

BOARD OF REGENTS

UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA

Elizabeth Sturm Library
Truckee Meadows Community College
7000 Dandini Blvd., Reno
Thursday-Friday, August 19-20, 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: Interim Chancellor Jim Rogers

Assistant Chancellor Trudy Larson
Vice Chancellor, Finance & Administration Buster Neel
Interim Vice Chancellor, Academic & Student Affairs Chris Chairsell
Interim Vice Chancellor, Technology, Becky Seibert
Assistant Chief Counsel Brooke Nielsen
President Richard Carpenter, CCSN
President Stephen Wells, DRI
President Paul Killpatrick, GBC
Interim President Pat Miltenberger, 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. Ann Johnson, CCSN; Dr. Vic Etyemezian, DRI; Ms. Kathy Schwandt, GBC; Mr. Edward Baldwin, NSC; Ms. Bridgett Boulton, TMCC; Dr. Jane McCarthy, UNLV; Dr. Leah Wilds and Dr. John Nelson, UNR; Mr. Richard Kloes, WNCC; and Ms. Sara Velez Mallea, System Administration. Student government leaders present included Mr. David Rosier, CCSN; Ms. Michelle Hammond Urain, GBC; Ms. Hilary Dahlhaus, NSC; Mr. Joel Gutierrez, TMCC; Mr. Henry Schuck, UNLV; Mr. Erin Lankowsky, UNR; Mr. George Ambriz, UNLV-GPSA; Ms. Jessica Muehlberg and Ms. Molly Orheim, UNR-GSA; and Ms. Jenny Gentine, WNCC.

Chair Stavros Anthony called the meeting to order at 1:10 p.m., on Thursday, August 19, 2004 with all members present except Regents Bandera and Hill.

Reverend Anthony Steele, Bethel African Methodist Episcopal Church, offered the invocation.

Regents Bandera and Hill entered the meeting.

1. Introductions – President Ringle introduced Vice President, Student Services-TMCC, Ms. Juanita Chrysanthou, and welcomed the TMCC faculty present.

Chair Anthony introduced President Richard Carpenter, CCSN. President Carpenter introduced Mr. Rand Key, Special Assistant to the President-CCSN.

President Miltenberger introduced Ms. Sandy Boyle, Vice President, Finance & Administration-NSC, and student representative Ms. Hilary Dahlhaus.

President Lucey introduced Ms. Jenny Gentine, Student Body President-WNCC.

President Harter introduced Mr. George Ambriz, GPSA Student Body President-UNLV.

2. Chair's Report - Board Chair Stavros Anthony observed that the System was experiencing an interesting period with many people filling positions on an interim basis. He thanked those employees holding interim positions for stepping up and helping out. He then thanked President Ringle for hosting the meeting. Chair Anthony encouraged everyone to read the latest edition of the *Regents' Review*, adding that it included many interesting articles.

3. Information Only-Presidents' Reports - Four UCCSN presidents (*CCSN, GBC, TMCC, UNR*) presented a progress report on their institution's activities over the past year to meet the targets for Master Plan goal six, Building Quality of Life, and their plans for continuing to meet this goal in the next year (*Ref. A on file in the Board office*).

President Carpenter, CCSN – The first target of goal six is to: *“Increase public service and cultural opportunities that position higher education institutions as intellectual, cultural, and artistic centers and as the ‘marketplace for ideas.’”*

- • The Jason Project – For the past six years, CCSN has collaborated with the Clark County School District to enable students to accompany a team of scientists and teachers on a two-week journey to explore, study, and research locations featured in the curriculum. A multidisciplinary program begun in 1989, the Jason Project strives to enlighten students and to spark imagination, particularly in the sciences. The project involves expeditions and research that enables scientists and involved students and teachers in current research which takes them to exciting locations in the world.
- • CCSN Guest Lecture Program – CCSN has a very diverse and distinguished guest lecture series. Many lectures are even web cast to other states and countries.
- • Red Rock Review – A biennial journal dedicated to quality writing from both established and emerging writers. Developed through the efforts of CCSN faculty, the journal has become a nationally recognized publication sold across the United States. The journal features Southwest writers of short stories, essays, and poetry. The poetry contest attracts nationwide competition and participation.

3. Information Only-Presidents' Reports – (Cont'd.)

President Carpenter, CCSN – (Cont'd.)

The second target of goal six is to: *“Ensure that all students have an opportunity to experience some form of internship, cooperative education, or community service in their educational programs.”*

- • CCSN Cooperative Education Program – Internships and clinical practice are offered as part of the curriculum enmeshed in 183 courses in 45 of CCSN's academic programs. This experience ranges from developing nursing skills at area hospitals and medical centers, preparing women for workforce entry and re-entry through apprenticeship skills training, the utilization of culinary arts and food and beverage management skills through the operation of Russell's Restaurant (*college operated*), and utilization of automotive technology acumen gained from pit crew experience at the Las Vegas Motor Speedway.
- • CCSN Science and Technology Fair – This past May, CCSN held its first annual Science and Technology Fair providing a full day of experiences in science and technology, opening the Cheyenne campus to hundreds of area residents. The fair provided the public an opportunity to participate in scientific experiments under the guidance of CCSN faculty. Financial support was provided by the Las Vegas community and through grant support.

The third target of goal six is to: *“Improve Nevada's ‘educational benefits’ measure on the National Center for Public Policy and Higher Education Report Card from a C minus to at least a B grade.”*

- • CCSN Membership in SAKAI Consortium of Top Universities – The consortium, including Stanford, MIT, Michigan, and Indiana universities, develops and shares open source collaboration and learning environment software.
- • Students First Initiative – The program provides support to students seeking degrees or certificates as well as to transfer students.

The fourth target of goal six is to: *“Ensure that all students have an opportunity to increase their understanding of other cultures through their educational programs and activities.”*

- • CCSN student government clubs and college faculty and staff organize and conduct numerous diversity events that generate cultural understanding and scholarship funding. The college's International Student Program, with over 600 students from 55 countries, is now among America's top forty schools in size.
- • CCSN students participate in or attend a number of highly successful cultural diversity events, including the Diversity Wine Tasting and Jazz Scholarship Fundraiser, the Multicultural Food and Dance Festival, Black History and Black Student Association events such as the Food for Thought Conference on Critical Thinking, and the Latino student organization's Hispanic Latino Heritage Celebration and Cinco de Mayo event.

Regent Howard asked where the students participating in the Jason Project meet, adding that some students had complained about not

being allowed access to the student lounge areas. Vice President, Finance & Administration-CCSN, Ms. Patty Charlton, replied that the students meet on the Cheyenne campus in the new Horn Auditorium. Subsequent exhibits from elementary, middle, and high schools are displayed throughout the student lounge area and the auditorium foyer. CCSN tries to minimize the impact to existing students. Regent Howard observed that the program disenfranchises paying students for a couple of weeks out of the year. Ms. Charlton said that they had tried to better direct the traffic and isolate the exhibit space.

