asked about students changing their mind about the agreement, acknowledging that the agreement included an escape clause with a penalty. He asked about the amount a

student would pay. Provost Alden replied that it would depend upon at what point in the process they left. He said the agreement identified the cost for exiting the agreement at specific points. He said the contract would be between the individual and OEC and that UNLV expected they would retain their own lawyers to advise them. He said that UNLV asked Mr. Christiansen to look for hidden clauses/fine print for UNLV's protection. Mr. Christiansen said that OEC's attorney would provide the unredacted contract to Regent Hill. Regent Rosenberg asked whether General Counsel had seen the contract. General Counsel Ray replied he had not. Regent Rosenberg felt the contract needed to be open and unredacted. He said he had a problem with the "lost business opportunity," which he felt was open to interpretation. He did not object to repaying the stipend, the tuition, or what had been invested in the student. Provost Alden stated that was fully itemized in the agreement. The contracts are redacted because OEC considers this business model proprietary.

He said the requirements were fully stipulated in the contract that the individual and their attorney could review. He said there were no hidden charges or costs. OEC is unwilling to release the information for fear that others could recreate the same business model.

Regent Rosenberg asked about the consequences if OEC stopped operations. Provost Alden replied that UNLV would continue with Phase I. The clinic revenues, tuition and endowment income will pay for a reduced program and Phase II programs will not be initiated. UNLV has prepared an extraordinarily conservative business model as compared with other states that are far more heavily invested. He said that the program would not be expanded until the endowment income and net revenues indicated it was appropriate to do so. Regent Rosenberg asked whether any of OEC's contractees (sic) would be obligated to practice in Nevada. Provost Alden replied that two practicing dentists now in the Jacksonville program were scheduled to return to Las Vegas. Regent Rosenberg asked whether UCCSN would be liable for an equal opportunity suit because someone was admitted to the program while someone else was not. General Counsel Ray replied they would not. Provost Alden stated that UNLV faculty would review both pools. Discriminators providing diversity to a program are legal under the Michigan rule. Regent Rosenberg requested that an unredacted copy of the contract be provided to Regent Hill and General Counsel Ray.

Regent Dondero did not understand the reference to a confidential clause since this was a public body. Provost Alden replied that Regent Hill had been referring to the contract between OEC and the individual dentist. Those details cannot be made public because it is part of their business model. If a non-disclosure statement is signed, OEC would likely be willing to provide a copy of the unredacted contract, so long as the details are not made public. Regent Dondero requested feedback from General Counsel. General Counsel Ray said that, under the Public Records Law, a public body can agree to keep proprietary information confidential, adding the Board could agree to keep it confidential. Mr. Christiansen clarified that the redacted contract involved OEC and the dentists, and not the university.

The meeting recessed at 10:24 a.m. and reconvened at 10:44 a.m. with all members present except Regents Schofield and Seastrand.

Mr. James Wadhams, Attorney, Wadhams & Adridge, has represented organized dentistry since 1982.

Regent Seastrand entered the meeting.

During this time, Mr. Wadhams has participated in discussions in every session of the legislature, where the struggle over adequate funding of the public need was a primary issue. Mr. Wadhams said he understood the Board's concern for finding adequate funding for programs that are a commitment of the state. He clarified that the Nevada Dental Association and Nevada's orthodontists were not opposed to an orthodontic residency program or to the dental school. In fact, the Nevada Dental Association has publicly supported the dental school. The orthodontists support a properly funded orthodontic residency. He said they were appearing before the Board to discuss some of the same questions already asked, which address policy matters. He felt the question was determining the right way to get the money without compromising the integrity of the process and the commitment to public education. He noted that UNLV advertised that it, "...is committed to the principles of equal opportunity for all applicants for admissions." He advised caution in defining "gift". He felt that a "gift" was something given without strings and for no consideration. The Board has received many gifts. He felt that gifts with dedicated utilization were different from "strings" on admission. He said he was not referring to the qualifications for being an applicant, but rather to admission per se. He felt the fundamental problem was not an exclusive control issue, but rather a shared control/partnership. He felt that public entities have to be very careful about public-private partnerships. He said that he was concerned about NRS 396 and the rules that apply here to the equality of admission. He said he was also sensitive to the original case on diversity admissions and professional schools in California. He asked the Board to carefully consider the distinguishing criteria for the ultimate admission into this program. He suggested that it was possible the MOU was written so that the one distinguishing factor is not underrepresented minorities or ethnic diversity but, rather, the long-term employment agreement.

Regent Schofield entered the meeting.

Mr. Wadhams advised the Board to be careful about long-term debt. He suggested the Board exercise careful consideration and to look for the payback and whether a "string" was attached to the provision of these funds. He said the original contribution is predicated upon program accreditation and includes a payback clause (contingent liability). He observed the

deal comprises a 32-year contract. If the school lost its accreditation, the contract provides that UNLV return all sums paid under the funding agreement at 10% interest over a 10-year period. He said this was not a gift, but rather a contract with consideration. He noted a provision of the contract requiring that OEC concur with the construction budget. He felt the Board should have exclusive control over the money and should not share that with any other entity.

Mr. Wadhams said that if the Board agreed to take the risk of compromising equal opportunity in admission and risk creating a classification of admission based upon long-term employment contracts, it would put UCCSN at risk of costly legal defenses. He felt that UNLV was indemnifying OEC and that there should be an ironclad, hold-harmless indemnity from OEC to the Board instead. He said that cohorts were problematic because some applicants were inevitably excluded. If one of the eight seats is filled based upon the long-term employment agreement, it creates an issue of serious concern about compromising the merit-based admission process. He said he was speaking for a group that supports the dental school and the orthodontic residency program, but is very concerned about compromising academic integrity and deviating from the policy of nondiscrimination with the exception of those factors recognized that do not include a long-term employment contract with a private entity. He welcomed OEC's interest in UCCSN and encouraged its participation. He asked OEC to cut the strings on the gift and cautioned the Board to be careful about any potential compromise on the admissions policy. He suggested that the amended contract still required major surgery in order to provide the necessary protection.

Regent Whipple established that Mr. Wadhams was not opposed to the dental school and an orthodontic residency program. Regent Whipple asked whether he saw a need for that type of program in Nevada. Mr. Wadhams said that orthodontics did not address the community's unmet dental need. Many children lack access to primary dental care, which the basic dental school should help address, but orthodontics is not their primary concern. He said they support the orthodontic residency program as an enhancement to the university's professionalism. He said many orthodontists would like to be adjunct faculty. He felt it was an opportunity to provide an additional element of professional education. Regent Whipple acknowledged there is a need for dentists and asked whether there was also a need for an orthodontics program. Mr. Wadhams replied that SB 133 opened the door to admission by credential. The rate of in-migration of dentists has nearly doubled due to that legislation. He reported a dentist/population ratio of 54:100,000 (1,189 dentists:2.2 million population). He said the need for the orthodontic residency program was not to create more dentists. Regent Whipple noted that Mr. Wadhams had been critical of OEC, the long-term employment contract, and the application process. Regent Whipple said that it appeared to be a blind base application process. The first tier is comprised of qualified applicants and does not consider who supports them or whether they are OEC applicants. Mr. Wadhams felt the contract indicated otherwise. He said there was a provision for two pools (traditional method and a separate pool from which OEC can make recommendations). He acknowledged that UNLV retained the final authority for admission. If they declined an OEC-recommended candidate, OEC would be allowed to recommend another. If the 8 merit-based seats are allocated, anyone else who meets the minimum qualifications will have to be admitted through the contract side. Regent Whipple asked whether this was inconsistent with a blind application process. Mr. Wadhams replied that OEC was not blind. He felt the Board should sort this issue out very carefully. He said the contract was not consistent and the Board needed to understand the subtlety of the process. He said that the university retaining authority for final admission did not solve the problem, when someone identified by a 3rd party may jump ahead of someone else who would have been in that cohort had the 3rd party not intervened. Regent Whipple observed that only qualified applicants would initially be selected. He asked whether Mr. Wadhams would oppose the long-term contract scheme if the specific contractual concerns were remedied. Mr. Wadhams replied that if the strings attached to this particular scholarship mechanism were cut, OEC would be welcome. Regent Whipple asked whether the long-term contract was one of the strings. Mr. Wadhams said that he was not concerned about an adult making a decision about an employment contract. He and his clients were concerned about OEC having a loop into a cohort that will be considered. He acknowledged that the admission requirement standard would be the first cut. OEC will not recruit unqualified candidates. They will go into a cohort. Regent Whipple asked what he meant by "cohort". Mr. Wadhams explained that he assumed that people are admitted to a public university based on merit and the number of seats available. He said that determining who was included in which cohort became the distinguishing factor (i.e., ethnicity vs. commitment to a long-term contract).

Regent Kirkpatrick asked whether Mr. Wadhams supported the program but not with OEC. Mr. Wadhams replied that he welcomed OEC, but wanted the strings in the contract cut. Regent Kirkpatrick asked how much his clients were willing to contribute to help the school. Mr. Wadhams said his clients would support the school. Raising money both through the orthodontists in the state and through the dental/pharmaceutical/dental supply companies was recommended. He said they would commit to support that. Regent Kirkpatrick asked whether they could raise \$10 million within a year for this purpose. Mr. Wadhams did not know. He was sure his clients would be willing to support the effort. Regent Kirkpatrick asked whether the refund provision was only predicated on the school not achieving accreditation. Mr. Wadhams replied there were two return provisions: 1) If the clinic does not receive initial accreditation the construction funds must be returned; and 2) At any period of time during the contract, if through the responsibility of UNLV the accreditation is lost, all of the money must be returned with interest.

Regent Sisolak asked whether General Counsel had the same understanding (that loss of accreditation required return of the funds). General Counsel Ray said he did not. Regent Hill observed that paragraph 4.3.c addressed the matter. General Counsel Ray explained that paragraph discussed UNLV's negligence or willful failure to maintain accreditation. Regent Sisolak asked whether UNLV would have to return all of the money if something occurred that caused UNLV to lose accreditation. General Counsel Ray said that it was premised on a willful or intentional act on UNLV's part. Regent Sisolak asked about the consequences if the legislature said they could not afford the dental school anymore and cut funding.

General Counsel Ray replied that they had requested an amendment for a funding out provision should the legislature discontinue its funding. It allows suspension of the agreement without refund. Regent Sisolak asked whether a distinction was made between two-tiers, two-pools, or two cohorts. Mr. Wadhams replied that he assumed that people were lined up by the admissions officer and the public university admits those who meet the criteria in order, subject to diversity and minority representation that is appropriate for a public university. He could not explain precisely what Provost Alden meant when he spoke in terms of cohorts, whereby some would be in and some would be out. He felt that constituted a subjective decision, which could later result in a lawsuit claiming discrimination. He felt an indemnity should be obtained for encountering this risk.

Regent Bandera discussed the responsibility for repayment of all funds received by UNLV to-date should accreditation lapse or be removed. She observed that the contract required repayment for all OEC-sponsored candidates who have not completed the program. She asked for clarification regarding whether monies would need to be repaid with 10% interest if it happened in the 25th year of operations, adding that it appears that money would only need to be repaid for those candidates who have not completed the program. Mr. Wadhams replied that was not the case. He said that was a fair interpretation but he was unsure it was the only way of interpreting it. He said he was trying to demonstrate there is a risk and that the contract still needs adjustment.

Dr. Carey Noorda, DDS, MSD, said that he loves the community and that he is a product of the WICHE dental program. He signed a contract agreeing to return upon graduation to practice in Nevada. He said the orthodontics program had nothing to do with the WICHE program. The orthodontic residency program occurs after dental school and WICHE was not his employer while he attended school. He had intended to return to Nevada to practice prior to signing the agreement. He said the orthodontists are not opposed to the orthodontic program. Most were elated and wanted to see the program excel. After discovering the relationship with OEC, he realized it was far different from what he had anticipated. He said he loved his profession and returned often to his Alma Mater to participate. He said he wanted to see the UNLV dental school and orthodontic program succeed. He felt the OEC contract would make this program the disdain of the profession. He said the Florida and Colorado programs were poorly perceived by his profession, adding that orthodontists did not oppose an orthodontic residency but did not want one in this manner. He felt this was not a gift, but was instead based upon performance after the gift is given. He said it was also not a scholarship. Scholarships are based upon past academic performance and this is based on whether the individual is willing to sign a contract. He felt that a public university should represent the very best interests of the students. It appeared the students were being sold to fund a program in Las Vegas by helping a private corporation that wants students so badly it is willing to pay a lot of money to get them. He felt that might not be in the students' best interests. These clinics buy orthodontic practices and employ the former owners/orthodontists. Those orthodontists are now leaving their practices and it is difficult to find replacements. He said they approached students in orthodontic schools to encourage them to work in these practices. The company is now catching students long before they have enough understanding to make a responsible decision regarding a 7-year employment contract. He did not feel that was in the students' best interests. He said he might have been tempted by something like this while he was in school. In hindsight, it is not something he would have chosen to pursue. He would not encourage anyone to accept this offer. He said that students would only postpone the day they start their own practice. He felt the relationship with OEC was bad for the community, the university, the profession, and the students participating.

Regent Kirkpatrick said that Dr. Noorda's brother had sent him a letter about this matter and compared the relationship between OEC and UNLV with that of a pimp and a prostitute. He indicated that he would rather see the dental school closed than see it become a pimp for OEC. Dr. Noorda said that he was not aware of the letter.

Regent Whipple established that Dr. Noorda was concerned about the citizens of Nevada and an orthodontic residency. He asked whether Dr. Noorda felt there was a need for this program in Nevada. Dr. Noorda replied that he did. He clarified that graduating 16 orthodontists/year would bring the state up to the national ratio within 6 months of operation. He noted the arrangement was a 30-year contract. Regent Whipple asked whether the orthodontists were concerned about flooding the market with competition. Dr. Noorda acknowledged that was a concern, adding that was not why they opposed this program. Regent Whipple asked whether orthodontists who viewed this program with disdain did so because of the manner in which the students were educated. Dr. Noorda replied that he wants to participate in the orthodontic program in Nevada, but he did not want to have anything to do with a program that is associated with OEC. He said the school itself would be looked upon with disdain. He said he could not hold anything against a student who attended such a school. Regent Whipple established that Dr. Noorda objected to the business model. He said that Dr. Noorda's primary concern seemed to be that students would be locked into a contractual relationship with OEC following graduation. Dr. Noorda agreed. He said he could not imagine being indebted to someone for almost \$1 million when they control his income. Regent Whipple asked whether students would have the option to choose and to understand their obligation prior to entering into the agreement. He also asked whether this wasn't an opportunity for students who would not normally have an opportunity to attend. Dr. Noorda replied that they were talking about young dentists, adding that they are not underprivileged. He said that ethnicity was not a consideration at this point. He felt that he was admitted to orthodontics school because he earned his way into the program by performing well in dental school. He hoped that UCCSN would accept those students possessing the absolute highest academic standards. In his class of 138 dentists, only the top five were admitted to the orthodontic program. He noted that these students had been chosen on the basis of academic achievement and not a willingness to sign a contract. He understood the program would require some basic criteria and that, once in the pool, everyone would be on an even selection field. He said that was not how it worked when he applied to orthodontics school. Regent Whipple asked whether Dr.