3. Information Only-Presidents' Reports – (Cont'd.)

President Carpenter, CCSN – (Cont'd.)

Regent Howard asked whether a search had been started for the Director of Diversity. President Carpenter replied that it was budgeted for this year and that the position would be filled this year. He wants to put better policies and procedures in place for the recruitment, selection, and hiring of personnel before beginning the search. Regent Howard asked whether the Guiding Coalition was still intact. President Carpenter replied that they were, adding that he had already met with them.

President Killpatrick, GBC – In an effort to address goal six, President Killpatrick serves on every major board in Elko. Two years ago, he started two advisory groups dealing with Hispanic and Native American issues in an effort to provide members of those groups with a voice.

- • Commitments have been reached with the National Guard to work with underrepresented groups to determine incentives that will help retain 16-18-year olds in school. He is also working with Sierra Nevada Job Corps on an arrangement that would allow Job Corps graduates to attend GBC with their tuition paid (*TMCC has a similar arrangement*). An emphasis has been placed on Native American 16-18-year olds, allowing them to leave the colony, obtain skills and training, and to return to GBC.
- • GBC is also working with the mining companies to implement an Indian archival center, which should be online within the next month. The center will begin as a virtual archival center and will be further developed.
- • Last Spring, Miss Nevada visited the Elko community to discuss domestic violence. President Killpatrick hopes that UCCSN will actively participate in addressing this issue.
- • A five-county effort involving entrepreneurial training is underway at GBC.
- • President Killpatrick is in the process of starting a college-level rotary program with the student government organization. The program encourages partnerships, mentoring, community involvement, and offers possibilities for international scholarships allowing students to travel abroad.
- • GBC has a high completion rate with 27% of people graduating with a two-year associate's degree (*the highest completion rate of the seven WICHE states*).
- • Cultural educational programs and activities include: Great Basin Festival, Summer Music Series, Theatre Program, Proposed International Programs, and GBC Educational Travel Programs.
- • As enrollments continue to grow, the college has hired its first full-time Human Resources director in the college's 36-year history and a full-time public information officer is now on staff.

President Ringle, TMCC – TMCC's mission statement includes a commitment to improving the quality of life for its diverse community. TMCC provides access for lifelong learning opportunities and creates a supportive, intellectually and culturally dynamic environment. TMCC has made progress on the specific target areas identified by the Board of Regents within goal six:

- • Increase public service and cultural opportunities:

3. Information Only-Presidents' Reports – (Cont'd.)

President Ringle, TMCC – (Cont'd.)

- ✓ • The Liberal Arts areas offer students and community members many valuable cultural opportunities including three art galleries, arts and culture courses and performing arts and cultural events.
- ✓ • Construction program students participate in the Habitat for Humanity project.
- ✓ • A wide range of non-credit courses and workshops for life long learning including areas such as creative writing, nature tours, music, dance, fitness and arts are offered.
- ✓ • TMCC faculty and staff actively participate in community service.
- ✓ • TMCC continues to foster partnerships with local community organizations and agencies that contribute to the development and empowerment of the community.
- • Increase understanding of other cultures:
- ✓ • TMCC encourages programs for the college and community that foster cultural diversity.
- ✓ • Efforts to recruit and retain underrepresented students, faculty and staff have been expanded.
- ✓ • Curricula to help prepare students to live, work and interact in a culturally pluralistic society have been created.
- ✓ • An office of Equity and Diversity has been established.
- • Student participation in internships, cooperative education or community service:
- ✓ • Internships are an integral part of the Associate in Applied Science degrees at TMCC (*required in 25 degree programs and offered as options in another 8 programs*).
- • Improve Nevada's "educational benefits" measure:
- ✓ • ACCUPLACER testing is provided in the high schools to graduating seniors in Washoe County.

- ✓ • TMCC offers specialized programs and assistance to ensure that once students enroll, they will be successful in attaining their goals.
- ✓ • Partnerships with other P-16 institutions ensure access and success of students.

President Lilley, UNR – The University of Nevada, Reno enriches the quality of life for the state’s citizens throughout their life span, not only with its educational and research programs, but also by a multitude of intellectual, cultural and artistic events. These on- and off-campus activities help shape the thinking and cultural awareness of Nevada’s citizenry (*Ref. A on file in the Board office*). The university’s mission as a research and land grant university is to build the economy and to build the quality of life.

- • UNR is responsible for the Cooperative Extension in Nevada’s seventeen counties, with the largest operation in Clark County with 200 employees.
- • Programming, primarily for at-risk youth, is provided in all schools. UNR has programs with any school with 50% or more of its students participating in federal food programs.
- • The School of Medicine, with campuses in Reno and Las Vegas and Area Health Education Centers around the state, insures the university provides the greatest level of service to Nevada’s physicians.
- • The Orvis School of Nursing also contributes to good health.

3. Information Only-Presidents’ Reports – (*Cont’d.*)

President Lilley, UNR – (*Cont’d.*)

- • Graduates of the university’s public health programs are now in the field doing a good job.
- • Study of Earthquakes – Scientists in the Mackay School of Mines have studied the geology and earthquake potential of the Lake Tahoe region.
- • Preparing for Earthquakes – The university studies the design of buildings and highway bridges to ensure they are designed to withstand earthquakes. The laboratory will soon be expanded to include a fourth earthquake simulator.

4. Information Only-Public Comment – Mr. Erin Lankowsky, Student Body President-UNR, thanked the Board for the time devoted to discussing many important topics, including the naming of the university. He then presented Board members with tee shirts displaying the official university name, University of Nevada, Reno.

Ms. Danielle Johnson, President, Undergraduate UNR SEEDS (*Students and Educators for Environmental Development and Sustainability*), reported that SEEDS began in Spring 2004 in response to the growth occurring on campus. The group does not oppose university growth, but rather encourages smart growth in the form of green building, which involves using environmentally sound building materials and products. Green building in Nevada involves the use of high insulation and using the sun for energy and day lighting. Green building correlates to energy efficiency savings. The concept is not new, but only in the mid-1990’s did it become popular enough for third-party certification to develop: LEED (*Leadership in Energy and Environmental Design*). UNR has three rather large new buildings planned for construction in the next few years (*the Knowledge Center, the new student union, and the Life Science building*). Ms. Johnson reported that few of the existing buildings were designed for maximizing energy efficiency. Rooms are either too warm in the winter or too cold in the summer, which is a waste of energy and money. To save money on energy costs, UNR closes down most of its campus buildings during winter break. Ms. Johnson related that these closures were an inconvenience to the students, faculty, and the community and represented only a small energy savings. SEEDS feels that by constructing new, more energy efficient buildings will maximize the ability to save money and minimize upfront costs. Ms. Johnson acknowledged that it does cost more money to build in this fashion, but felt it was usually less than 2% and that 25% would be saved in overall energy costs over time. She felt that the new student union should be built using LEED certification guidelines and that other students agreed since the building will be built with their fees. She advocated the use of LEED third-party certification and suggested the Board draft a policy for all UCCSN institutions to follow.

Mr. Kurt Unger, President, Graduate UNR SEEDS, reported that buildings constructed to the silver LEED rating typically cost an additional 2% in upfront costs, but yield approximately 25% in energy efficiency savings. He estimated a \$14 million savings to the university if the new student union building lasted 30 years and was built to LEED third-party certification standards. With increased interest in green building costs are decreasing. Mr. Unger reported there are numerous LEED projects underway in Las Vegas and that Sierra Nevada College’s new research center will be a silver LEED

4. Information Only-Public Comment – (*Cont’d.*)

building, yet Reno has no LEED building projects. He encouraged UNR and the community to rally around green building, adding that it would help improve the economy and the quality of life for Nevada. He felt that, starting with the new student union, the focus of all new buildings should be on the long-term gains of energy and water efficiency that relate to significant monetary savings over the life of the buildings. The entire UC System has mandated that all new buildings be LEED certified. Mr. Unger urged the use of LEED third-party certification and asked to meet with Regents to discuss this matter. He requested a formal appearance at the Board’s October meeting.

Regent Derby felt this would be a progressive and interesting matter for the Board to pursue.

Regent Sisolak noted that the UCCSN would soon exceed the 100,000 student mark. He felt that this opportunity seemed to be passing without anyone taking advantage of it. He suggested that the Board devise a plan whereby representatives of the 100,000 students appear before the Legislature or a slogan to signify the impact of 100,000 students. He related that the Thomas & Mack facility could be filled 5½ times with such a number. He felt that making such a point with the Legislature at a time when funding is in question could really benefit the System.

Regent Kirkpatrick observed a point of order, noting the length of the Consent Agenda. He asked whether items would be included on the Consent Agenda in the future that would normally be considered on the main agenda in the interest of expediency. If so, he wanted to discuss that. He also requested that items #20 (*Handbook Revision, UCCSN Cod e, Appointment of System Administrators*) and #25 (*2005-2007 CIP Campus Improvement Projects*) be considered separately.

Regent Rosenberg requested that items #12 (*Amended Contract, Head Football Coach, UNR*), #16 (*Resolution, Nevada's Tradition of Athletic Rivalry, UNR/UNLV*), #17 (*Resolution, Sale of Bonds, cooperative Extension Building in Clark County, UNR*), #22 (*Handbook Revision, Contract Approval*), and #28 (*2005 Board Meeting Locations*) be considered separately.

Regent Bandera requested that item #9 (*Rehire of PERS Retirees, UNLV*) be considered separately.

5. Approved-Consent Agenda – The Board approved the Consent Agenda with the exception of items #9 (*Rehire of PERS Retirees, UNLV*), #12 (*Amended Contract, Head Football Coach, UNR*), #16 (*Resolution, Nevada's Tradition of Athletic Rivalry, UNR/UNLV*), #17 (*Resolution, Sale of Bonds, cooperative Extension Building in Clark County, UNR*), #20 (*Handbook Revision, UCCSN Cod e, Appointment of System Administrators*), #22 (*Handbook Revision, Contract Approval*), #25 (*2005-2007 CIP Campus Improvement Projects*), and #28 (*2005 Board Meeting Locations*), which were approved separately.

(1) Approved-Minutes – The Board approved the minutes from the Board of Regents' workshop held May 7, 2004, and the minutes from the regular meeting held June 3-4, 2004.

5. Approved-Consent Agenda – (*Cont'd.*)

(2) Approved-Minutes – The Board approved the minutes from the CCSN Presidential Search Committee meetings held May 6, 10, and 12, 2004 and the Faculty Workload Task Force meeting held July 19, 2004.

(3) Approved-Request for Tenure, NSC – The Board approved former President Kerry Romesburg's request for tenure for the following Nevada State College employees as presented by Interim President Pat Miltenberger:

- • Dr. Erika Beck (*Ref. C-3a on file in the Board office*).
- • Dr. Connie Carpenter (*Ref. C-3b on file in the Board office*).
- • Dr. Francine Mayfield (*Ref. C-3c on file in the Board office*).

(4) Approved-Request for Tenure, UNLV – The Board approved Assistant Professor Robert I. Correales' application for tenure. His tenure application was reviewed by the Executive Vice President and Provost and a recommendation was made to the President that Assistant Professor Correales be awarded tenure. President Harter concurred with the recommendation and, in turn, recommended to the Board of Regents that tenure be approved, effective July 1, 2004 (*Ref. C-4 on file in the Board office*).

(5) Approved-Tenure Upon Hire, UNLV – The Board approved President Carol C. Harter's recommendation for tenure upon hire for Dr. Richard C. Lee, effective July 1, 2004. Dr. Lee accepted UNLV's offer to assume the position of Vice Provost for Educational Outreach. Of course, his offer letter stipulated that his hire with tenure was pending formal approval. The tenured faculty in the Department of Special Education within the College of Education unanimously supported Dr. Lee's tenure upon hire (*Ref. C-5 on file in the Board office*).

(6) Approved-Tenure Upon Hire, UNLV – The Board approved President Carol C. Harter's recommendation for tenure upon hire for Dr. Edward J. Shoben, effective August 1, 2004. Dr. Shoben accepted UNLV's offer to assume the position of Dean within the College of Liberal Arts with tenure. Of course, his offer letter stipulated that his hire with tenure was pending formal approval. The tenured faculty in the Department of Psychology within the College of Liberal Arts strongly supported Dr. Shoben's tenure upon hire (*Ref. C-6 on file in the Board office*).

(7) Approved-Tenure Upon Hire, UNR – The Board approved President John M. Lilley's request for tenure upon hire for Margaret M. Ferrara, Ph.D., as Department Chair and Associate Professor of the Department of Curriculum, Teaching, and Learning in the College of Education. Dr. Ferrara has nearly 30 years experience in education, 15 of these years at the university level. She leaves a tenured position with the State University of New York to accept this position. In addition to Dr. Ferrara's substantial experience, she has an extensive research and publication record as shown on her curriculum vita. This appointment is supported by the tenured faculty in the Department, the College of Education's Personnel Committee, the Dean of the College of Education, and the Provost as indicated on the attached memorandum (*Ref. C-7 on file in the Board office*).

(8) Approved-Tenure Upon Hire, UNR – The Board approved President John M. Lilley’s request for tenure upon hire for Deborah A. Verstege, Ph.D., as Department Chair and Professor of the Department of Educational Leadership in the College of Education. This

5. Approved-Consent Agenda – (Cont’d.)

(8) Approved-Tenure Upon Hire, UNR – (Cont’d.)

appointment is a significant advancement in the standing of the university, college and department. Dr. Verstege possesses a noteworthy educational career of over 35 years, 24 of these at the university level. Dr. Verstege also possesses a sustained and impressive program of research and scholarship in education finance policy, with her published in prestigious journals and cited frequently by other researchers. This work is detailed on her curriculum vita, which also outlines her service on editorial boards of scholarly journals and as a consultant to all branches of government. This appointment is supported by the tenured faculty in the Department, the College of Education’s Personnel Committee, the Dean of the College of Education, and the Provost as shown on the attached memorandum (Ref. C-8 on file in the Board office).