Noorda's concern was that there would be orthodontists at the end of their term regretting their decision and that OEC was making it too easy. Dr. Noorda replied it was not. His concern was that they would get into the agreement for 4-5 years and realize that they are stuck and cannot get out and would begin to hate life. He said that he knows that his school had his best interests at heart, adding that he still maintains a relationship with this school. He was not sure that these students would feel the same way and would not become supporters following graduation.

Regent Rosenberg asked whether students trained in the OEC programs were any less well-trained than those in other programs. Dr. Noorda replied there were no graduates from which to judge. Regent Rosenberg mentioned that the orthodontists view those programs with disdain. He said he was trying to ascertain what the orthodontists found disdainful (the contract situation or the training received). Regent Rosenberg asked whether the students were less well-trained. Dr. Noorda replied that he hoped they were not, adding that he did not know. He clarified that the orthodontists did not view the students with disdain. Regent Rosenberg observed that Dr. Noorda's objection seemed to relate more to the manner in which it was done rather than what was done in the program. Dr. Noorda agreed, adding that the students would also look back and view the school with disdain. Regent Rosenberg asked whether Dr. Noorda was in debt when he finished his training. Dr. Noorda replied that he had a very large debt (over \$200,000 in 1986). Following graduation, he returned to Las Vegas and bought a practice, which took about 3 years to repay. His educational loans were repaid within 8 years. At the end of 8 years, he had a thriving practice and was able to support his school. A student coming out of the OEC program will be starting at the bottom 7 years later in life. Regent Rosenberg established that Dr. Noorda meant that while a student's education would be completely paid for at the end of the 7 years, the student would still have to buy and build a practice. Dr. Noorda agreed. He acknowledged that the individual could continue to work for OEC, but it would be OEC's practice, equipment and patients. Regent Rosenberg asked whether Dr. Noorda felt that what the students were exchanging wasn't worth it. Dr. Noorda agreed.

Regent Sisolak established that the local orthodontists were supportive of the dental school and an orthodontic residency program. Dr. Noorda agreed. Regent Sisolak said that the majority of these graduates normally stay in the relative vicinity where they served their residency. Under the OEC proposal, the residents to be graduated by UNLV will be assigned to other areas where new facilities are opening. Eight of the students would be state slots, which could be potential competition to local orthodontists. If they follow the OEC plan, four students would be potential competition. If they conduct the program for the betterment of the orthodontic program, there could potentially be sixteen students competing with local orthodontists. He asked whether Dr. Noorda was willing to make that sacrifice for the extra competition in order to get a better quality student and program. Dr. Noorda replied that he was. He clarified that his father and younger brother were also dentists. He related that his father had no input on whether Dr. Noorda was admitted to either dental or orthodontics school. He said he was bothered by the legacy issue. He was hopeful that his son and son-in-law would also become dentists and orthodontists, but only because they had seen him practice. He felt that ethnicity played no part in acceptance to orthodontic programs and that it was based on academic excellence in dental school.

Regent Seastrand said there were two parts to the selection process. The first cohort was comprised of people who meet basic criteria. OEC can recruit as many people as they want from that particular group. He suggested that the second selection should be blind. No one should know whether the applicants have been recruited by OEC. If the admission committee conducted a blind second selection process, they could potentially end up with 16 OEC recruits and would need to decide which 8 to admit. Regent Seastrand asked whether that would satisfy the orthodontic community. Dr. Noorda said he could only speak for himself, but he did not think that would satisfy the orthodontists. He felt that students should be admitted to an orthodontic program based on academic excellence and not by their willingness to sign a contract. Regent Seastrand clarified that UNLV would not know which applicants in the pool were OEC recruits. Dr. Noorda felt it would be reasonable if the students were numbered, with no one knowing whether they were OEC recruits, and the students were allowed to sign up with OEC after they were admitted to the program. He did not believe that OEC would agree to that procedure. Regent Seastrand felt the issue was simply that OEC believes in their program, there are people willing to sign up for the program, and the Board is concerned about academics. If the selection process is blind, it does become a scholarship program. He felt that this arrangement was necessary to maintain the academic independence of the selection process. Dr. Noorda said they should be very careful not to convince these students to sign up for something that they don't really want to do for fear that they won't be accepted if they do not. Regent Seastrand felt that his suggestion removed that danger.

Dr. Dwyte E. Brooks, DMD, FAGD, Nevada Dental Association, reported that he attended the University of Kentucky and had practiced in Nevada for 29 years. He and his wife became major scholarship donors to UNLV. Between 1990-1992, they discontinued their scholarship support. He is now a fellow of the University of Kentucky and its dental school and he has donated a great deal of money over the years. He expressed his concern for public perception. The dental school was brought into southern Nevada under difficult circumstances. The dental community has been anything but supportive of it overall. For the past 3 years, he has worked with Dean Ferrillo and other dental school representatives to find ways to bridge the problems created by the school's abrupt appearance. About 40 years ago, a group of dentists began to discuss creating a dental school and the community college's dental hygiene program was formed. The dental school was again broached by the dental community about 10 years ago, but there were many hurdles. Dr. Brooks said that the dental community was excluded from every stage of the process for opening the dental school. They felt disenfranchised from the process. He said they felt the same way about the orthodontic residency program. He said the dental community would like to be part of the process. He felt that if the program with OEC were developed as currently proposed that 10 years of bridge building would be

lost for the dental school. Dr. Brooks said that a few dentists in the community were determined to try to make the dental school a part of their daily lives. They do not view it as competition to the dentists or the orthodontists. He said these practices would flourish even if the dental school flooded the area with graduates. He said the dental school provided him with a great opportunity to have someone eventually take over his own practice. He said the dental community opposed the program because they have questions about how the program came into existence. He said that his remarks comprised a general sampling of his constituents in the dental community. He asked the Board to carefully consider its decision.

Dr. Cree Hamilton, DDS, MS, said he had lived in Las Vegas since 1984. He was the first in his family to receive orthodontics training. He was accepted to the orthodontic program in West Virginia, where none of the other residents in the program were legacy dentists. He felt that children of dentists and orthodontists often saw the impact their parents have on their patient's lives and were encouraged by that to become dentists themselves. Dr. Hamilton said that he came from a family with a limited financial income. He found that if you worked hard and got good grades that doors would open, and that if you really wanted to do something, you could find a way to do it. He still felt those opportunities are present. He said that he tried to keep an objective view in reviewing the information. He felt that the briefing document was somewhat biased towards acceptance of the proposal and he wondered what was missing since so many individuals opposed the proposal. He felt it was likely an issue of integrity. At the end of his professional career, all he will have is his name, his reputation and his integrity. He said it was a critical time to gain support for the UNLV dental school. He wondered why we would want to further alienate the dentists and orthodontists in the state when their support is so desperately needed. He suggested working on a program that is embraced and supported by the dental community. He said the dental community would try to participate in the program by instructing on a part-time basis. The greatest education he received from his residency program was from the part-time instructors who provided valuable input about how to treat patients, how to have personal relationships, and how to run a business. He said there were many great dentists and orthodontists in the state who would be willing to participate in this program. He suggested the proposal required more research and encouraged the Board to postpone action until sufficient information was provided on which to base an informed decision.

Regent Kirkpatrick asked if Dr. Hamilton was past president of the Clark County Dental Society. Dr. Hamilton replied that he was. Regent Kirkpatrick said that many of the letters he received indicated the dental community felt alienated from the development of the dental school. Dr. Hamilton said that he felt there was not a lot of input from the dentists in the community regarding the dental school. He said there has been no input from the orthodontists regarding the orthodontic program. He noted that successful programs in the country enjoy a strong backing from alumni and practitioners in the area. He said that creative financing measures would not be necessary if the dental community were embraced. He felt there was some misinformation and confusion about the proposed program and that orthodontists and dentists were excluded from the process.

Dr. Arnold C. Pitts, DDS, MSD, is a Reno orthodontist who followed his father into the profession. He was valedictorian of his dental school and was accepted to the University of Washington's orthodontic residency program. All six residents of that program were valedictorians of their dental schools. A recent graduate who was offered an OEC scholarship asked him about his feelings about the program. Dr. Pitts told the student that he did not necessarily think that these clinics were into quality care and were more about the "bottom line". He suggested the student apply to other schools and to consider this program only if he were not admitted elsewhere. The student felt that he would never be accepted into other orthodontic programs and that he was guaranteed acceptance to the Jacksonville program by signing the agreement. Dr. Pitts reminded the Board that the State of Nevada Chapter of Pacific Coast Society of Orthodontists had said that Nevada orthodontists fully embrace the creation of a top-quality orthodontic specialty program within the UNLV school of dentistry. They committed to assist in building the program by finding legal and ethical funding, which will not compromise the integrity and reputation of the school of dentistry. This could be accomplished with private donations, unencumbered corporate sponsorships, and Foundation drives. They said they would encourage Nevada orthodontists and dentists to establish and fund endowed chairmanships. Members of their society could assist through sponsoring internships in their offices and through student sponsorship for educational research and professional meetings. The Society also pledged to assist in lobbying at the state and federal levels for support of the general dental and specialty programs at UNLV. The Society felt that the use of private encumbered funds would only serve to diminish the academic integrity of the dental school, threaten its accreditation, and undermine the scholarly reputation of the university as a whole.

The meeting recessed at 12:04 pm and reconvened at 12:32 p.m. with all members present except Regent Bandera.

Chair Anthony asked Dean Ferrillo to speak to Regent Seastrand's question. Dean Ferrillo said that this dialog had revealed that there could be ideas that UNLV had not considered.

Regent Bandera entered the meeting.

Dean Ferrillo said that the contract provided UNLV the liberty to determine the desired selection and admissions process. He said that would be determined by the faculty and the director of the program. He said the discussion had been based upon a model developed by the dental school. He noted that Regent Seastrand had suggested a different model that attempted to address many of the concerns expressed. He said the ultimate goal is to create a quality program to serve the community's needs. He clarified that Regent Seastrand's suggestion had been to conduct a blind selection process. Potential OEC recipients would not be recognized until the process was completed. He felt that was an acceptable way to handle the issue.

He acknowledged that such a procedure could potentially yield a class of 16 non-OEC residents or all OEC residents. UNLV would not receive the additional \$30,000 if there were no or only limited OEC participants. The business plan presented by Provost Alden clearly showed the program could move forward in Phase I with receipt of the initial gift. He said the option to continue with Phase II would still be provided if there were OEC recipients each year.

Regent Dondero asked whether it was possible to work with the local dentists or with the statewide dental association. Dean Ferrillo agreed, adding that he met with the State Dental Society Board of Trustees. He said that he recently spoke before the House of Delegates about the school of dental medicine and that he met with orthodontists in the community. He said he welcomed the opportunity to speak to the orthodontic community and anyone wanting to discuss this issue. He had not heard from anyone, though he intended to continue to pursue contact. He said that he believes in working with organized dentistry.

Regent Sisolak apologized to those taking the meeting minutes, adding that he was not questioning the manner in which the minutes are taken. He clarified that Regent Seastrand's suggestion started with a large pool and that sixteen people will be identified from the entire pool of applicants who will be offered residencies in the program. Dean Ferrillo clarified there would be steps in between. He said the admissions committee would review the applications and identify those who meet the established criteria. That process determines those who will be interviewed. Then the final decision is made.

Regent Sisolak asked whether OEC would approach the residents after the 16 slots had been allocated. Dean Ferrillo replied that OEC might have already contacted some of the applicants in the large pool, but UNLV would not know that. Regent Sisolak said that those students would not be "guaranteed" any slots in the program. Dean Ferrillo agreed, adding that UNLV would admit eight. He noted that under this arrangement, Nevada residents could be left out of the process. Regent Sisolak said that when the 16 individuals were identified (who would be offered slots in the residency program) that OEC could approach those individuals. He asked whether all 16 applicants could decline the offer. Dean Ferrillo replied that they could, adding that OEC only wanted 8 applicants. Regent Sisolak asked whether OEC was still willing to make the \$3.5 million gift if none of the applicants agreed to go with OEC. Dean Ferrillo replied that was his understanding. Regent Sisolak said it had changed from his previous understanding. Dean Ferrillo replied that it had not changed. The only change was to the selection process. He said there was nothing in the contract requiring the selection be done in a certain fashion. The contract stipulates that 8 slots would be available for OEC fellows. Regent Sisolak asked whether the slots would be offered to the top 16 applicants. Dean Ferrillo said that, based on the criteria set by the faculty, there would be more than 16 because the first 16 would not necessarily accept UNLV. UNLV would identify those selected by the faculty as being the top people in the pool. Regent Sisolak asked for clarification from counsel that the contract indicated otherwise. General Counsel Ray said that he was not clear about what was contemplated and was less clear on whether the contract accommodated that. He said we would need to make it very clear with OEC that that was acceptable. Dean Ferrillo read a portion of the contract stipulating that UNLV maintained control over the admissions process. Regent Sisolak observed that all of the applicants would meet the minimum qualifications. Dean Ferrillo replied that they would meet the requirements of the initial screening. The other requirements begin when the faculty begins interviewing. Regent Sisolak said that he did not have a problem if he understood it the way he thought that Dean Ferrillo was explaining it. He noted that OEC could hypothetically get zero candidates in a year. Dean Ferrillo agreed. He said it was their obligation to bring qualified applicants to the pool. Regent Sisolak said this was not the way it had initially been explained to him. He was troubled that OEC was not present to answer the question. Dean Ferrillo explained that OEC could not tell UNLV how to do it. He said it would be necessary to make UNLV's selection process very clear to OEC. Regent Sisolak asked whether General Counsel Ray understood the point. Regent Dondero said that she had specifically asked OEC who would be in charge and who would administer the entire program. She said that she was told that it would be UNLV.

Regent Derby said she did not want to lose this opportunity for UNLV. She felt it was one of the most promising public-private partnership possibilities that had been presented during her time on the Board. She said these types of partnerships were emphasized and encouraged due to diminishing state support for higher education. She related that public institutions everywhere were encouraged to pursue these kinds of partnerships to help advance the institution's mission and to bring outside resources that allow the institution to move forward in areas they would otherwise be unable to. She noted that it also provided an opportunity for students who would not otherwise have access to an orthodontic program, as well as access for treatment for the underserved in the community. She noted that the program could provide revenue enabling other programs to be made available in the health science arena. She asked the Board to remember that this represented a major opportunity for UNLV that also provided advantages for the private sector.