(10) Approved-Professional Development Leave, GBC – The Board approved President Paul Killpatrick’s request for Dr. Betty Elliott to take professional leave for Fall 2004 to prepare for her return to a full-time faculty position in Spring 2005 (Ref. C-10 on file in the Board office).

(11) Approved-Extended Leave of Absence Without Salary, CCSN – The Board approved President Richard Carpenter’s request for extended leave of absence without salary for Ruben Kihuen, Recruitment Specialist, for the period of August 4, 2004 to November 5, 2004. The original leave request was for the period of August 4, 2003 to November 5, 2004. As stipulated in the *Board of Regents Handbook*, this request extends beyond the twelve month period that can be approved by the president (Ref. C-11 on file in the Board office).

(13) Approved-Multi-Year Contract, Head Coach, Women’s Golf, UNR – The Board approved President John M. Lilley’s request to offer Ms. Jody Dansie a three-year contract as Head Women’s Golf Coach (Ref. C-13 on file in the Board office).

(14) Approved-Multi-Year Contract, Head Coach, Men’s Golf, UNR – The Board approved President John M. Lilley’s request to hire Mr. Richard Merritt on a three-year contract as Head Men’s Golf Coach (Ref. C-14 on file in the Board office).

(15) Approved-Resolution 04-18, Workers Compensation Letter of Credit – The Board approved Risk Manager Jon Hansen’s request to have issued a letter of credit (LOC) in the amount of \$1,280,000 to replace the existing LOC in the amount of \$2,125,000 held by the Royal and Sun Alliance Insurance Company. The LOC is collateral in the event the UCCSN defaults on its obligation under a large deductible workers compensation program for 2002 and 2003. The new LOC will cost less than the current LOC (Ref. C-15 on file in the Board office).

(18) Approved-Resolution 04-21, Expense Reimbursement, UNR – As required by the Internal Revenue Code of 1986, as amended, the Board approved President John M. Lilley’s request for a resolution that would permit the reimbursement from the proceeds of tax exempt bonds (*to be issued*) of certain up-front planning and construction expenses associated with the new Student Union Building at the University of Nevada, Reno. The building project and bond financing plan were approved at the March 2004 Board of Regents meeting (Ref. C-18 on file in the Board office).

5. Approved-Consent Agenda – (Cont’d.)

(19) Approved-Handbook Revision, Board Bylaws, The Seal of the University – The Board approved final action on staff’s recommendation for an amendment to the *Board of Regents Bylaws (Title I, Article II)* to standardize the use of the official seal of the University of Nevada on students’ diplomas. Because Bylaws amendments require two hearings, this item was presented for informational purposes at the June 2004 meeting (Ref. C-19 on file in the Board office).

(21) Approved-Handbook Revision, Purchasing Threshold – The Board approved Vice Chancellor for Finance and Administration Buster Neel’s request for a *Board of Regents Handbook* revision (*Title IV, Chapter 10, Section 1, Subsection 5b(1)*) to bring the existing purchasing policy threshold amount into agreement with applicable state law. The recommendation was approved by the Business Officers’ Council at its June 2004 meeting (Ref. C-21 on file in the Board office).

(23) Approved-Handbook Revision, Mutual Use of Contract – The Board approved Vice Chancellor for Finance and Administration Buster Neel’s request for a *Board of Regents Handbook* revision to add new policy language (*Title IV, Chapter 10, Section 5h*) to incorporate into UCCSN policy joinder language (*i.e., mutual use*) as contained in state law (*NRS 332.195*). The new policy language will also allow institutions to satisfy the requirements for competitive quotations and/or formal bidding through the use of federal/state/local government contracts, consortium agreements, and/or educational pricing agreements. The recommendation was approved by the Business Officers Council at its June 2004 meeting (Ref. C-23 on file in the Board office).

(24) Approved-Handbook Revision, CSUN Constitution, UNLV – The Board approved CSUN student government at the University of Nevada, Las Vegas’ request for revisions to the *Board of Regents Handbook (Title V, Chapter 13, Article VI Legislative Branch B. 1, 2, 3)* (Ref. C-24 on file in the Board office).

(26) Approved-Capital Improvement Fee Funds, TMCC – The Board approved President Philip M. Ringle’s request to expend \$700,000 in Capital Improvement Fee funds to remodel and build out 8,000 assignable square feet for science labs and offices, and police, safety, and security offices (Ref. C-26 on file in the Board office).

(27) Approved-P-16 Council Member Guidelines – The Board approved Dr. Chris Chairsell’s request for the *P-16 Council Member Guidelines* to establish a membership selection committee and a process to select/elect new members upon expiration of membership terms(Ref. C-27 on file in the Board office).

(29) Approved-Utility Easement, DRI – The Board approved President Stephen G. Wells’ request for a Grant of Easement for Utility Facilities to insure completion of *Project 03-C2 “Dandini Campus Fire Flow Pump Station Upgrade”*. This project provides critically needed water system upgrades for fire suppression (Ref. C-29 on file in the Board office).

(30) Approved-Elko Clinic Building Lease Purchase Negotiation, GBC – The Board approved President Paul Killpatrick’s request to negotiate a lease/purchase for the Elko Clinic Building. The building is currently owned by Providence Health Care. The building is

5. Approved-Consent Agenda – (*Cont’d.*)

(30) Approved-Elko Clinic Building Lease Purchase Negotiation, GBC – (*Cont’d.*)

located approximately ¼ of a mile from the campus, and has approximately 50,000-square feet of space (Ref. C-30 on file in the Board office).

(31) Approved-KUNV Radio Lease Renewal, UNLV – The Board approved President Carol C. Harter’s request for the Second Amendment to the lease at 1515 East Tropicana Avenue, Las Vegas for use by the KUNV Radio station office and sound studios. KUNV has occupied this space since 1999. This lease is for 2,474-sq. ft. in Executive Center East, a multi-tenant complex. The extent of the amended lease is February 1, 2005 for a period of four years and five months until June 30, 2009 with an option to extend the lease for two additional four-year periods. The initial 53-month term will align the lease with the UCCSN fiscal year. The lease rent will begin at \$3,959.71 (*\$1.60 per square foot/month*) and increase annually according to a fixed schedule. The lease has a cancellation clause that will permit relocation of KUNV to the new Greenspun Building if that construction is funded (Ref. C-31 on file in the Board office).

(32) Approved-USAC Student Exchange Agreement, UNR – The Board approved President John M. Lilley’s request for the student exchange agreement with Universiteit Utrecht (*The Netherlands*) that would allow students from these institutions to attend USAC programs and would allow USAC student to attend courses as visiting foreign students at this university(Ref. C-32 on file in the Board office).