Regent Kirkpatrick asked about the cost for a non-OEC student. Provost Alden replied that OEC would provide \$95,000/year for each of their fellows, which consists of tuition (\$30,000/year), fees (\$5,000/year), stipend for living expenses (\$30,000/year), and a long term commitment (\$30,000/year) to support the operations cost associated with the individuals in the program. Regent Kirkpatrick asked about the cost for non-OEC candidates. Provost Alden replied it would be \$35,000/year, which was not much more than the dental students currently pay. Regent Kirkpatrick asked about the blind selection of 16 candidates. Provost Alden clarified that OEC may have pre-recruited the applicants, but UNLV faculty would not know which applicants were OEC and which were not. This will comprise the first cohort of potential candidates. Some will accept the agreement, while others will not. Regent Kirkpatrick established that UNLV will identify the sixteen candidates and tell OEC they had been selected. Provost Alden agreed, adding that the professional schools need to identify more than

the number of available slots. He said they may identify 50 people, with the hope of getting 16 acceptances. OEC would then be able to contact those 50 people identified as the best by the faculty under their criteria.

Regent Kirkpatrick asked how a government agency could reveal private, personal information to a profit-making corporation without the individual's permission. He asked whether the individuals would be informed that the information would be shared with OEC. General Counsel Ray replied that it was a FERPA issue. If it is necessary for OEC to have academic information there would need to be some kind of consent from the student. Regent Kirkpatrick asked whether the student would know upfront that OEC may be interested in them. General Counsel Ray replied that if that information was necessary, that would have to be part of the packet. Regent Kirkpatrick said he had received many letters from people opposed to this program. He did not want to vote on the matter until he could see the revised contract.

Regent Rosenberg said there would be 16 slots. UNLV would recruit students. There could be 50 applicants. They will all be ranked by a committee strictly on the basis of UNLV's dental school criteria. Provost Alden agreed. Sixteen people will be admitted. No one on the admissions committee will know whether they have been contacted by anyone until after they have been admitted. Provost Alden agreed that was true during the selection process. Regent Rosenberg said that then OEC may have spoken to two or three applicants. UNLV is obligated to keep 8 slots open for OEC. It is all right if there are less than 8 OEC candidates. No one knows anything until after the best and brightest have been admitted. Provost Alden agreed, adding that use of that model could keep Nevadans out because there are usually more out-of-state applicants. Regent Rosenberg said that the only thing affected would be the amount of money that may come in on a yearly basis from OEC. Dean Ferrillo said the models were purposely set up so UNLV would never have to rely upon the income stream from the partnership. Regent Rosenberg asked whether Dr. Ferrillo was assuring him that the admissions process will be totally clean, blind, and faculty-controlled. Dean Ferrillo and Provost Alden agreed that it would.

Regent Hill said that he heard a different version of this arrangement when he met with Dean Ferrillo and the OEC representative. Given the statements currently made, he was willing to make a motion.

Regent Hill moved approval of the program/contract in concept, with approval conditional upon a totally blind admissions procedure, the finalized contract with the changes discussed to be brought back to the Board's next meeting for final approval, and the final admissions procedure that the school decides upon to be reported to the Board to ensure that it is a blind admissions procedure. Regent Seastrand seconded.

Regent Hill said that he could not see any reason why Nevadans could not be given preference when applying for this program.

Chair Anthony clarified that approval was requested for a Memorandum of Understanding. Regent Hill explained that he was suggesting approval of the concept and that the Board would not vote on the final contract because they had not yet reviewed it.

Regent Sisolak noted a point of clarification, adding that he believed the motion was off topic.

Chair Anthony clarified that the agenda item requested approval of the Memorandum of Understanding between UNLV and Orthodontics Education, Ltd. He asked whether Regent Hill was requesting approval of that. Regent Hill replied he was not, adding that he wanted to approve the contract in concept.

Regent Sisolak noted a point of order.

Regent Hill said they would not sign the contract and that it must come back to the Board. Chair Anthony established that Regent Hill's motion would not approve the program that day. Regent Hill said that it would approve the program assuming that the contract was returned and signed, the necessary funding was provided to go forward with the program, and OEC accepted it, then an approved contract would be voted upon at the next meeting.

Regent Seastrand said it made sense to bring the contract back for final approval. He felt the contract needed to be reviewed completely to ensure the suggested changes had been incorporated. He said he was content to acknowledge they had come to some agreement to it so they could proceed with OEC to bring back the final language to close the deal.

Regent Sisolak noted a point of order, stating that the posted agenda item had nothing to do with the motion. He felt it should be brought back and noticed properly. He noted that the agenda item specifically referenced a Memorandum of Understanding between UNLV and Orthodontics Education, Ltd. He observed that significant changes and clarifications had been made to which the public domain had no opportunity to speak. He suggested bringing the item back incorporating Regent Seastrand's and Regent Hill's suggestions.

General Counsel Ray stated that the agenda item requested approval of the particular agreement submitted to the Board. The motion was to approve the concept subject to bringing the contract back for final approval with certain amendments to the contract. He did not believe that the motion was outside the scope of the agenda, adding that the Board did not have to do exactly what was requested in the agenda language. He did not think it was a material part of it. He said the motion could

simply be to bring it back at the next meeting with these changes. Regent Sisolak said he could agree with the fact that if the party, of their own volition, wanted to return making the requested changes. But to approve it in concept before it has been delineated or codified did not comply with the spirit of the Open Meeting Law. General Counsel Ray felt it was a conditional approval and that it was not a material part. He felt the Board could bring it back with the changes.

Regent Hill said he did not object to moving to bring it back with these conditions.

Regent Hill withdrew his motion. Regent Seastrand withdrew his second.

Regent Hill moved approval of bringing the contract back with the modifications to be voted upon at the next meeting, additionally there must be a clear understanding that it will be a totally blind admissions procedures. Regent Seastrand seconded.

Regent Sisolak clarified that the Board was not approving anything other than to bring the contract back.

Regent Howard said she never heard of anyone approving a contract in concept. Chair Anthony observed that the motion had been changed. Regent Howard asked whether anyone had heard of such a concept. Regent Hill noted a point of order, explaining that it was not the motion. Chair Anthony clarified that it was no longer the motion. Regent Howard asked whether it was an actual business practice.

Regent Howard requested an explanation of a totally blind admissions procedure. She asked about the criteria involved, who it includes and who it excludes. Dean Ferrillo replied that the criteria would be determined by the faculty. He said that a list of criteria is reviewed (i.e., grade point average, national board scores, commitment to research, community activity, leadership). The term "blind" refers to whether or not the applicants are OEC fellows. He said the faculty would determine the criteria and devise how each candidate would be evaluated. Interviews would then be conducted. He said it was only the issue with OEC that would be blind.

Regent Howard asked about low-income students and where the affirmative action part is, adding that she heard a reference to diversity and minority students during the presentation. She asked where the affirmative action was in this. Dean Ferrillo said that any admissions process would be reviewed by counsel. He said you consider socioeconomic issues as a potential for looking for criteria when beginning to review a candidate. Someone in a community who was very strong in community activity and leadership in an underserved community could be assigned extra credit for such service. Use of such factors is allowed, especially with health-related programs, in order to create access to care and diversity. It is not a strict ranking of candidates. Regent Howard asked where that was built in and how she could be assured that such factors would be considered. Dean Ferrillo said they would be considered. Regent Howard asked whether it was part of the agreement, adding that she could not rely upon a verbal statement. Dean Ferrillo said it was clearly part of the understanding. He said the agreement would allow the socio-economically deprived to have the opportunity. He said that such a large debt would be difficult for such people. He said this would allow those who qualify to take advantage of the program and not be overly burdened by debt. Regent Howard asked about their debt upon graduation. Dean Ferrillo replied that they would not have any additional debt going through the orthodontic program, though he acknowledged they would have debt when entering the program if they had incurred debt during dental school. Upon graduation no further debt would be incurred. Regent Howard asked about the debt a low-income student would incur if they left the program after 2 years, adding that she wanted a specific figure. Dean Ferrillo said it would depend, adding that he could not provide a specific figure. He said the contract with OEC would clearly explain that particular debt. Students will understand the consequences of leaving at any point during the contract. He said he would advise students to retain a lawyer and to have the contract reviewed by their attorney and accountant. Regent Howard did not think that people in that situation could afford an attorney. She asked why a number could not be provided. Dean Ferrillo explained that it was proprietary information between OEC and the residents. Regent Howard asked why it was private information. Dean Ferrillo said that it was his understanding that it was typical in the business world. He said he would not know the amount of a loan that a student might take out to purchase a private practice.

Provost Alden explained that when the student signs the contract they are effectively becoming partners in the business. The entire business model is explained in the contract. It has taken OEC a number of years to develop this model and it is considered proprietary. Regent Howard said that it seemed like something was hidden. She was concerned that students who cannot afford an attorney will get into something they cannot get out of. She said she did not feel comfortable with what she was hearing.

Chair Anthony said this is a new and different program and partnership. Regent Howard said that she wanted her questions answered. President Harter said the contract between UNLV and OEC is public and would be approved by the Board. The private agreement is between the student and OEC. She related that the public university she attended had no knowledge of how many years she was indebted to repay her federal loan. She said that nursing students experience the same thing with loans from Sunrise Hospital.

Regent Sisolak asked whether the matter would be brought back. Chair Anthony replied that it would, if the motion passed. Regent Sisolak said the Board was not approving anything. Chair Anthony agreed.

Regent Alden said he would not approve the request unless three conditions were met: 1) There must be full disclosure to the student regarding the financial obligations at any point they decide to leave the program and they are well aware they are going to pay back the debt with work time; 2) If accreditation is removed there is no payback of funds given to UNLV and no interest; 3) No automatic renewal, they must return to the Board for approval of renewal.

Regent Seastrand called the question.

Chair Anthony clarified the motion was to bring the MOU back with the suggested changes. The final decision will be made at the next meeting.

Regent Seastrand explained that a blind selection meant that UNLV would not consider whether or not the student was contracted to OEC as part of the selection criteria. President Harter agreed.

Regent Schofield said he wanted to vote for an orthodontics school in the worst way. He said he had heard things that had confused him. He now understands that the orthodontic associations are totally against this statewide. He said they had not been provided an opportunity to offer an alternative presentation. He was puzzled by that and said he would pass until he could review other alternatives.

Regent Bandera stated that she had been contacted by a representative of the associations opposing this in October. She requested an alternative to this proposal. She was again contacted in February and she again requested an alternative. She said that she also requested an alternative a week ago. No response was ever received.

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

President Harter requested a special meeting to consider this, issue adding that a decision in June would be too late. She related there are 11 other institutions waiting for this program. Chair Anthony agreed to consider the request.

25. Approved-Handbook Revision, Residency Accommodations - At its January 2004 meeting, the Board took action to amend its residency regulations to comply with the Nevada Revised Statutes, and accommodations were provided for qualifying students who matriculated as non-residents during the 2003-2004 academic year. The Chancellor provided an update on implementation of 2003-04 accommodations. The Board approved a Handbook revision (*Title IV, Chapter 15, Section 4*) to formally bring the residency regulations into compliance with the state statutes. Staff was further requested to research the legal status of providing accommodations to qualifying students who matriculated between Fall 1995 and Fall 2003. The Board was presented with options, costs, and other actions that may need to be taken, including but not limited to possible use of discretionary funds, investment funds, stale claims process, tort claims fund, statutory contingency funds and/or legislative appropriations for the payment of refunds. Other matters to be discussed included whether a statute of limitations should be applied to claims for refunds; the ability to waive any applicable statute of limitations; to what extent interest should be allowed on refunds; and whether students should be given the option of receiving financial credit at System institutions (*Ref. U on file in the Board office*).

Chancellor Nichols provided a recap of the events leading up to this point.

- The Board directed the institutions to begin issuing tuition refunds to eligible students and directed staff to return in March with information on the statute of limitations and fiscal options for providing accommodations to students who matriculated between 1995 and Fall 2003.
- To date, there has been no opinion from the Attorney General; however, the Legislative Counsel Bureau did provide an opinion.
- LCB determined that "matriculation" is defined, with certain limited exceptions, as when a newly enrolled student begins his/her first day of instruction at an institution.
- In LCB's opinion, the 3-year statute of limitations for refunds could be imposed under varying theories and would not begin to run until January 2004.
- LCB could find no legal precedent precluding the Board of Regents from voluntarily refunding tuition that was incorrectly assessed back to 1995.
- Regarding the Board's fiduciary responsibility and whether the Board is bound to limiting refunds, LCB noted that the Board must balance its responsibility to the state of Nevada with its responsibility to act in the best interests of students, including current students. LCB finds that it is at least arguable that the Board's fiduciary duty is not necessarily to insure that the System's coffers stay as full as possible, but also to stand as an example of fair play and obedience to the laws of this state. Under this premise, a person might reasonably assert that for the purpose of upholding the law and setting a good example the Board should voluntarily refund tuition. LCB noted that it is also clearly a duty of the Board to chart a course of fiscal responsibility and to ensure that the System remains financially viable.

- The Board would also want to consider the likelihood of success in a court action if the court did not go back to 1995. Multiple lawsuits could be a greater financial burden than issuing the refunds.
- The Board's fiduciary duties considered broadly are owed not just to the System, but to the electorate of the state as a whole. The Board will need to weigh several considerations in determining whether the refunding of tuition is consistent, including public perceptions of fairness and the likelihood that aggrieved students would prevail in lawsuits against the System.
- LCB could find no law prohibiting the issuance of credit for tuition/registration fees in lieu of cash reimbursements.

Chancellor Nichols reported that credits or vouchers are not feasible within the current accounting and student information systems. The institutions view them as a greater burden than the gain that could be made from the use of credits or vouchers. Other factors include consideration of refunds to 3rd party payers (i.e., employers, federal government). She recommended that the solution be totally consistent with the current policy on refunds. Consistent with those refund policies, 3rd party payers are refunded first. Students will receive refunds after they satisfy all standing obligations to the institution. Chancellor Nichols reviewed refunds issued to date:

- CCSN – 41 applicants: 18 approved; 14 pending; 4 incomplete; 5 denied due to ineligibility.
- GBC – 3 applicants: 3 approved.
- NSC – 6 applicants: 3 approved, 3 denied.
- TMCC – 18 applicants: 8 approved, 4 incomplete, 6 denied.
- UNLV – 75 applicants: 21 approved, 25 pending, 29 incomplete.
- UNR – 17 applicants: 17 pending.
- WNCC – 6 applicants: 5 approved, 1 pending.

Chancellor Nichols reported that approximately 5,694 students would potentially be affected. Chancellor Nichols said that she did not have a lot of confidence in that figure, but acknowledged that the institutions had made their best faith effort. It is not known at what rate students will apply for refunds.

Funding Options - UCCSN legal counsel finds that tuition refunds could be paid from the investment operating pool income. By Board policy the monthly rate of distribution from the fund is made at an appropriate rate determined by the Investment Committee, but the Board may choose temporarily to suspend this policy in order to allow the Board as a whole to consider using investment income to pay refunds. Current uncommitted investment operating pool income totals approximately \$6 million. The current estimate of operating pool surplus totals \$6,483,736.74. DRI's portion (\$358,177.90) would not be included since they are not participating in student refunds. Each institution would have the total of its investment income available. The advantages of using operating pool income include:

- The pool of dollars is available immediately.
- A report could be provided to the Board every six months on the draw-down.
- This option does not penalize current students or programs.

The disadvantages of using operating pool income include:

- Exact cost per institution remains unknown.
- The payout will continue over three years.
- If an institution expends all of its investment income to pay refunds, will the Board permit a negative balance?

Other funding options include:

- Stale Claims Fund.
- Tort Claims Fund.
- Non-State-Supported Accounts.
- Legislative Appropriations in 2005.

Chancellor Nichols provided the following recommendations:

- Provide voluntary refunds back to 1995.
- Submit potential claims according to a 3-year statute of limitations, January 2004-December 2006.
- Issue cash refunds.
- Suspend Board policy to permit the use of unallocated UCCSN investment income to fund the rebates so as not to penalize current students.
- Empower the Chancellor to explore with state officials a potential reimbursement from the State Tort Claims Fund, Stale Claims Fund, or any other source.
- Report to the Board regularly to allow for changes in strategy if needed.
- Maintain the current application process and criteria.
- Publicize students' right to make a claim through legal notices in newspapers, individual letters to last-known address, posters, web sites, notices in student newspapers, notices in college newsletters, and notices in alumni magazines.

- Approve a Handbook amendment to codify actions taken at the January Board meeting.
- Pursue a change in statute to update the residency requirements to match other states and to ensure that taxpayers do not subsidize students who reside in Nevada solely to attend school.
- Work with federal and state authorities to resolve payments to third parties.
- Resolve internal, technical issues concerning retroactive changes to student records and accounts.
- Establish System-wide consistency in how the residency regulations are interpreted and applied.

Regent Hill moved approval of the Chancellor's recommendations. Regent Bandera seconded.

Regent Sisolak thanked the student for bringing this matter to his attention.

Regent Rosenberg said he was delighted with the outcome and applauded the recommendations.

Regent Alden asked whether a system/procedure would be derived for all students, going back to 1995, to have an opportunity to get a refund. Chancellor Nichols replied that they would.

Regent Whipple noted that Senator Townsend was present and asked whether he had anything to add. Senator Townsend replied that the opinion brought forward by LCB counsel made the Board's choices clear. He said there are no priorities relative to the refunds or the accounts to which the Board could look. He said that would be a Board decision. The LCB opinion references the contingency fund. Senator Townsend reported that the two special sessions had seriously depleted that account. He suggested that fund would be less viable for the Board for refunds. Rather than litigate, refund applicants could wait for the legislature to return to session to resolve the matter. He said the legislature would be the Board's partner in this process, adding that litigation was not good for anyone. He acknowledged that this is not something that the System is normally set up to do. He advised people to be patient when waiting for their refund checks. He said he would provide a copy of the legal opinion to Chancellor Nichols.

Regent Dondero asked about the requests already received for refunds and how the System would handle multiple requests. Chancellor Nichols replied that refunds for 2004 and 2005 could come out of the current year's operating budget. The campuses will need to find the money, but UCCSN is allowed to make refunds within the current year. Regent Dondero asked whether the process had started. Chancellor Nichols replied that it had, adding that some students had already received their checks.

Regent Howard commended the student for bringing this matter forward and the Chancellor for her swift response.

Regent Kirkpatrick thanked the Chancellor for her recommendations. He observed that a sound, reasonable and measured approach would work and encouraged those who were previously upset to rethink their comments.

President Romesburg clarified that the Board was approving the Chancellor's recommendations and not the figures presented on page 8 of the reference material.

Motion carried.

26. Information Only-2005-2007 Capital Project Requests - The Board reviewed an initial prioritized list of capital improvement projects requested by the UCCSN institutions and provided direction to staff on the Board's priorities for the development of the 2005-07 UCCSN biennial capital budget. Final action to recommend a System-wide capital request will be taken at the June meeting (*Ref. V and #26 on file in the Board office*).

Chancellor Nichols reported that the Budget & Finance Committee held a meeting in February providing each campus an opportunity to discuss their capital requirements. Since then, the Chancellor and the presidents held a number of difficult meetings attempting to assemble a preliminary list. Chancellor Nichols asked the Board to express their desires for ordering the capital project requests. She noted the presence of representatives from Pahrump who also wished to speak to the Board.

Chancellor Nichols reported that factors considered when ordering the list included: the actual and estimated headcount and FTE enrollments for Fall 2003 and Fall 2012, the need for classroom space, research space and total space shortages. CCSN has the greatest need for classroom space followed by NSC, UNLV, and TMCC. UNR has the greatest need for research space followed by UNLV and DRI. Each campus is experiencing total space shortages, though CCSN has the greatest need followed by UNLV, UNR, NSC, TMCC, DRI, GBC and WNCC. The age of the facilities is also considered. System-wide, 45.9% of UCCSN buildings are 20 years or older, while 34.6% are 30 years and older. Buildings over 30 years old typically need to be either refurbished or razed. The oldest facilities are at UNR, followed by UNLV, GBC, WNCC and TMCC.

Chancellor Nichols reviewed projects addressing classroom needs, new campuses, as well as projects that received planning funds in 2003 and projects requesting planning funds in 2005. She related that the available private/institutional

funding was also considered. She noted that the percentage of state funding had decreased every year for the past four biennia. Projects that are supported by institutional resources and gifts are also considered, as well as projects that address health, safety, and code issues.

Proposed Priorities:

- The first four priorities (all numbered #1) consist of FF&E for CCSN (Health Science Building), NSC (Liberal Arts Building), UNLV (Science, Engineering & Technology Complex), and UNR (Knowledge Center-Phase I) projects totaling \$25.45 million.
- First point of choice for the Board's remaining fourteen proposed priorities:
- TMCC (Red Mountain Fire Code Deficiencies) - \$2 million.
- GBC (Electrical & Industrial Technology Building) - \$7.7 million.
- UNLV (Greenspun College of Urban Affairs Building) - \$30.10 million. A \$12 million gift is contingent upon the project being funded in this biennium.
- UNLV (Student Services Addition) - \$9.51 million.
- CCSN (Campus Learning Center & Classroom Facility-West Charleston) - \$25 million.
- UNR (Science & Math Education Center) - \$50 million.
- NSC (Purchase the Dawson Building & Property) - \$3 million.
- DRI (CAVE Automated Virtual Environment Facility) - \$15.47 million.
- CCSN (Automotive Technology Building-Cheyenne) - \$20 million.
- UCCSN Health, Safety, and Code Projects - \$18.44 million.
- CCSN (Pahrump Educational Complex) - \$6.8 million.
- TMCC (Red Mountain Building Renovation) - \$8.37 million.
- UCCSN Planning Funds - \$14.52 million.
- UNR (Academic Medical Center) - \$70 million (private funds).
- HECC and SHECC Funds - \$15 million for minor repairs and improvements, maintenance, repair and renovation. SHECC funds are first obligated to the retirement of the Pavilion bonds for the arenas at UNLV and UNR. Any remaining funds are devoted to maintenance, repair and renovation. UCCSN is requesting an additional \$5 million for the biennium for minor repairs and improvements as has been done in the past.

Chancellor Nichols reported that the entire list of projects totaled \$190.15 million:

- CCSN - \$59 million.
- DRI - \$13 million.
- GBC - \$7 million.
- NSC - \$8 million.
- TMCC - \$14.67 million.
- UNLV - \$38 million.
- UNR - \$44.5 million.
- WNCC - \$5.9 million.

Ms. Vickie Hafen Scott introduced representatives from Pahrump: State Assemblyman Rod Shearer, County Commission Chairman Henry Neff, Nye County School Superintendent Dr. Rob Robert, Nye County Commissioner Patricia Cox, Mr. Bob Sweidel, former Assemblywoman Jane Wisdom, and Mr. Frank Tussing, Nevada Alliance for Energy Defense and Business. Ms. Hafen Scott reported there was a community uproar in regard to this project and they wanted the Board to hear them. She said there were commitments from the Nevada Test Site employers in regard to manpower training needs and their desire to be able to have the training provided in Pahrump. She said she was presenting a unique private-public-federal government project representing a proposal to fund the first building for a permanent campus in Pahrump. Pahrump currently has a High Tech Center located on the high school campus, which is available for afternoon and evening classes. Despite the lack of daytime classes, Fall FTE totaled over 200 students. The proposed building is 44,135-sq. ft. and duplicates the B Building on CCSN's Henderson campus. Ms. Hafen Scott said the group had not previously requested planning money for the building because they knew what they wanted to build and they did not want to waste the taxpayers' money. She reminded the Board that this group had appeared before the Board in May 2000 requesting to be moved up on the priority list for this project. She related there have been four presidents at CCSN in four years. This group has been working with each of the presidents trying to make this project a priority. She asked the Board to show support for this rural community. Ms. Hafen Scott related that planning money would be saved by choosing an existing building design with low developmental cost. The capital improvement request totals \$5.3 million. The group has secured \$1.5 million in matching funds from the county commission and the community (22% of the overall project). The total building cost is \$6,866,875 on a 280-acre site. She said this was the third request for this project, noting the group had first proposed the project in 2000 and had participated in the 2001 and 2003 legislative sessions. She related that the proposal included matching funds of more than 20%, and was a relatively small project backed with tremendous community support. She said that Pahrump is rapidly growing with the population in Nye County approaching 40,000 (30,000 in Pahrump). She said that Pahrump is growing faster than any other rural community and is projected to grow 50% faster than Carson County. She said that Pahrump is the most underserved area in Nevada. She noted the Board had funded campuses in every rural community in Nevada except Pahrump. She noted that Pahrump is the second largest rural community, just behind Carson City, and that the High Tech

Center is overloaded. The Pahrump initiative includes a unique 2+2+2 program with a seamless transition from high school. Pahrump has one of the highest dual-credit enrollments in the UCCSN, with 242 high school students enrolled in dual-credit courses. Pahrump's enrollment has doubled in the last year and has increased 300% in the last three years.

Mr. Bob Sweidel said that many people came together aggressively on this issue, noting the support from the school district, the Department of Energy, and the Test Site. He said the community has a proven financial support background, adding that Pahrump was the only community in Nevada that was helping to fund tuition rates for high school students.

He said they had raised over \$48,000. The local business support for this project is also tremendous. He said they needed the Board's help because Pahrump has never been strongly represented. He asked the Board to move this project into the first \$100 million dollars of capital improvement dollars.

Nevada State Assemblyman, Mr. Rod Sherer, expressed his appreciation to the Board. He asked the Board to help get this project into the first \$100 million, adding that they would handle it from that point.

Regent Kirkpatrick asked upon which committees Assemblyman Sherer served. Assemblyman Sherer replied that he served on the Judiciary, Transportation, and Constitutional Amendments committees, adding that he would serve on the Ways & Means committee during the next session.

Chair Anthony said the Board would consider their project.

Chancellor Nichols explained that the first \$100 million included priorities 1-7 on the material provided (Ref. #26 on file in the Board office). She said the Board could order the priorities in any manner they desired, adding that each priority was terribly important. She felt it was time for the System to begin considering a means of financing capital projects because the state's current tax base did not provide enough money to meet the basic needs for the number of students served. She said the Board would need to make some painful decisions.

Regent Sisolak asked whether the opportunity for item #8 (NSC-purchase the Dawson building and property) would expire in 2006. President Romesburg replied that it was a 3-year offer with two additions, which would expire in 2007. Regent Sisolak said he was concerned about the timing, noting that the project totaled only \$3 million. He preferred locking in this priority for the upcoming legislative session, rather than waiting for another session. He felt the legislature was more likely to fund a smaller project. Chancellor Nichols asked for an ordering preference. Regent Sisolak said he would like to move priority #8 (NSC-purchase the Dawson building and property) to new priority #3.5 and to move priority #12 (CCSN-Pahrump Educational Complex) to new priority #3.75.

Regent Bandera liked Regent Sisolak's suggestion. She preferred keeping the first four #1 priorities, followed by priorities #2 (TMCC-Red Mountain Fire Code Deficiencies) and #3 (GBC-Electrical and Industrial Technology Building), and then adding the projects suggested by Regent Sisolak. Regent Sisolak agreed.

Regent Hill asked whether capital projects were funded with what is left over after the state funds everything else. Chancellor Nichols replied they were not, adding that UCCSN was at the table from the beginning with the State Public Works Board regarding capital projects. Historically, UCCSN has been given more than half of the available capital funds. She said the legislature had endeavored to do as much as possible from the beginning for UCCSN. She observed that UCCSN was competing with all of the other state needs and buildings. Regent Hill felt that UCCSN would be lucky to get the first \$100 million funded. Chancellor Nichols agreed, adding that it was \$85 million in the previous biennium. Regent Hill acknowledged that it was difficult to raise money, particularly for certain items. He felt the Board should consider a policy requiring the institutions to provide a minimum percentage (i.e., 10%) of the cost of FF&E. He felt that those institutions providing less than 30% of the cost of new construction should be a lower priority. He acknowledged there could be different criteria for community colleges than for universities. He felt the Board should set a funding threshold for the community colleges, the state college, and the universities affording higher priority to those projects that include more private funding, thereby reducing the state capital expenditure. He observed that UCCSN runs out of money well before achieving the construction required. He said it was a serious money problem unless another system for funding could be derived. He felt the Board should push the institutions to raise as much funding as possible. He said that most people would realize they would need to raise the necessary funding if they wanted the building. He said he had no criticism of the Greenspun College issue because of the need for space. He observed no institutional contribution for a \$25 million project (#6-CCSN West Charleston Campus Learning Center and Classroom Facility). He did not think it was in the System's best interest to not have some contribution from the institution. He noted that the research space requirements for UNR and UNLV were tremendous, adding that on a percentage basis DRI-North's needs were even greater. He had a real concern about the \$3 million in federal funds and the research opportunities that would be lost for DRI (#9 CAVE Automated Virtual Environment Facility), and noted that it was a smaller project. He was not sure whether DRI should also be pushed to raise funds like the other institutions. He felt that each institution should raise more money for these projects. He asked why it was not possible to raise private funds for FF&E, what percentage should be set as a minimum, and why the institutions shouldn't have to meet a minimum. Regent Hill said that he would like to see priority #9 (DRI-CAVE Automated Virtual Environment Facility) moved up to new priority 4.5.

Regent Rosenberg observed that UNLV's Greenspun College of Urban Affairs building has \$12 million in-hand. If they do not get what they need they will lose the gift. He agreed it would be wonderful for each institution to have at least part of the money in-hand when making their requests.

Regent Sisolak suggested ordering the NSC and CCSN-Pahrump projects as priorities #4a and #4b.

Regent Rosenberg observed that the problem with raising money was that the System was drawing from a relatively small pool of donors who are repeatedly approached. Each campus must prioritize who will be approached for which project. He observed that put many at a supreme disadvantage. He firmly believed the Board should pay attention and move projects up in priority when having someone willing to donate a great deal of money in return for building the facility while they are still alive.

Regent Dondero felt it was important to consider the need, school population, and how to provide seats for the students. She agreed that Pahrump has a growing population and needed the building. She observed that CCSN and UNLV were also in desperate need for more room. She felt the Board should consider where the greatest number of students are when determining these priorities. She wondered what was necessary to complete the UNR library project, adding that she considers where the needs are the greatest.