(33) Approved-Cellular Antenna Space Rental Amendments, UNR – The Board approved President John M. Lilley’s request for two amendments to modify a previously approved(2002) five-year contract with AT&T Wireless Services of Rancho Cordova, California for rental of space on the Ansari Business Building. The amendments will permit the addition of antenna-related equipment in return for increased rental income as well as some minor revisions to the original terms and conditions. Rental income will increase from \$1,000 to \$1,400 per month (Ref. C-33 on file in the Board office).

(34) Approved-ESCO Contract, WNCC – The Board approved President Carol A. Lucey’s request to negotiate a lease/purchase agreement with APS Energy Service Company to provide approximately \$1,700,000 in energy improvements at WNCC (Ref. C-34 on file in the Board office).

Regent Kirkpatrick moved approval of the Consent Agenda with the exception of items #9(*Rehire of PERS Retirees, UNLV*), #12 (*Amended Contract, Head Football Coach, UNR*), #16 (*Resolution, Nevada’s Tradition of Athletic Rivalry, UNR/UNLV*), #17 (*Resolution, Sale of Bonds, cooperative Extension Building in Clark County, UNR*), #20 (*Handbook Revision, UCCSN Cod e, Appointment of System Administrators*), #22 (*Handbook Revision, Contract Approval*), #25 (*2005-2007 CIP Campus Improvement Projects*), and #28 (*2005 Board Meeting Locations*), which were approved separately.. Regent Derby seconded. Motion carried. Regent Rosenberg abstained.

(9) Approved-Rehire of PERS Retirees, UNLV – The Board approved President Carol C. Harter’s request to rehire the following PERS retirees:

- • Dr. Jerry Crawford, as a one-year temporary contract due to a critical labor shortage(Ref. C-9a on file in the Board office).
- • Dr. Pamela Salazar, as a one-year temporary contract due to a critical labor shortage(Ref. C-9b on file in the Board office).
- • Dr. Michael Robison, as a one-year temporary contract due to a critical labor shortage(Ref. C-9c on file in the Board office).

Such hires are permitted, with Board approval, under legislation passed during the 2001 Legislature.

Regent Bandera asked why these positions could not be filled by non-retirees. President Harter replied that some of the hires were for unusual specialties. Dr. Ray Alden, Executive Vice President and Provost-UNLV, replied that in the first case it was due to a death late in the Spring semester. His predecessor was asked to return from retirement. Due to the timing, UNLV was unable to advertise on a national basis. A search will be conducted while this person fills in. Regent Bandera established that it would take 13-14 months to advertise to fill the position. Provost Alden reported that the other two positions are being filled by people who have a specific specialty fitting a need in the College of Education. They are in a critical area working with the school district. Regent Bandera established that the search that had been conducted had not yielded any viable candidates. Provost Alden agreed, adding that UNLV had experienced some failed searches and was competing with many other institutions to fill these positions. He emphasized that these are temporary, visiting professionals and that a national search would be conducted for both positions.

Regent Kirkpatrick moved approval of the rehire of PERS retirees for UNLV. Regent Sisolak seconded. Motion carried. Regent Bandera voted no. Regent Rosenberg abstained.

(12) Approved-Amended Contract, Head Football Coach, UNR – The Board approved President John M. Lilley’s request for a contract amendment for Coach Chris Ault, head football coach. The amendment adds the obligation of participating in the “Wolf Pack Weekly” television show (Ref. C-12 on file in the Board office).

Regent Rosenberg reported that the annual pay scale for a TV sportscaster in northern Nevada was approximately \$45,000. He asked how many times Coach Ault would appear on television. Ms. Cary Groth, Director, Intercollegiate Athletics-UNR, replied that the Wolfpack Sports Network had been developed in May, which includes expanded radio coverage and a television package (*for the first time in Wolfpack history*). The television package includes several football games and a weekly coach’s sports show (22 episodes). This was not included in Coach Ault’s original contract, therefore, she was requesting the additional compensation.

(12) Approved-Amended Contract, Head Football Coach, UNR – (*Cont’d.*)

Regent Rosenberg asked which channels would carry the program. Ms. Groth replied that channel 14, cable, and a partnership with channel 8 would. Regent Rosenberg asked if this was being done for publicity purposes. Ms. Groth replied that they were. Regent Rosenberg observed that Coach Ault is paid in excess of \$300,000 per year. Other faculty members do television programs and are not paid for it. He said he objected to this. Ms. Groth replied that she researched the average pay for such shows and found that UNR is in the bottom 25% nationally for 1A teams.

Regent Alden asked whether hard (*state funds*) or soft (*non-state funds*) money would be used. Ms. Groth replied that sponsorship money would be used (*soft money*). Regent Alden felt that disclosure on this issue was important, emphasizing that no state funds would be used and that only donated funds would be used. He supported the motion, adding that it was very normal across the country.

Regent Alden moved approval of the amended contract for the head football coach at UNR. Regent Sisolak seconded.

Regent Sisolak clarified that this was to televise University of Nevada, Reno football games. Ms. Groth agreed.

(16) Approved-Resolution 04-19, Nevada’s Tradition of Athletic Rivalry, UNR/UNLV – Pursuant to a request from Regents Tom Kirkpatrick, Douglas Roman Hill, and Jack Lund Schofield, the Board approved the following resolution (Ref. C-16 on file in the Board office):

Resolution 04-19

WHEREAS, the University of Nevada, Reno and the University of Nevada, Las Vegas have a long standing and time-honored tradition of athletic rivalry; and

WHEREAS, the University of Nevada, Reno has an outstanding history of achievement with its collegiate athletic teams; and

WHEREAS, the University of Nevada, Las Vegas has an outstanding history of achievement with its collegiate athletic teams; now therefore be it

RESOLVED, that on this day, August 19, 2004, the Board of Regents wants to ensure the spirit of competitiveness will continue by encouraging Nevada’s two public universities to join the same athletics conference.

Regent Rosenberg questioned the reason for this request, adding that he had been told that it would be almost impossible to accomplish. Regent Kirkpatrick replied that the two universities are required by legislation to play one another once per year in basketball and football. The institutions currently belong to different conferences. He said it was their intent to have both universities belong to the same athletic conference. He noted that President Harter was the only president in the Mountain West Conference to vote in favor

(16) Approved-Resolution 04-19, Nevada's Tradition of Athletic Rivalry, UNR/UNLV –(Cont'd.)

of UNR joining the conference. He wanted the Board to be on record and for the universities to work toward this objective.

Regent Derby observed that the two universities could still play one another while belonging to different conferences. She was unsure why the Board should be taking a position on this. She felt it was more of a decision for the universities and the conferences. Regent Kirkpatrick replied that he wanted the Board to convey to Presidents Lilley and Harter that the Board would like to see this done if possible.