Regent Howard shared Regent Dondero's concerns, feeling that the Board should look more at growth and what the needs are now and in the future. She observed that each time the Board moved an item up in priority it moved another one down. She felt the Board should be conscious of growth. She asked what priority #11 (System Health, Safety and Code compliance projects) entailed. Chancellor Nichols replied that it was outlined in the material provided. Regent Howard asked whether it included security. Chancellor Nichols replied it did not as it was already funded. Regent Howard asked why only \$0.5 million was coming from the institution(s). Chancellor Nichols replied that it was difficult to get donors for these types of projects. She said the Board was looking at whether or not the institution could set aside CIP funds or some other source of non-state funds that can be dedicated to this. She said it was not feasible for campuses to have to match funds for these types of projects. She said they would be more successful with buildings, which are much more attractive to donors. Regent Howard asked whether priority #15 (UNR-Academic Medical Center) was a Board-approved project. Chancellor Nichols replied that it had come before the Board before and had been priority #20 on the last capital list. Regent Howard asked whether the Board approved it. Chancellor Nichols replied that they had.

Regent Howard asked whether the Academic Medical Center was a UNR project and outside of the School of Medicine. President Lilley clarified that it was for the School of Medicine. Currently, UNR has leased space for the School of Medicine's Las Vegas campus. This would be permanent space for the Las Vegas campus. Chancellor Nichols clarified that it has been a UNR/UNLV project. UNLV has considered bringing over part of the dental school program to be a part of it. Regent Howard asked whether it was in conjunction with the City of Las Vegas. Chancellor Nichols replied that it was. Regent Howard asked whether it would be fully funded by the institution. Chancellor Nichols replied that it would be funded by the institution or private donors. Regent Howard asked about the use of city funds. Chancellor Nichols replied that none were committed at this time. She said it was possible that the lease payments could be re-directed to support this project. At this time there is no state capital money for this project.

Regent Alden left the meeting.

Regent Rosenberg said it was important to recognize that as the System builds they are also complying with certain state mandates (i.e., 20:1 teaching ratios). The goal cannot be attained without the necessary space. Chancellor Nichols said that the only limitation on class sizes was fire restrictions. Regent Rosenberg said that classes should be at least 15:1 in order to accomplish the kinds of things that are necessary. He said it was difficult when there were not rooms large enough to accommodate larger class sizes. He said that UNR can only accommodate 12:1 on a regular basis. Without larger spaces and additional classroom space the institutions cannot do what they need to do in order to be funded properly.

Regent Seastrand left the meeting.

Regent Kirkpatrick observed that a \$20 million building had been built for CCSN every year that he had been on the Board. He noted that CCSN was further behind than when he came to the Board. He asked how many times the UNLV student services addition had been on the list. President Harter replied it had been on the list for at least five or six biennia. Regent Kirkpatrick said that he had tried to move this project ahead of the second new building for NSC in the last session. He felt it was finally time for this project to be funded. He supported moving the other two projects up, but cautioned the Board that they could lose priority #7 (UNR-Science and Math Education Center), which included an \$18 million commitment in private funding. He advised the Board to be careful.

Regent Dondero asked about the renovation timeframe for the Dawson building. President Romesburg explained that renovation was necessary because there is no access to the second level and the building does not meet ADA requirements. He said the urgency was in buying the building because the lease will expire before the next legislative session.

Regent Schofield left the meeting.

27. Approved-Varsity Village Project, UNR – The Board approved President John M. Lilley’s request for the following:

A. An agreement between the Board of Regents of the University and Community College System of Nevada on behalf of the University of Nevada, Reno Intercollegiate Athletics and the Athletic Association, University of Nevada, Inc. related to said financing of the Varsity Village project; and

B. A \$4.6 million tax exempt loan between the Board of Regents of the University and Community College System of Nevada on behalf of the University of Nevada, Reno and Wells Fargo Bank to secure financing to expand and renovate the Sports Medicine Complex, Cashell Field House and related facilities, a project known as Varsity Village (Ref. BB on file in the Board office).

Regent Hill moved approval of the Varsity Village Project for UNR.
Regent Whipple seconded. Motion carried. Regents Rosenberg and Sisolak voted no. Regents Alden, Schofield and Seastrand were absent.

28. Approved-Lease Agreement, Nevada Physical Therapy Group, UNR – The Board approved President John M. Lilley’s request for a 15-year lease agreement between the Board of Regents of the University and Community College System of Nevada on behalf of the University of Nevada, Reno Intercollegiate Athletics and the Nevada Physical Therapy Group (*Ref. CC on file in the Board office*).

Mr. Ron Zurek, Interim Vice President, Administration & Finance-UNR, reported that there were presently two sports facility groups operating on UNR’s campus within the sports medicine complex. One is Reno Orthopaedic Clinic and the second is the Nevada Physical Therapy Group. Currently, Nevada Physical Therapy Group subleases 2,500-sq. ft. of space from the Reno Orthopaedic Clinic. Recently, Nevada Physical Therapy approached the university with two ideas. First, they wanted to help support the development of the Varsity Village (just approved). Secondly, they wanted to expand their amount of lease space by leasing an additional 2,500-sq. ft. directly from the university. UNR requested approval of a lease with Nevada Physical Therapy Group with the following attributes:

- 2,500-sq. ft. space at a rate of \$2.50/sq. ft. (\$75,000 annually).
- Lease amount fixed for first 7½ years, followed by annual adjustments based on the CPI. Lease amount fixed for first 7½ years to allow Nevada Physical Therapy Group to “front-end” the lease. \$2.50/sq. ft. is approximately twice the current market rate.
- Should Nevada Physical Therapy Group terminate the lease for any reason, the space will revert back to the university.
- The proposal follows UCCSN’s standard lease form.
- The General Counsel’s office has reviewed and approved the proposal.

Regent Hill moved approval of the lease agreement. Regent Whipple seconded.

Regent Derby said that the approval on the previous item happened before she could ask questions and cautioned the Board against rushing through items thereby preventing opportunity to ask the necessary questions.

Regent Sisolak asked whether Regent Derby had some concerns. He agreed that the Board had a tendency to rush items near the end of the meeting. Regent Derby said that the previous item had been addressed so quickly. She was interested in asking questions about how the original public-private partnership had played out. She was frustrated that she was trying to find the item while the vote was taken. She cautioned the Board to take the time to ask the questions.

Regent Whipple moved to rescind the previous vote. Regent Sisolak seconded.

Regent Kirkpatrick observed there was an existing motion on the floor.

Regent Sisolak asked whether some items could be moved to the next meeting and whether the items were time sensitive. Chair Anthony replied the Board still had another 90 minutes. Regent Sisolak asked whether the current motion could be rescinded and the Board return to the previous item. General Counsel Ray recommended the Board withdraw the motion and second before the Board and move to reconsider the previous item.

The motion and second to approve the lease agreement were withdrawn.

Regent Bandera clarified that while members became frustrated when rushed, that it had nothing to do with the leadership of this committee. She said the leadership had been extremely patient and accommodating with everyone's concerns. She observed that the Board had consumed some time earlier and were now running a bit late. She did not feel that anyone was rushing anything on purpose.

Regent Hill said he could appreciate that people may have had questions. He said there was time to ask questions, adding that Board members had the material. He said that he had toured this facility, read the material provided, and understood what was going on. He said he did not want to cutoff anyone's questions on any matter. He suggested that members should raise their hand when they have a question.

Regent Bandera left the meeting.
Regent Schofield entered the meeting.

Chair Anthony said the Board would discuss the item. If changes were necessary, based on the discussion, the Board could then make those changes.

Regent Sisolak noted a point of order, asking whether the Board could entertain discussion prior to rescinding the vote. General Counsel Ray recommended a motion to reconsider.

Regent Kirkpatrick moved to reconsider. Regent Whipple seconded.
Motion carried. Regents Alden, Bandera and Seastrand were absent.

Mr. Chris Ault, Head Football Coach-UNR, introduced Mr. Robert Armstrong, who has provided legal services to the Athletic Association. Coach Ault reported that the Varsity Village project would provide student athletes with the resources and health management program necessary to compete at this level. The project combines a health rehabilitation center, expansion of current weight facilities, football office media areas, and a new stadium entrance. The current 2,000-sq. ft. training center was built in 1987 and expanded in 1990 when Nevada was a Division IAA program with 267 athletes. There are now 420 athletes in the program. The current facility cannot handle the number of student athletes. The project would convert the 5,600-sq ft weight room to a training center with therapy and rehabilitation pools for treating student athlete injuries. The current training center is inadequate and does not meet Division IA standards. By allowing Nevada Physical Therapy to lease part of the weight room (2,500-sq. ft.) a new rehabilitation center could be developed. A new weight room would be constructed (8,700-sq. ft.). UNR felt that renovation of current facilities was more fiscally responsible. Currently weight programs run from 6 a.m.-9:00 p.m. due to the number of athletes participating. The expanded weight room would be connected to the health and rehabilitation center. A 3,000-sq. ft. equipment room is also planned. Currently, there is no equipment room. Staff has built lofts over the lockers making it difficult to track equipment properly. This one equipment room would house equipment for all 19 sports (12-female and 7-male). The project also includes renovation of the locker room (built in 1967). Currently, 105 football players dress in an area built to accommodate 85 players. Coach Ault said that the Division IA players required video and meeting rooms between practice sessions to spend time with their position coaches. Teams are currently using Legacy Hall for team meetings. A sports auditorium will be added to seat 125 people, which will accommodate all 19 sports. The stadium entrance will also be changed to better accommodate the crowds. Coach Ault said the project totaled \$4.6 million. A \$1 million donor has been identified. None of the money budgeted is out of the current budget. The project would be funded with non-budgeted monies. He said they needed to continue to upgrade the facilities and resources in order to compete at this level. He said the project would help take all sports to the next level.

Regent Derby asked whether Reno Orthopaedic Clinic was part of this complex. Coach Ault replied that they were, adding that Nevada Physical Therapy required more room because UNR was sending them more athletes. Regent Derby asked about the length of the lease. Coach Ault replied it was 40-year lease with a 15-year loan.

Regent Howard asked how the loan would be repaid. Coach Ault replied that it would be repaid through the donor, skybox revenue, and the Athletic Association. Mr. Zurek replied that the project totaled \$4.6 million and would be financed with a tax-exempt loan at 4.16% for 15 years. A private donor has executed a pledge of \$100,000/year over 10 years. Mackay Stadium skyboxes generate \$161,000/year. AAUN will use \$125,000 of that income stream. AAUN will also contribute unrestricted funds of \$125,000/year. The Reno Orthopaedic Clinic lease generates an additional \$30,000/year. The Nevada Physical Therapy lease will add an additional \$75,000/year. He said they had more than covered the fixed payment with the income stream.

Regent Sisolak asked what else the \$125,000 in AAUN funds could be used for (i.e., academic purposes). Mr. Armstrong replied that the AAUN felt they had been very successful with their fundraising activities. They believe this is an important addition to take care of the student athletes and is part of their mission. He said the board was comfortable with this determination. Regent Sisolak asked whether the money could be used for library books or to expand the art department. Mr. Armstrong explained that AAUN's mission was to help university athletics. They would need to modify their bylaws to do so and would require a new determination letter from the IRS.

Regent Sisolak asked whether the \$105,000/year dedicated to the annual debt service was derived from the \$30,000 and the \$75,000. Mr. Zurek agreed that it was. Regent Sisolak asked whether it was a guaranteed fixed stream. Mr. Zurek replied

that it was with the assumption of approval of the Nevada Physical Therapy lease. Regent Sisolak asked whether this was contingent upon approval of the following item. Mr. Zurek replied that it was. Regent Sisolak asked why that item had not been addressed first. General Counsel Ray suggested that the two items could be combined. Regent Sisolak stipulated that the revenue stream identified had not yet been approved. Regent Hill said that if this was not approved, they would not have a weight room to lease for the following item. Regent Sisolak suggested combining the two items. No objections noted.

Regent Alden entered the meeting.

27. Approved-Varsity Village Project, UNR – (Cont'd.)

28. Approved-Lease Agreement, Nevada Physical Therapy Group, UNR – (Cont'd.)

Regent Rosenberg said he had nothing against sports, but he did object to a lack of balance between programming. He asked how many students would be impacted. Coach Ault replied 420. Regent Rosenberg noted they had discussed 100 athletes dressing in an area designed to accommodate 85. He said he has a design class with 83 students that meets in a room designed to accommodate 29. He said that music students rehearse and practice at 2:00 a.m. because they cannot get in at any other time. The English department is spread all over campus. He said that thousands of students could not get into their classes. He realized that this group was specifically designed for the intercollegiate athletics program. Coach Ault said he was an alumnus of the university and agreed the university required much academically. He said that they had raised \$48 million for intercollegiate athletics in 18 years in private funds. Not one facility had been built during his tenure with state funds. There is no state support to build athletic facilities. All of these funds have been privately raised. Regent Rosenberg observed that they drew from the same pool of donors. When the academic side is restricted from asking for money it puts them at a distinct disadvantage. He felt that more of a balance was required, adding that faculty and students were frustrated beyond belief. He felt that should change and that some attention should be given to balance.

Regent Alden moved approval of the Varsity Village project and the lease agreement with Nevada Physical Therapy Group for UNR.
Regent Schofield seconded. Motion carried. Regent Rosenberg voted no. Regents Bandera and Seastrand were absent.

29. Accepted-Fallon Campus Master Plan, WNCC – The Board accepted President Carol Lucey's presentation of the 2004 WNCC Fallon Campus Master Plan (Ref. Y on file in the Board office).

Mr. Bus Scharmman, Dean, Fallon Campus & Rural Development-WNCC, said the current plan would serve as a guideline for logical growth and change for the institution. The planning process was undertaken to address immediate campus needs and anticipated growth at WNCC's Fallon campus. The master plan committee worked with participant groups to develop a comprehensive plan reflecting the attitudes and opinions of WNCC students, faculty and staff. No financial commitment was requested from the Board. The campus is located on a 12-acre parcel. It shares space with a 10,000-sq. ft. Fallon convention Center. The campus includes three buildings totaling 34,905-sq. ft. Sage Hall was constructed in 1980; Pinion Hall in 1987; and Stillwater Hall in 1992. While providing a postsecondary education focus for Churchill County, the Fallon campus also serves as a hub for the rural corridor (including Hawthorne, Yerington, Lovelock and Fernley).

The master plan committee recommends four major developments:

- Science Lab Renovation and Expansion – One science lab (built in 1992) is utilized for all physical and biological lab classes offered at the campus. Current environmental regulations governing class activities require that precautionary action be taken for the health and safety of students and faculty. While total campus enrollment is relatively stable, enrollment in science courses is increasing. The committee recommended that the science lab be renovated into a safer biological science lab and that a separate physical science lab be developed, providing a safer teaching environment and increasing student enrollment in university-transfer and rural allied health programs. This expansion was included in the health and safety issues addressed earlier in the meeting.
- Library Expansion – The 2,176-sq. ft. Beck Library houses 10,750 volumes and provides rural students and the public access to books, periodicals and computer databases. The 1999-2000 MGT study defined the library as the least adequate library space among the UCCSN campuses, rating it 73% below campus need. Based on this study and close examination of the facility, the master plan committee recommends expansion of the Beck Library to better accommodate quiet study areas, an academic skill center, circulation and reference assistance, and computer-aided work stations. This project is currently in the second tier of capital priority projects.
- Acquisition of Fallon Convention Center – The 10,384-sq. ft. facility has outlived its usefulness as a convention center. The City of Fallon has expressed interest in developing plans to build a new, larger convention center. The committee recommends that the college continue to work closely with the City of Fallon to acquire the building. This building good serve as a future childcare center, a campus food services center, an auditorium or lecture hall, or as library space.
- Land Acquisition – The current Fallon campus is landlocked with minimal property available for future capital construction projects. Attempts have been made to acquire land south of the campus. These efforts have proven difficult as the land owners have determined their sites are worth more than the appraised value. A 27-acre parcel north of the campus exists that is currently zoned agricultural. The owners have expressed their interest in selling the

property at the appraised value. In the near future, WNCC will request authorization to utilize private funds donated to the WNCC Foundation for this purchase combined with Capital Improvement Fee funds (80% private and 20% CIP).

Mr. Scharmann said the committee's recommendations would alleviate immediate campus needs while preparing the campus for growth.

Regent Derby moved approval of WNCC's Fallon Campus Master Plan as presented. Regent Rosenberg seconded. Motion carried. Regents Bandera and Seastrand were absent.

30. Approved-Feasibility Study, Heart Transplant Facility in Las Vegas, UNR – The Board approved President John M. Lilley's request for expenditure of funds authorized and appropriated by the 2003 Nevada Legislature in SB 507 authorizing and funding certain capital improvements. The project, a portion of 03-C99L, is to perform a feasibility study for a heart transplant facility in Las Vegas (*Ref. Z on file in the Board office*).

Regent Alden moved approval of the expenditure of funds for a feasibility study regarding a heart transplant facility in Las Vegas for UNR. Regent Howard seconded.

Dr. Stephen McFarland, Interim Dean, School of Medicine-UNR, said the legislature set aside \$250,000 for a feasibility study as well as planning money should the study indicate the facility were appropriate and necessary for the state. Many Nevada patients with heart problems are moved out of the state for treatment. In order to offer a heart transplant program, other health care must also be available (i.e., cardiology and pulmonology). A committee has been formed to address this issue. All that is necessary is approval to expend the funds allocated.

Chair Anthony left the meeting.

Regent Sisolak questioned the need to spend \$250,000 to determine whether the facility is required. Dr. McFarlane said it was not necessarily predictable. One of the factors is determining the number of patients requiring heart transplants annually and the number of Nevadans who travel out of state to obtain their transplants. In past years, 14-16 people have had to go out of state, which is approximately the number required to have a viable program. The alternative would be to begin planning the facility without all of the necessary data. Regent Sisolak said that this money had been provided by the legislature without UNR's request. Dean McFarland said they had not requested the funding, adding that he had been asked to testify before the legislature. He believed it arose from concern expressed by families with family members who had difficulty getting their transplants. Regent Sisolak asked whether Dean McFarland testified in favor of this bill. Dean McFarland replied that he did. Regent Sisolak noted that it was not a Regent priority and was not included on the Board's priority list. Dean McFarland said that Assemblyman Arberry had called Dean McFarland and asked him to testify. Regent Sisolak said that this request did not appear on the list prior to the legislative session. Dean McFarland agreed. Regent Sisolak said that Dean McFarland had testified and the System received the money. Dean McFarland agreed.

Regent Whipple said that the feasibility study seemed to have come about haphazardly. He asked whether it was possible to broaden the scope of the study to determine whether there were greater needs (i.e., kidney transplant). Dean McFarland felt that was an excellent point, adding that other health issues might actually be needed more. Regent Whipple asked whether the Board could set the terms of the feasibility study to include the need for a heart transplant facility and how that compares with other health needs. Dean McFarland felt it would be good to take a broader look at the areas of transplantation.

Regent Derby said they needed to clarify the legislative intent for use of these funds. Dean McFarland said the legislature initially wanted UNR to conduct a feasibility study. Later, money was provided for planning. At one point, they even earmarked some money for the facility itself. Then it was decided to move to the planning phase. Now it has returned to the feasibility study. In order to study the issue of transplants, he felt it would be within the scope to conduct a broader study of transplantation needs.

Regent Kirkpatrick noted that the request constituted \$250,000 out of a \$1.5 million grant. Dean McFarland replied that it was. Regent Kirkpatrick asked what would be done with the remaining funds. Dean McFarland said those funds would be used for planning the facility if the study determines it to be feasible.

Chair Anthony entered the meeting.

Regent Kirkpatrick asked whether the state would build the facility or whether it would be built in conjunction with private enterprise. Dean McFarland replied that the legislature originally identified \$20 million to build the facility. Those funds are no longer included with the bill. UNR would likely have to come forward with some money as well. Regent Kirkpatrick asked whether Dean McFarland was present when the Board discussed its building priorities. Dean McFarland replied that he was. Regent Kirkpatrick asked where Dean McFarland felt this would fall as a priority on that list. Dean McFarland said he did not know. Regent Kirkpatrick felt it would be difficult to incorporate this project on the list unless the legislature allocated funds specifically for this purpose.

Regent Schofield left the meeting.

Regent Howard said she was disturbed, adding that she serves in the same district with Assemblyman Arberry. A few years ago, she tried to secure funding for the Millennium Bound Outreach Center to serve the needs of the underrepresented. She was really surprised that Assemblyman Arberry would approach UNR to establish a heart transplant facility. She did not feel that was a priority. She asked the Chancellor about procedures governing conduct when a legislator approaches a president about giving them money for something. She asked what the president's obligation was to the Chancellor and to the Board. She felt the Board was being circumvented. She felt that it seemed like some institutions get away with this while others do not. She did not feel it was appropriate for this to happen without it coming before the Board. Chancellor Nichols replied that when a president receives a call from a legislator asking them to testify in favor of something that is not on the Regents' list, the president is expected to notify the Chancellor. Either the president or the Chancellor is expected to tell the legislature that this is not on the Regents' priority list. She was assuming this is how this was handled. If Dean McFarland knew that they were thinking about money, he would be expected to notify the president, who would be expected to notify the Chancellor. Chancellor Nichols said that, to her knowledge, that system worked very well and presidents generally notified her when they were aware of a potential project. She said that legislators have the authority and the power and will always put money into their special project at the end of the session. She said she notified the Board when this happens, adding that it was a real dilemma for the Board. She said that many of the people who fight for a small amount of money for this type of project are UCCSN's best friends and we do not want to offend them. She said that she was always clear about the Regent's priorities and what she could support. Regent Howard asked at what point Chancellor Nichols would bring this to the Board. Chancellor Nichols said that she did not know anything about this until the closing day of the capital projects. Regent Howard asked at what point Chancellor Nichols would bring such scenarios to the Board's attention. Chancellor Nichols replied that she did so at every Board meeting.

Dean McFarland clarified that when he received the call he did talk to the president to avoid any suspicions of an "end run". When he spoke to the legislative committee he explained that it was not a Board of Regents priority and that he was there at the request of a legislator. Regent Howard asked whether he had the president's approval. Dean McFarland replied that he did. Regent Howard observed that a former president had been punished for similar behavior.

Chair Anthony asked the Board to remain on topic.

Regent Sisolak asked Dean McFarland to provide him with the details when he testified and asked who called Dean McFarland. Dean McFarland replied that Assemblyman Arberry phoned him. Regent Sisolak asked how Assemblyman Arberry would think to call Dean McFarland. Dean McFarland replied that Assemblyman Arberry had been a patient and he had known him for some time. He asked Dean McFarland to testify the following day on that issue. Dean McFarland said that he brought along a colleague who was knowledgeable about the subject. Regent Sisolak asked whether the majority of his testimony regarded the science and medicine of transplants. Dean McFarland said he discussed the medical aspects of heart transplants, the mechanism for getting on a list, states that address such issues, and existing centers. Regent Sisolak asked about Assemblyman Arberry's response when Dean McFarland informed him that this was not a Regent priority. Dean McFarland replied that they indicated that they were aware of that. Regent Sisolak asked whether they discussed the money. Dean McFarland replied that they discussed \$20 million, a feasibility study, and the difference between the feasibility study and the other money set aside for planning. Regent Sisolak asked whether Dean McFarland reported the results to President Lilley. Dean McFarland replied that he had. He said it had been a legislative hearing in an open meeting. Regent Sisolak asked whether President Lilley had been present. President Lilley replied that he was not. Regent Sisolak asked about Dean McFarland's discussion with President Lilley. President Lilley replied that he was very concerned about this situation. He shared Regent Whipple's concerns for whether the state needs a heart transplant facility or some other kind of facility. He was relieved when the \$20 million was not put forward and they allowed UNR to conduct a study instead. He said it was not a foregone conclusion that this is needed. Regent Sisolak asked whether President Lilley had contacted the Chancellor. President Lilley replied that he was unsure how Chancellor Nichols became aware of it, adding that Dr. Robert Dickens, Director, Government Relations-UNR also knew about it. He said this took everyone at UNR completely by surprise. Regent Sisolak asked when the Chancellor was notified. President Lilley was sure they informed her immediately. Regent Sisolak assumed that time constraints prevented the Chancellor from notifying the Board.

Regent Kirkpatrick said that this was one of the items included in his memo to the Chancellor. Her response indicated that President Lilley had notified her.

Regent Sisolak asked whether the Chancellor recalled it this way. Chancellor Nichols replied that she did, adding that she was confident that President Lilley informed her at each step of the way. Regent Sisolak requested a copy of the minutes from the legislative hearing. Chancellor Nichols replied that she would do so. She was unsure whether an attendance roster would be available, but she would have the matter researched.

Regent Whipple proposed a friendly amendment that the heart transplant feasibility study include a ranking regarding the need for the facility in comparison with the need for other medical demands/issues/needs of UNR.

Regent Sisolak noted a point of order, asking whether the amendment violated the legislative intent for the allocation. Chancellor Nichols suggested that staff would convey this to the State Public Works Board, which is responsible for the expenditure of those funds. She felt it would be allowable if the language was broad.

Regents Alden and Howard accepted the friendly amendment.

Regent Sisolak noted a point of order, stating that this did not follow the agenda item. Regent Whipple clarified that in addition to studying the feasibility of a heart transplant facility in Las Vegas, they would rank the heart transplant facility with regard to other medical needs of UNR in Las Vegas. General Counsel Ray established that Regent Whipple was suggesting the study include a ranking of other medical needs, which he felt was acceptable. Regent Sisolak asked whether this was not similar to Regent Kirkpatrick's request to study alternate sites for the state college. At that time, he was told it could not be done because Henderson was specified. General Counsel Ray replied that his memory was refreshed as to what the issues were. He did not view Regent Whipple's amendment as beyond the scope of what was intended.

Chair Anthony asked whether anyone could establish the intent of SB 507. President Lilley said it was essentially to study the feasibility of a heart transplant facility in Las Vegas. He said they would request that the study be as broad as possible and would report the results of the study.

Regent Kirkpatrick reminded the Chair that the next item was also part of SB 507.

Motion as amended carried. Regents Bandera, Schofield and Seastrand were absent.

31. Approved-Remodel Embalming and Plasticization Laboratory Facilities for the Medical and Dental Schools, UNLV & UNR – The Board approved President John M. Lilley's and President Carol C. Harter's request for expenditure of funds authorized and appropriated by the 2003 Nevada Legislature in SB 507 authorizing and funding certain capital improvements. The project, a portion of 03-C99L, is to renovate the embalming facilities and a plasticization laboratory to ensure that medical and dental schools can use anatomical specimens for educational purposes (*Ref. AA on file in the Board office*).

Regent Kirkpatrick moved approval of the expenditure of funds to remodel the embalming and plasticization laboratory for the medical and dental schools at UNLV and UNR. Regent Sisolak seconded.

Regent Sisolak asked whether Dean McFarland was called to testify on this bill. Dean McFarland replied he was not. Regent Sisolak asked who testified. Presidents Harter and Lilley said they did not. Dean McFarland said he did not know. Regent Sisolak asked about plasticization. Dean McFarland explained that plasticization was the process of preserving body parts for observation. He said that UNR had been preparing jaws for the dental school. This facility would allow the preparation of body parts for both professional schools. He said that it would save money over time because it would preserve the life of the specimens.

Regent Sisolak stated that this came up and no System representative testified, adding that some legislator decided this to be their pet project. He asked how this happened, adding that he would like someone to research the legislative history. He said he could understand when someone was put in an untenable position, but he found it difficult to believe that someone made this their pet project. Chair Anthony said that staff would do the research and provide the information. Regent Sisolak said he wanted a list of all of the people at the hearing. Chancellor Nichols said they would provide that if it was a hearing. She said that sometimes these items just appeared on the list. Regent Sisolak said that he would ask the legislators as well.

Regent Kirkpatrick noted a similar scenario at GBC. President Killpatrick agreed adding that he had not requested the funding.

Motion carried. Regents Bandera, Schofield and Seastrand were absent.

Regent Schofield entered the meeting.

32. Approved-Academic Research & Student Affairs Committee Recommendations - Chair Jill Derby reported the Academic, Research & Student Affairs Committee met March 18, 2004 and heard a report regarding the Nevada State High School Charter School. The purpose of the charter high school is to provide highly motivated high school students an opportunity to complete both college work and high school work concurrently. The Committee postponed the following items until the June ARSA Committee meeting: Cost of Textbooks, Core Curriculum for Millennium Scholars, Handbook Revision-UCCSN Policy on Instructional Materials. Regent Derby requested Board action on the following Committee recommendations:

- New Program Proposals – The Committee recommended approval of the following new program proposals:
- B.S., Dental Hygiene, CCSN (*Ref. ARSA-2 on file in the Board office*).

- A.A.S., Radiation Therapy Technology, CCSN (Ref. ARSA-4 on file in the Board office).
- B.A.S., Land Surveying/Geomatics, GBC (Ref. ARSA-5 on file in the Board office).
- Ph.D., Nursing, UNLV (Ref. ARSA-6 on file in the Board office).
- Ph.D., Radiochemistry, UNLV (Ref. ARSA-7 on file in the Board office).
- New Program/Degree Change, A.A.S., Dental Hygiene to A.S., Dental Hygiene, CCSN (Ref. ARSA-3 on file in the Board office). – The Committee recommended approval of replacing the existing Associate of Applied Science degree in Dental Hygiene at CCSN with the Associate of Science degree, which will provide better articulation and transfer to the Bachelor of Science degree program.
- 2004 Board of Regents' Awards – The Committee recommended approval of the following Regents' awards:
- Nevada Regents' Creative Activity Award

Ms. Catherine Angel, UNLV

- Nevada Regents' Researcher Award

Dr. David Schooley, UNR

- Nevada Regents' Teaching Award–Community College Faculty

Dr. John Clevenger, TMCC

- Nevada Regents' Teaching Award-University & DRI Faculty

Dr. Paul Starrs, UNR

- Nevada Regents' Academic Advisor Awards

Ms. Deborah Mzhickteno, CCSN.