Regent Sisolak stated that this is a complicated procedure with financial considerations. He agreed that the rivalry was great, but he was unsure about encouraging the institutions to do this. He asked whether the matter could be further reviewed. Chair Anthony did not have a response.

Regent Bandera found it exciting, adding that she would not want to see any less rivalry or competitiveness between the two institutions or presidents. Regent Sisolak observed that it did not identify a specific conference.

Chair Anthony asked whether the Regents who requested the item would object to carrying the item forward to the next meeting for further discussion. Regents Kirkpatrick and Schofield did not agree to the request.

Regent Hill said it would be beneficial for UNR to be in the same conference as UNLV because it is a better conference. He felt that helping an institution was what the Board is all about. He felt it was a nice gesture and that the Board should approve it.

Regent Sisolak asked about the outcome if UNLV would have to go to the other conference and they did not want to move. He asked what would happen if UNR's conference would accept UNLV, but UNLV's would not accept UNR. He felt that the item was more than a Consent Agenda item. Regent Hill observed that Regent Sisolak could find issues where no one else could. He said that it was simply a resolution indicating that this would be nice if it would happen, adding that it did not have the same effect as setting policy.

Regent Rosenberg suggested the resolution state that the Board felt it would be a nice thing to happen. He still did not know why the Board was requesting it or why one was a better conference.

Regent Alden indicated his agreement with Regent Hill on this matter. He said that it was not a policy or a directive. It simply stated that it would be nice if both schools were in the same conference.

Regent Dondero moved approval of the resolution. Regent Kirkpatrick seconded.

Regent Howard said that she wanted to hear how President Harter felt about this. Regent Sisolak asked for President Lilley's feelings.

(16) Approved-Resolution 04-19, Nevada's Tradition of Athletic Rivalry, UNR/UNLV –(Cont'd.)

President Harter explained that she is one vote out of nine schools in this conference. She related that UNLV had left the WAC and had no plans to return. The Mountain West Conference has just admitted a new school (*TCU*). President Harter voted for the University of Nevada, Reno to be added to the conference instead, but was outvoted. The conference will not meet again until next June. There is currently no appetite to add additional teams. They are also negotiating for a new television contract that indicates the Mountain West Conference will remain stable with nine teams for the foreseeable future. She said that could change at the will of the presidents. It was her sense that there is not a huge appetite for continued growth because the growth of the WAC created a situation where the conference was divided into two separate conferences.

President Lilley reported that the University of Nevada, Reno had not been asked to vote upon UNLV's re-entrance to the WAC. Should they seek re-entrance, he would be very happy to support it. Presently the two institutions play one another once per season in basketball. If they were in the same conference they would play one another twice. A legislative resolution was passed in support of the two institutions belonging to the same conference. They wanted the two schools to play one another on the Nevada Day weekend, which is currently impossible while playing in different conferences.

Regent Howard asked why the Regents requested this agenda item. Regent Kirkpatrick explained that he is interested in sports and in equity between the two schools.

Regent Bandera thought it was a nice resolution. Her only hesitancy in seeking the Mountain West Conference is that it might encourage the Board to make larger mountains out of smaller mole hills.

Regent Schofield believed it would be important for President Harter to be able to indicate to the Mountain West committee that she has the Board's full support.

Motion carried. Regents Rosenberg and Sisolak abstained.

Chair Anthony announced that the Board would suspend its discussion of the Consent Agenda in order to accommodate the appearance of Nevada's State Treasurer, Mr. Brian Krolicki.

6. Information Only-Millennium Scholarship Program - State Treasurer Brian K. Krolicki reported on the status of the Millennium Scholarship Program. He thanked the Board for taking this item out of sequence to accommodate his busy schedule. Mr. Krolicki then acknowledged the assistance of Millennium Scholarship Program Director, Dr. Susan Moore; Chief of Staff, Ms. Kathy Besser; and Ms. Janet Murphy. The Millennium Scholarship is an extraordinarily successful program that will not only enhance the lives of many young people in Nevada, but will also serve to make the state stronger and more economically viable. Because of the program's phenomenal success, it can no longer sustain itself as it is currently structured and funded. In Fall 2000, 7,347 high school graduates were eligible for the scholarship (57% of all eligible high school graduates), and 4,252 (58%) utilized the scholarship during the first fall semester following graduation. In Fall 2003, 8,631 of all high school graduates were eligible (61%) and 5,053 (59%) utilized the scholarship during the first fall semester following graduation. More scholars are

6. Information Only-Millennium Scholarship Program – (Cont'd.)

utilizing the scholarship than was originally anticipated. Almost 74% of the 2000 high school graduating class has initiated use of the scholarship to date. The purpose of the scholarship is to encourage Nevada's best and brightest students to pursue their higher education in Nevada. Nevada has the lowest college continuation rate in the nation. The state realized a 33% increase in the number of Nevada high school graduates who are remaining in the state to pursue a higher education. Currently, there are approximately 41,000 Millennium scholars in Nevada; 22,000 have used the scholarship; 13,000 students used the scholarship last spring. To date, \$67 million has been expended from the Millennium Trust fund. Since people are smoking less, there is less money going into the trust. Nevada currently receives 8.3% less money than was originally projected. The senate passed a plan to securitize Nevada's tobacco payments on three different occasions (1999, 2001, and 2003). Unfortunately, the assembly did not pursue that legislation, which resulted in leaving approximately \$200 million on the table. Approximately \$97 million would have been generated in interest earnings.

Mr. Krolicki reported that the current fund balance is approximately \$17 million. With the anticipated number of returning Millennium scholars this fall, it is anticipated that the fund will be several hundred-thousand dollars short (\$422,000). The fund will be short approximately \$14 million following the fall and spring semesters. The April 15th tobacco settlement installment should be sufficient to cover the entire year's liability. He asked the Board and UCCSN to front the shortfall for a two-month period. He said the state required a 60-day loan without interest and he hoped that the System's financial structure could accommodate not receiving the funds for sixty days.

Chancellor Rogers stated that he and Assistant Chancellor Larson met previously with Mr. Krolicki to evaluate whether the System's cash flow could accommodate such a request. He also asked Vice Chancellor Neel to perform an analysis of the cash flow and it was agreed that the System could handle this without much problem.

Regent Dondero asked about the time difference between when the money is due and when it would actually be there. She asked whether students would be delinquent in paying their fees. Mr. Krolicki replied that his office makes up to two payments each semester. The first payment is an estimate which is then adjusted once the actual enrollment numbers are realized.

Regent Whipple asked whether UCCSN would provide a 60-day loan with Mr. Krolicki's office continuing to administer the scholarship. Mr. Krolicki replied that it would be a simple debit/credit transaction. He was unsure about the impact to the System if the money was not provided until sixty days later. Vice Chancellor Neel stated that the System has operating funds that are currently invested which could be used for this purpose. There would be a cost to the System because those funds would not be invested (estimated \$15,000/month). Regent Whipple asked whether there would be future discussions regarding the future of the Millennium Scholarship. Mr. Krolicki replied that there would be.