Ms. Georgeanna Smith, GBC

Ms. Susan Thomasson, TMCC

Ms. Winnie Kortemeier, WNCC

Dr. Michael Bowers, UNLV-Undergraduate

Dr. Shashi Nambisan, UNLV-Graduate

Dr. V. Dean Adams, UNR-Undergraduate

Dr. Deborah Kuhls, UNR-Graduate

*No nominations were forwarded from NSC for an academic advisor award.

Regent Derby moved approval of the Committee recommendations and acceptance of the report. Regent Kirkpatrick seconded. Motion carried. Regents Bandera and Seastrand were absent.

Regent Sisolak left the meeting.

33. Approved-Audit Committee Recommendations - Chair Douglas Roman Hill reported the Audit Committee met March 18, 2004 and received follow-up responses for five internal audit reports presented at the August and October 2003 Committee meetings. Mrs. Sandi Cardinal, Director of Internal Audit, reported on the current status of the Legislative Counsel Bureau audit. The LCB auditors have concluded their work on the Investments and Statewide Programs portions of the audit and expect to report their findings to the legislative commission in June 2004. The auditors continue their review of Intercollegiate Athletics, Enrollment, Capital Construction, Host and Administrative Costs. Mrs. Cardinal reported the institution bank reconciliations are up-to-date. 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 \$1.1 million as of January 31, 2004. Ms. Denise Baclawski, Executive Director, Fire Science Academy-UNR, reported on the status of the Fire Science Academy. She indicated that revenues and expenditures are on target with the business plan for the year. A report of expenditure reimbursements to each registered lobbyist by institution was presented to the Committee. Ms. Patty Charlton, Vice President, Finance & Administration-CCSN, reviewed details of the college's expenditures. Regent Hill requested Board action on the following Committee recommendations:

- Internal Audit Reports – The Committee recommended approval of the following Internal Audit Reports: *(Ref. DD on file in the Board office)*.
- Graduate Students Association, UNR *(Ref. A-2 on file in the Board office)*.
- Intercollegiate Athletics, UNR *(Ref. A-3 on file in the Board office)*.
- Performing Arts Center, UNLV *(Ref. A-4 on file in the Board office)*.
- Facilities Department, DRI *(Ref. A-5 on file in the Board office)*.

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

Regent Howard asked about the demise of the committee that formerly addressed issues concerning women, ADA, minorities and diversity, stating that she had not seen any of those issues addressed on other Committee agendas. Chancellor Nichols replied that the ARSA and Budget & Finance Committees had assumed those responsibilities. She said she would remind the Committee chairs to continue their surveillance of those issues. Regent Howard found it unacceptable, adding that those issues were going unaddressed. She said she had not seen those issues addressed in the past two years.

Regent Derby acknowledged Dr. Deborah Kuhls, UNR's recipient of the Academic Advisor award (graduate).

Motion carried. Regents Bandera, Seastrand and Sisolak were absent.

Regent Alden acknowledged Mr. Gary Peck, American Civil Liberties Union.

34. Approved-Budget & Finance Committee Recommendations - Chair Mark Alden reported the Budget & Finance Committee met February 19, and March 18, 2004. At the March 18th meeting, the Committee heard the following reports:

- All Funds revenues and expenses for the second quarter of fiscal year 2003-04.
 - Fiscal exceptions of self-supporting budgets and the status of state appropriations for the second quarter of fiscal year 2003-04.
 - Status of the development of the course cost classification system (taxonomy) for use in preparation of the UCCSN budgets for the 2005-07 biennium.
 - UCCSN state operating budget priorities and enhancement requests for the 2005-07 biennium.
- Regent Alden requested Board action on the following Committee recommendations:
- IFC Funding Request for MAP – The Committee recommended approval for the UCCSN to seek Interim Finance Committee funding for an anticipated shortfall in federal revenues in the MAP (Management Assistance Partnership) program in fiscal year 2004-05 (Ref. BF-3 on file in the Board office).
 - 2005-2007 UCCSN Operating Budget Request – The Committee recommended that the Board of Regents direct the Chancellor and the presidents to develop further a UCCSN budget that meets the requirements of the state and prioritize the enhancements for consideration by the Board, the governor and the legislature (Ref. BF-7 on file in the Board office).

Regent Alden moved approval of the Committee recommendations and acceptance of the report. Regent Whipple seconded. Motion carried.
Regents Bandera, Seastrand, and Sisolak were absent.

Regent Alden left the meeting.
Regent Howard left the meeting.

35. Accepted-Investment Committee Report - Chair Bret Whipple reported the Investment Committee met February 17, 2004. A presentation was made on the various indices. The discussion included the composition of various indices and the reason certain indices have been chosen to compare to our managers. Cambridge Associates reviewed the asset allocation and performance for the pooled endowment and pooled operating funds of the UCCSN for the quarter ending December 31, 2003. Endowment investments returned 8.2% for the quarter (compared to the 8.2% benchmark) and 12.3% for the fiscal year (compared to the 12.0% benchmark). The total return for the pooled operating funds was 3.4% for the quarter (compared to the 4.0% benchmark) and 4.8% for the fiscal year (compared to the 5.8% benchmark). The Committee discussed recommending a member of the public to an advisory position on the Investment Committee and will continue to pursue this option.

Regent Whipple moved acceptance of the Committee report. Regent Schofield seconded. Motion carried. Regents Alden, Bandera, Howard, Seastrand and Sisolak were absent.

Regent Alden entered the meeting.

36. Approved-Board Development Committee Recommendations - Chair Thalia Dondero reported the Board Development Committee met February 20, 2004 and reviewed the results of the survey completed by the Regents. Committee members agreed that the results indicated the top priorities for workshops are: Ethics, the Open Meeting Law, and How to Handle Board Conflict/Developing Positive Group Dynamics. The Committee decided that the Open Meeting Law should be part of the May workshop and a panel discussion should be provided, including representatives from the Attorney General's office, the Boyd Law School, and the UCCSN General Counsel's office. The Committee agreed an outside facilitator should present Board Conflict and Positive Group Dynamics. It was also agreed that a separate workshop on Ethics would be planned for the fall. The Committee noted that according to the survey, most Regents requested that the workshop be held on Friday and Saturday, not Thursday and Friday. The Committee agreed to request to change the May workshop dates to May 7 and 8. Regent Dondero requested Board action on the following Committee recommendations:

- Workshop Budget – The Committee recommended a budget not to exceed \$10,000 for the workshop, anticipating that the cost would be less, but wanting to assure that they could hire a facilitator for the primary topic.
- Regent Workshop – The Committee recommended that the Regent workshop be held all day on Friday, May 7 and half a day on Saturday, May 8.

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

Regent Whipple left the meeting.

37. Accepted-Faculty Workload Task Force Recommendations - Chair Jill Derby reported the ad hoc Faculty Workload Task Force met February 5, 2004 and heard a presentation from faculty representatives concerning their perspectives on workload. Each presenter focused on a different area of faculty responsibility that the group wanted the Task Force to be aware of as it continues its work. These areas included: rural education, clinical education, distance education, vocational/technical education, graduate students, undergraduate courses, scholarly activity and mentoring, student portfolios and advising. The Task Force also heard a presentation from Assistant Vice Chancellor Tyler Trevor on a quantitative faculty workload model that the Task Force may wish to examine for possible adoption in Nevada. The Delaware Study, as it is called, is used by more than 300 colleges and universities nationwide. Although some Task Force members expressed concerns about the usefulness and logistics of collecting the detailed data contained in the Delaware Study, the Task Force agreed to invite the principal developer of the study to the next meeting on April 1 to further discuss its design and components. The Task Force heard a report from staff on the UCCSN's current consulting policies and practices. System policy was compared to similar policies in other states, and staff presented several recommendations for improvements, which will be further acted upon at the next Task Force meeting. The Task Force also examined how community service is currently defined in the UCCSN Code and discussed potential language for strengthening this section to clarify the intent of what kinds of service should count for evaluation, promotion and tenure. Staff was directed to bring back draft language to the next meeting for the Task Force's consideration.

Regent Derby moved acceptance of the Task Force recommendations and the report. Regent Schofield seconded. Motion carried. Regents Bandera, Howard, Seastrand, Sisolak and Whipple were absent.

Regent Whipple entered the meeting.

Regent Sisolak entered the meeting.

38. Approved-Health Education Task Force Recommendations – Regent Thalia Dondero reported the ad hoc Health Education Task Force met February 5, 2004 and adopted several recommendations brought forward by Caroline Ford of the Center for Education and Health Services Outreach. These recommendations address various matters including the Medical Education Council of Nevada, a rural interdisciplinary training center, allied health programs and other issues related to health care. Regent Dondero requested Board action on the following Task Force recommendations:

- Support the University of Nevada School of Medicine (UNSOM) in meeting the requirements of Assembly Bill 11 (Chapter 11, Statutes of Nevada 20th Special Session) and seeking fiscal resources to hire the personnel necessary to implement the provisions of the bill.
- Endorse the UNSOM's development of a Rural Interdisciplinary Education and Clinical Training Center in Elko to provide coordination of healthcare services in rural Nevada.
- Endorse expansion of the UNSOM's targeted residency programs and investigate the development of a Family Practice Rural Training Track program.
- Endorse the UNSOM's development of a Rural Health Certificate program.
- Recommend the incorporation of expanded rural nursing education and training programs in the individual college budget enhancements for the 2005-07 fiscal years with special consideration of the unique training needs of rural and frontier sites.
- Support, in concept, a fiscal request from Great Basin College to fund operating and faculty positions that provide instruction for the education and training of Emergency Medical Services personnel.
- Request that the appropriate UCCSN institutions investigate the potential need for dual certificate training programs for radiology and medical laboratory technicians as a possible way to address the vacancies and training deficiencies within these two professions.
- Recommend that the UNSOM and WNCC investigate the potential for a Physician Assistant training program that might provide cross training in Pharmacy in association with the Physician Assistant certificate. This recommendation does not preclude any other UCCSN institution from conducting a similar investigation.
- Recommend that appropriate UCCSN institutions investigate the feasibility of and costs associated with rural training for pharmacy technicians.
- Recommend that the budget request necessary to upgrade the Telehealth Network to Internet Protocol be contained within the System Computing Services budget for the 2005-07 budget.

Regent Dondero noted that steps have been taken by System Computing Services to upgrade the Telehealth Network to Internet Protocol by July 2004. Therefore, any equipment needed to support this conversion will be purchased and delivered before July. The conversion will be complete prior to the final approval of the 2005-07 budget. The Center for Education and Health Services Outreach is working on funding for the site equipment necessary to connect to NevadaNet. System Computing Services will work with the appropriate parties and specify the equipment needs. On-site equipment will be purchased by the end user via rural health grant funding. Therefore, while this recommendation was formally adopted by the Task Force, it has already been addressed by SCS.

Regent Dondero moved approval of the Task Force recommendations and acceptance of the report. Regent Sisolak seconded. Motion carried. Regents Bandera, Howard and Seastrand were absent.

Regent Howard entered the meeting.

39. Approved-CCSN Presidential Search Committee Recommendations - Chair Tom Kirkpatrick reported the ad hoc CCSN Presidential Search Committee met March 16, 2004 in conjunction with the Institutional Advisory Committee. General Counsel Tom Ray provided a brief summary of the Open Meeting Law. Dr. Narcisa Polonio of ACCT provided a presentation regarding how her firm could assist the Committees with the search process. The next meeting was scheduled for March 31, 2004 to develop the presidential profile to be used in evaluating candidates. Regent Kirkpatrick requested Board action on the following Committee recommendations:

- Selection of Search Firm – Hire ACCT as the firm to assist with the search process.
- Budget Request – Approve a budget not to exceed \$50,000 for the search process to be shared between the System Office and CCSN.
- Calendar – Approve the following calendar:
 - Meet March 31, 2004 to develop and approve the presidential profile.
 - Meet May 6, 2004 to review applicants.
 - Meet May 10, 2004 to interview finalists.
 - Candidates will visit CCSN campuses may 11-12, 2004.
 - Meet May 12, 2004 to select candidate to be forwarded to the June Board of Regents' meeting.

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

Regent Alden requested a role call vote. He felt it was inappropriate to search for a president pending the results of pending litigation. He said he would oppose the motion.

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

Regent Howard left the meeting.

Regent Alden left the meeting.

40. Accepted-Legislative Committee To Evaluate Higher Education Programs Report - Regent Jill Derby reported the Legislative Committee to Evaluate Higher Education Programs met February 3, 2004 and examined the UCCSN's response to 15 questions that were forwarded after the Committee's last meeting. Committee chair, Warren Hardy, praised the thoroughness of the System's response, and the Committee had just a few follow-up questions about faculty evaluation instruments used at the institutions and the Board's process for deleting academic programs. Individual Committee members had some new questions, which have been formally transmitted to the Chancellor for response prior to the next meeting. The latest set of questions focus on the student health center fees at UNLV and UNR, how student fee revenues are used to fund student government at each institution, retention rates for Millennium Scholars compared to the general student population and a status report on private donations to the Nevada State College capital project. A major portion of the meeting was devoted to the presentation of longitudinal and comparative data on demographic, educational and employment trends in Nevada by the Committee's external consultants. This presentation represented the first of what will be several reports by the consultants to analyze various data and trends that will ultimately inform the Committee's future work. The consultants shared initial observations about the data which confirmed the directions reflected in the UCCSN master plan for higher education. The consultants concluded that postsecondary education in Nevada faces the issues of accommodating growth, getting more students through the education pipeline, responding to immediate workforce needs – especially in teaching and nursing, developing a workforce for the future (with adult literacy and technology/information workers as two leading trends), and diversifying the economy by increasing the capacity and competitiveness of higher education's research activities. The Committee will meet again on Wednesday, March 24, at 10:00 a.m.

Regent Derby moved acceptance of the report. Regent Kirkpatrick seconded.

Regent Kirkpatrick asked Regent Derby how she felt about the Committee's direction. Regent Derby replied that she felt good about the Committee, adding that they had spent a lot of time reviewing the current status of education in Nevada and what is needed. They have hired some fine consultants. She felt it was a great educational opportunity for the legislators and community representatives.

Regent Howard entered the meeting.

Regents Rosenberg and Sisolak left the meeting.

Chancellor Nichols said that the next meeting would be critical when the consultants would be returning with recommendations.

Motion carried. Regents Alden, Bandera, Rosenberg, Seastrand and Sisolak were absent.

The meeting recessed at 4:35 p.m. and reconvened at 4:47 p.m. with all members present except Regents Bandera and Seastrand.

41. Information Only-2005-2007 Bill Draft Requests - NRS 218.2455 permits the Board of Regents to request up to five bill drafts on behalf of the UCCSN. The Board had an initial discussion on potential UCCSN bill drafts for the 2005 legislative session. Final action will be requested at the June meeting (*Ref. EE on file in the Board office*).

Chancellor Nichols reported they anticipated submitting five bill drafts at this time, adding that details would be provided at the June meeting.