6. Information Only-Millennium Scholarship Program – (Cont'd.)

Regent Rosenberg expressed concern for having a mechanism in place so that students do not incur late fees or get dropped/purged from classes. Mr. Krolicki did not foresee a problem, adding that he was sure it could be worked out.

Regent Alden asked whether they had considered reducing the amount (\$10,000) in order to extend the life of the scholarship. Mr.

Krolicki replied that his office would be making recommendations to the Board and the Legislature at a future date.

Regent Sisolak asked whether this issue would be pursued at the legislative level in order to prevent leaving more money on the table. Mr. Krolicki replied that he thought that tobacco securitization was still a tool, adding that he thought the situation would get even worse. He said that the problem was that they had already left \$200 million on the table. When the conversation started, the bonds were rated higher than they are today. Regent Sisolak questioned why this was not a priority for the Board to work in conjunction with Mr. Krolicki to pursue this at the legislative level. He suggested that student representatives could be used to get the message across. He felt that this should be marketed in a better manner. Mr. Krolicki said that the Treasurer's Office was proud of its reputation. One of the reasons for the delay in notifying the Board was due to time invested in determining a solution to the problem. He said he would discuss the solution and he hoped the Board would support the measures.

Regent Derby asked whether the Board could be assured that the money would be received by April 15th. Mr. Krolicki replied that the likelihood of it not coming was remote, adding that anything could happen with the litigation currently underway. It is projected that Nevada will receive sufficient funds to take care of this next fiscal and academic year. Regent Derby observed that receiving the money later in the year would put the System behind the curve and made her wonder about what lies ahead. Mr. Krolicki said he would address that later in the presentation.

Regent Sisolak asked how bankruptcy would affect the funds. Mr. Krolicki replied that it would have a huge effect. A case in Illinois involved an appeal bond that cost more than the tobacco company thought that it could post without declaring bankruptcy. There is a large market of non-participating manufacturers in addition to the fact that people are smoking less.

Mr. Krolicki reported that two years ago changes were discussed and passed regarding raising the required GPA over time, reducing the eligibility period from eight to six years, and increasing the eligibility GPA from 2.0 to 2.6. Further adjustments are required:

- • Disbursement of Millennium Scholarship funds would be at a minimum, flat rate (*i.e., 12 units*).
- • Exceptions for students with disabilities.
- • Payment for Fall and Spring semesters only (*excludes summer school*).
- • Millennium Scholarship limited to one baccalaureate degree in Nevada.

Mr. Krolicki urged Board support of these measures. He related that they could also change the residency requirements, though he recommended no change. Mr. Krolicki then recommended that the Board modify its Millennium Scholarship policies to include

6. Information Only-Millennium Scholarship Program – (*Cont'd.*)

a requirement for maintaining eligibility or losing the scholarship (*cannot reestablish eligibility*). He reported that nearly half of the students who lose their eligibility eventually regain it. He related that the Board had the power to change this requirement without legislative action.

Regent Kirkpatrick asked about allowing provisions for emergencies (*i.e., illness*) for reestablishing eligibility. Mr. Krolicki replied that the Board could choose to address/accommodate that.

Regent Bandera said that she was very concerned about being too strict about maintaining eligibility or losing the scholarship. The original intent of the scholarship was to encourage the average student to go to college. She hated making this an elitist scholarship and recommended the Board review the matter very carefully so as not to eliminate those it was intended to help.

Regent Alden felt they should seriously consider reducing the payment to \$8,000.

Regent Derby asked about retention data on those students who lose eligibility and then regain it. Mr. Krolicki replied he did not have that data. One study was performed, but it was not funded this time. Regent Derby said that she was more of a "two strikes you're out" person.

Mr. Tyler Trevor, Assistant Vice Chancellor, Academic Affairs-System Administration, reported that the System's data warehouse now has the capability to identify all Millennium scholars and to conduct a variety of tracking. That ability is in the testing stage, but should be available by the next legislative session. Regent Derby felt that knowing how long the students are ineligible and how they perform once they regain eligibility would help the Board determine whether to implement a one-strike or two-strike rule.

Regent Rosenberg observed there are students who cannot attend school during a Fall or Spring semester due to work obligations, but can attend in the summer. He asked about implementing a two-semester limit rather than limiting payments to Fall and Spring. President Harter observed that nursing students attend all year long and felt that two out of three semesters might be a better way to address the matter. Mr. Krolicki said he was happy to consider all possibilities. If these changes are not implemented, the Legislature would need to appropriate \$45 million for the next three biennia to sustain the Millennium Scholarship. A \$10 million savings per biennium is anticipated with these changes. It is hoped they will not need to reduce the \$10,000 award. If the changes are adopted, it would require a \$20 million request per biennium just to sustain the program.

Regent Rosenberg suggested consideration of covering two out of three possible semesters. He asked whether students would lose eligibility if they dropped below twelve credits. Mr. Krolicki replied that they would.

6. Information Only-Millennium Scholarship Program – (Cont'd.)

Ms. Michelle Hammond Urain, Student Body President-GBC, reported that the Millennium Scholarship had helped many students attend college. She felt that restricting the payment to two semesters was wrong because it would punish students who were working hard. She urged the Board not to punish those students who were striving to complete their education more quickly.

Regent Hill said that he was really impressed with Mr. Krolicki's efforts of promoting higher education on television with the 529 plan. He could not believe that the assembly was so foolish as to not securitize the tobacco funds. He felt there was a larger issue. He suggested they bifurcate the scholarship; providing scholarships to the best and brightest students and then making part of it need-based. He observed that more than 60% of Nevada high school students graduate from high school with a 3.0 GPA and above and then enroll in remedial college courses. He felt that indicated serious grade inflation. He acknowledged that raising the standards could address part of that, but he also felt they should consider having some of the scholarship be devoted to need-based aid.

Regent Sisolak observed that some of the suggestions required legislative action. He asked whether these were Regent issues. Mr. Krolicki replied that the Board's signoff and support was critical for any legislative change, adding that the first four revisions required legislative remedy. The final suggestion for maintaining eligibility or losing the scholarship is the Board's discretion. Regent Sisolak felt that "one strike and you're done" seemed quite severe. He asked how much would be saved by increasing the residency requirement to 4 years of high school. Mr. Krolicki replied that he could not quantify that. Regent Sisolak said he was concerned about the student who could not maintain the GPA and would lose the scholarship for life. Mr. Krolicki observed that other scholarships operate in this manner.

President Lucey observed that some students must work full-time in order to pay for their college. Often, these students dropout mid-semester due to financial, and not academic difficulties. She suggested that other remedies are available. One solution would be to require every student eligible for a Millennium Scholarship to apply for Pell support and use the Millennium Scholarship to cover the difference between tuition and fees and the Pell award. She said that would save the state a lot of money. She suggested that the community college presidents would like to provide a proposal that could benefit all of Nevada's students.