- Changes to SB 277 – seek to remove purchasing requirements that were placed on UCCSN during the previous session.
- UCCSN name change – previously approved by the Board.
- Revenue bond authorization – increase the revenue bond capacity for UNLV, UNR, CCSN, WNCC, and possibly GBC.
- Drivers license for international visitors – an issue for international students brought to attention by UNR.
- Changes to non-resident tuition statute (NRS 396.540) - changes will be necessary to return to the one-year residency requirement.

Chancellor Nichols said that UCCSN would support changes to the Millennium Scholarship statute to allow for disability accommodations. Other potential issues include the PEBP state health insurance changes, which will likely be submitted by the interim study committee. The campuses have discussed requesting carry-forward appropriations, specifically attributed to information technology requirements. There are also some issues on the P-20 data warehouse that may require a bill. Chancellor Nichols reported that they did not anticipate a request for scholarship funds for teacher education students because the source of funds for those scholarships no longer exists. She asked whether Board members wanted any other bill drafts.

Regent Whipple asked about the procedure. Chancellor Nichols explained that bill drafts are submitted to the governor, who then submits them to the legislature.

Regent Kirkpatrick asked whether the Board was limited to the number of bills that could be submitted. Chancellor Nichols replied that they were limited to five bill drafts, adding that if more were required they would need to look for a friendly legislator to submit on the Board's behalf. Regent Kirkpatrick suggested having a legislator submit the non-resident bill if the Board had more than five bill drafts. Chancellor Nichols said they could do so if they required an additional bill. She said the carry-forward of unexpended appropriations could occur through the budget process and would only require language in the budget appropriation bill. She was certain they could find someone to submit the non-resident bill on UCCSN's behalf.

42. Denied-Presidential Transition Plan - The Board of Regents Handbook (*Title IV, Chapter 3, Section 25*) provides a process for presidential transition when a UCCSN president resigns or is reassigned. The transition process requires that the Board of Regents approve the transition plan, which includes an academic rank in a specific unit in the institution, an academic year salary and may include a period of professional development leave. Chancellor Jane Nichols provided a recommendation for a presidential transition plan for Dr. Ron Remington. The terms of the presidential transition plan, including academic rank, specific unit and institution, academic salary and the professional development leave, including the duration and salary, were presented at the meeting. The Board denied the presidential transition plan proposed by Chancellor Nichols.

Chancellor Nichols reported that it was the Chancellor's responsibility to conduct an evaluation of the president's overall professional performance in office and the location of the assignment where the outgoing president might best contribute to

an academic unit at the institution. She noted that Dr. Remington's contract indicated that he serves at the pleasure of the Board of Regents and could be removed by the Board at anytime for any reason and the contract terminated upon payment of the remaining contract, base salary only. In the event the president holds tenure in an appropriate academic department of the Community College of Southern Nevada, the president shall be reassigned from the presidential position to an employment position as full-time member of the academic faculty of the institution. When Dr. Remington requested reassignment in an e-mail to the Chancellor, he indicated a preference for becoming a part of UNLV's educational leadership department. He also indicated that if he were to remain at CCSN as a faculty member he would require two semesters of leave to reacquaint himself with his discipline in psychology. She said this was not an easy recommendation. She called President Harter and asked whether it would be feasible. President Harter submitted a proposal for a 3-year contract in the Department of Educational Leadership with Dr. Remington relinquishing his tenure. Chancellor Nichols considered the proposal. When she realized that the Board policy required the Chancellor to base the recommendation on her assessment of the best place and his performance, she decided to recommend the following:

- Dr. Remington be given the rank of professor in the psychology department at CCSN with a salary matching the level of the leading academic faculty member in the CCSN psychology department at the time he transitions to the position. His presidential salary will remain in effect until June 30, 2005. Currently the highest paid member earns \$89,000, which will increase to \$90,881 on July 1, 2004. By the time he transitions to the position it will be somewhat higher. Chancellor Nichols said there was very little difference between this recommendation and the salary offered by UNLV.
- Between now and June 30, 2005 he will continue to receive his presidential salary without the prerequisites.
- Grant the full two semesters of leave to prepare to teach psychology. Dr. Remington would begin teaching in January 2005.
- Per Board policy, Dr. Remington must submit a proposal for review and approval and make a written commitment agreeing to the performance of his duties for at least one year after completion of the leave granted.

Regent Derby moved approval of Chancellor Nichols' recommendation.
Regent Whipple seconded.

Regent Alden said the recommendation was not congruent with the material, and asked to hear from Dr. Remington.

Dr. Remington said he hoped that the Regents would reconsider their decision to remove him as president, which he and the attorney general believe was illegal. He noted discord amongst the Board evidenced by the difference between the Board's November 20th decision and the results of his comprehensive evaluation completed thirteen days prior to that meeting. He reminded the Board of their own ethical code binding them to the obligation of making decisions only after all facts bearing on a question have been presented and discussed. Because he was forced to submit a transition plan due to the demotion, he asked that the Board approve a transition plan of his preference, which would allow him to make the best possible contribution. He said the Chancellor had approved the transition plan he submitted. Dr. Remington noted that he had served as a director, associate dean, dean, vice president and president in Nevada institutions of higher education over the last 30 years. He has held administrative positions in all four of the state's community colleges. He was president of both the smallest and largest community college in the state. He said he had received stellar evaluations in every position held during his administrative career. He said that university personnel from both UNR and UNLV approached him to help in their educational leadership programs. He noted that he had served for 6 years as a commissioner for the regional accreditation association. He was also the recipient of national recognition as an innovative leader in community college education last year. He felt that the appropriate transition was a position in educational leadership, adding that he had much to offer. Dr. Remington said that Chancellor Nichols wrote two e-mails indicating that she would be supportive of his transition plan. Dr. Remington received a letter of welcome from Dean Hall in UNLV's College of Education on February 13th. On March 3, 2004, he received notice that his transition proposal would be heard at the Board's March meeting. He said that he trusted the Chancellor would honor their agreement. On March 11, 2004, he read in a Jon Ralston e-mail newsletter that Chancellor Nichols had informed Dr. Remington that she would not grant his preference for reassignment. He said that the last correspondence he received regarding his transition was her January 26th e-mail confirming their agreement. He said he expected the professional courtesy of a meeting or a phone call prior to making a public announcement. He said the media attributed her decision to not being persuaded by the reasons he provided for preferring to be assigned to UNLV, Board policy, and protection of tenure. He felt the Chancellor was twisting faculty interest in tenure into a justification for retaliation. He said she did not discuss tenure with him or faculty leadership at CCSN. Dr. Remington said that the vote was about more than where he taught next year, adding that it was about their values and the principles governing

Nevada's higher education. He urged the Board to abandon the betrayal and duplicity clouding the Chancellor's recommendation. He asked the Board to allow him to make a contribution in the best manner by approving his proposal.

Regent Alden urged the Board to do what is right and ethical. He asked the Board to move on so they could gain the respect and the credibility of the people in southern Nevada, the state and the nation. He said this was a major decision and urged the Board to honor the commitment that had already been made by the Chancellor and allow Dr. Remington to transfer to UNLV.

Regent Sisolak asked what Dr. Remington was proposing to teach at UNLV. Dr. Remington replied that he was proposing to teach in the educational leadership program. Regent Sisolak asked whether they would be capstone programs. Dr. Remington replied that they hoped to develop a program to bring along college administrators that could rival the University of Texas. Regent Sisolak asked what Dr. Remington would teach at CCSN. Dr. Remington replied that he would teach psychology 101 and 102. Regent Sisolak said that if the Board was looking at what would be in the best interests of the students and how to best utilize a talent that Dr. Remington's 30 years of experience was important to him. He said that he wanted to make the best use of the System's assets and resources. He felt they could make better use of Dr. Remington by allowing him to teach educational leadership and developing the program. He said it was his understanding that a deal was struck and that a commitment was made. He felt this was an issue of honesty and integrity. He was disappointed that Dr. Remington read about it in a political column. He thought the Board could start the healing process and move forward with the transition plan proposed by Dr. Remington. Dr. Remington said that he was anxious to earn the money the Board was paying him.

Regent Howard asked why the Chancellor did not agree to Dr. Remington's proposal. Chancellor Nichols replied that Dr. Remington provided two good options. His contract specifically stated that if he stepped down or was reassigned he would return to CCSN faculty. She was not aware of that when she agreed to the proposal in January. Since UCCSN is involved in litigation with him she wanted to do what was absolutely clean and specified. Regent Howard asked whether she was hearing two different things. Chancellor Nichols said that she had to bring a recommendation that she felt was right for the Board. She said the contract was an issue. She also felt that asking him to relinquish his tenure was asking a lot of him. She said her recommendation was based on those considerations.

Regent Sisolak noted a point of clarification, asking whether Dr. Remington volunteered to give up his tenure. Chancellor Nichols said that it was a condition of the move to UNLV.

Regent Howard asked why she would not grant his wish if he was willing to give up his tenure to go to UNLV. Chancellor Nichols said that was her recommendation. Regent Howard asked with whom the Chancellor consulted on this decision or whether it was her sole recommendation. Chancellor Nichols said it was her sole recommendation, adding that she accepted full responsibility for the decision. Regent Howard asked when the Chancellor last spoke with Dr. Remington, adding that she was concerned about the information that was released to the press. Chancellor Nichols said that she was also concerned. She said she wanted to know how Jon Ralston found out. She said the information was faxed to Dr. Remington's attorney and was mailed to Board members and Dr. Remington. She said she spoke to Dr. Remington on two occasions. Not long after the November meeting she asked her staff to arrange a meeting with Dr. Remington. She received a message that he would not meet with her without the presence of his and her attorneys and that this would play out in court. Chancellor Nichols placed a call to his home prior to a Board meeting in December or January to notify him of upcoming agenda items.

Regent Rosenberg said he appreciated the Chancellor taking full responsibility for the decision. He asked whether she consulted with legal counsel. Chancellor Nichols said that she spoke with all of her staff. Regent Rosenberg asked whether this was a legal situation rather than a philosophical one. Chancellor Nichols replied it was not. Regent Rosenberg asked whether the Chancellor spoke with any of the Regents. Chancellor Nichols replied she did not. She said she received communication from one Regent who was unhappy when he heard that Dr. Remington might be going to UNLV, but that did not persuade her. Regent Rosenberg observed that Dr. Remington's proposal was a very positive situation for him as well as for CCSN. He said that Dr. Remington is a lightning rod. He felt it would be in the best interest of CCSN for Dr. Remington not to be there so that a new president could come in and start fresh. He could not understand how this could be anything but a good move.

Regent Sisolak said that he was troubled by this, adding that he was under the impression that an agreement was reached. He said he was getting the impression that this was mean-spirited and exercising authority because it could be exercised. He said it bothered him not to comply with his wishes. He was very disappointed and disturbed that they would not acquiesce to his wishes. He said that it appeared he was being picked on and they were being mean. He was disappointed that would be contemplated by people that were elected to protect the citizens, the employees, and students. He said it was an embarrassment. He said he was ashamed they would go out of their way to be mean and cruel to one of the presidents who did an incredible job.

Chancellor Nichols said that she had never been mean-spirited. She said it was her responsibility as Chancellor to bring forward a recommendation that she felt was in the best interest of the Board, higher education, the System, the college, and the students. She said that she agonized over this decision. She said that she was not being mean-spirited to Dr. Remington, adding that this was one of the most difficult times in her life. She assured the Board that she was bringing the recommendation that she felt was correct.

Regent Howard said that she was surprised that this would be carried this far. She was surprised how they throw away taxpayer dollars. She felt they were spending a lot of money on litigation and using the legal staff to fight something that was not necessary. She felt this was a waste of money, adding that it could go on for years. She said the students and the Nevada taxpayers would lose. She was bothered by that. She could not understand why the Chancellor would be in a position to make this decision. Yesterday the Board discussed the General Counsel's reporting line. She felt there was a conflict with the General Counsel reporting to the Chancellor. She said the Chancellor consulted with the General Counsel,

but the General Counsel represents the Board of Regents. She asked who the General Counsel was representing in this case, adding that it was very confusing. She could not understand why a person who was part of an investigation that eventually demoted a president can make a decision about the president's future. She could not understand why they would not allow someone to get on with their life and make it better for the institution. She felt this was nothing but mean-spirited. She said it seemed like a black heart. Chair Anthony said it appeared they were straying into personal attacks, which were not necessary. Regent Howard said she was not referring to the Chancellor but rather to everyone going along with this.

Regents Hill and Sisolak noted a point of order. Regent Sisolak said he was referring to the decision and not to a person.

Regent Howard said that the decision, the move and the thinking represented a black heart.

Regent Hill noted a point of order.

Regent Hill felt this was very mean-spirited and that nothing good will come of it.

Regent Dondero was concerned there was correspondence that had agreed to transfer Dr. Remington to the university and had been agreed upon by the UNLV president. She did not know what happened in between that it was reversed without some kind of a conference or Dr. Remington's knowledge. She said she did not know if it went to the UNLV president or what happened in that period of time that it showed up in the press. She asked the chancellor to explain. Chancellor Nichols said that President Harter had supported Dr. Remington and his coming to the university. Chancellor Nichols was initially convinced that this was a good opportunity and was happy to support it. She considered it for a month and a half, during which time she also considered his contract and Board policy. This is a president who was reassigned by the Board. Ultimately, it seemed to her that the transition package recommended was the one to which he was entitled given the circumstances. She felt it honored the community college faculty and the place where he had been. She did not view it as a negative for him to teach at the community college. Regent Dondero said that she understood the program he would be working with at UNLV was a good one. She said she did not know how the change came about, adding that she was sorry that it showed up in the press without him knowing. Chancellor Nichols said that she was also sorry, adding that it was a mystery. She said that the information did not come from her or her staff and she did not know how Jon Ralston got the information.

Regent Alden asked whether Ms. Mitzi Ware and Dr. Candace Kant could address the Board.

Regent Hill left the meeting.

Regent Derby left the meeting.

Regent Kirkpatrick left the meeting.

Regent Whipple left the meeting.

CCSN Faculty Senate Chair, Ms. Mitzi Ware, said that she represented CCSN's faculty because she was faculty in her heart. She said they needed to consider where someone would be best suited to spend their days teaching. When a faculty member chooses to transition to a different institution, it would be nice and to the benefit of CCSN's students if the Board considered where this person's experience, educational background and integrity would be best suited. She said that CCSN faculty were really ready to move on and were trying to get past this. She said that it seemed like every time they started to make progress, the Board helped them to move backward. She said that Dr. Remington has asked to move to a different institution to help CCSN faculty heal. She noted that the institution had generously agreed to make a place for him and to start a great program. She asked the Board to please allow this to take place for the sake of the faculty and the students.

Regent Howard called the question.

Regent Dondero asked for clarification of the motion. Ms. Ernst clarified that a "yes" vote would support the Chancellor's recommendation, while a "no" vote would not.

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

Regent Schofield left the meeting.

Meeting adjourned at 5:32 p.m. due to lack of quorum.

Suzanne Ernst
Chief Administrative Officer