Regent Howard said she wanted to know more about the BDR that Mr. Krolicki would be putting forward. Mr. Krolicki replied that the BDR was included in the information provided (*on file in the Board office*). He welcomed the Board's input.

Regent Derby asked whether the BDR could be changed any time after September 1st. Mr. Krolicki replied that it could, adding that sooner was always better.

Regent Seastrand suggested allowing a provision to bifurcate the scholarship so that if a student loses eligibility they would fall into a second tier with reduced benefits or need-based requirements. Mr. Krolicki replied that the governor felt that the students had earned and deserved the scholarship and did not favor making it need-based.

6. Information Only-Millennium Scholarship Program – (Cont'd.)

Mr. Krolicki said that his office would be proposing legislation that would generate a \$100 million windfall to be placed in the Millennium trust fund. Nevada would become the first state to securitize its unclaimed property revenues. With the outlined changes, the Millennium Scholarship could be extended through 2015.

Regent Sisolak asked whether such a measure would put Treasurer Krolicki in a conflicted position. Mr. Krolicki replied that net revenues are about \$20 million. His office returns approximately one-third of that property to the rightful owners. He felt there would be a sufficient cash flow.

The meeting recessed at 3:16 p.m. and reconvened at 3:35 p.m. on August 19, 2004 with all members present.

(17) Approved-Resolution 04-20. Sale of Bonds. Cooperative Extension Building in Clark County, UNR – The Board approved President John M. Lilley's request for a bond resolution to finance the construction of the University of Nevada, Reno Cooperative Extension Building in Clark County on land acquired from the Bureau of Land Management. The building project and bond financing plan were approved at the June 2004 Board of Regents meeting (*Ref. C-17 on file in the Board office*).

Regent Alden moved approval of the resolution for the sale of bonds for the Cooperative Extension building in Clark County for UNR. Regent Bandera seconded.

Regent Rosenberg asked how this action impacted the System's total capacity. Mr. Scott Nash, Johnson Consulting Group, replied that these bonds would count against the total authorization for future projects. He related that a request to increase the amount of bonding would be presented during the next legislative session. Regent Rosenberg asked about the remaining balance. Mr. Nash replied that UNR had approximately \$70 million remaining. UNLV has a separate limitation.

Motion carried. Regent Rosenberg abstained.

(20) Approved-Handbook Revision, UCCSN Code, Appointment of System Administrators – The Board approved final action on Interim Chancellor Jim Rogers' recommendation for a proposed amendment to the UCCSN Code, (*Title II, Chapter 1, Section 1.6.1 (c)*) to eliminate the requirement that the appointment of all System administrators reporting to the chancellor must be approved by the Board of Regents. This proposed amendment would give the chancellor the authority to make such appointments. This item was presented for informational purposes at the June 2004 meeting (*Ref. C-20 on file in the Board office*).

Regent Kirkpatrick noted that this item had been included on the regular agenda for the previous meeting and was included on the consent agenda this time. He found that a bit inconsistent. After thinking this over, he was unsure he wanted to approve the request. He said that he would prefer reviewing the credentials and approving the chancellor's recommendation, at least for the vice chancellors. He recalled that when the Board

(20) Approved-Handbook Revision, UCCSN Code, Appointment of System Administrators –
(*Cont'd.*)

stopped approving vice presidential appointments that the Board had been told they would receive the resumes for such recommendations, yet that practice has ceased. Now he does not have occasion to meet the vice presidents.

Regent Derby said that she had a different reason for opposing the request. She noted that the Board was in an interim period. There are a number of things that need to be reviewed. The Board will be initiating a chancellor search in the near future. She felt the Board should undertake a governance study to determine the appropriate role of the chancellor and include these issues at that time. She felt there was a sense that the Board wanted to make a number of changes. She was leery about making changes without considering the entire matter carefully. She did not believe that it was a good idea to make piecemeal changes and encouraged a comprehensive review for how to make the chancellor's role and relationship with the Board better.

Regent Alden felt it was a good policy and that it needed to be done. He did agree that the Board should be better informed when such appointments are made. He felt the CEO should be in charge, noting that General Motors' governing board did not tell the CEO which executives could be hired. He felt it was time for the Board to focus on the big picture. He felt the CEO should be in charge. If the Board does not like the CEO they can terminate him.

Regent Alden moved approval of the Handbook revision concerning the appointment of System administrators. Regent Seastrand seconded.

Regent Rosenberg said he had a problem with the checks and balances. He felt it was not only a question of the Board having authority but also providing the chancellor with a certain amount of protection. He agreed with Regent Derby that the Board needed to delineate and define the relationship between the chancellor and the Board. He felt this was not the time to do this.

Regent Sisolak asked about the chancellor's reasoning behind this matter. Chancellor Rogers replied that he felt that if the Board intended to hold the chancellor accountable for those who work for him they needed to give him the authority to hire those people. If they did not allow that authority and something went wrong, his response would be that the Board (*and not he*) had selected those employees. He related that he never hires anyone that is below the person that reports directly to him. He asked the Board to give him the right to pick the people with whom he feels comfortable. Regent Sisolak asked whether Chancellor Rogers foresaw a problem with the subsequent chancellor having this authority. Chancellor Rogers replied that the principles of management apply across the board. He felt the next chancellor should have the same authority.

Regent Seastrand said that he would support the motion. He felt the chancellor was indicating that responsibility and authority should be tied together. They should give him the authority and then hold him responsible. One of the ways of accomplishing this is to provide the chancellor with the authority to hire their employees.

(20) Approved-Handbook Revision, UCCSN Code, Appointment of System Administrators –
(*Cont'd.*)

Regent Rosenberg said that he would not necessarily deny a chancellor's recommendation. He did want to know who the chancellor is recommending and why, and to have that information and be able to provide some guidance in the process. He felt that having a CEO that you stick out there and then fire if you don't like what they do was counter productive. Chancellor Rogers stated this is how many major corporations operate and it has worked well. He said that these people only select the people who report directly to them.

He only hires the general managers for the seventeen television stations he owns. He said that if they trust their CEO they must trust that person to hire the right people immediately below them to create a team that will support the policies they want carried out. He did not object to informing the Board of potential hires. He noted a difference between providing that information to the Board and having the employee think that they really do not work for the chancellor, but rather for the Board. He said that anytime there was a problem between such an employee and the chancellor, the employee would approach the Board for support. He said that would not work.

Regent Howard felt that a system of checks and balances was necessary. She did not feel that Board members were trying to pick who works for Chancellor Rogers, but rather that they wanted to approve the hires because the Board would be held accountable. Chancellor Rogers said that the chancellor should be held accountable. He said that if the Board allowed end runs and these people thought they worked for the Board instead of the chancellor they would never get rid of the problems that they have today. Regent Howard said that this person would not answer to the Board. She said this person would answer to the chancellor. The Board would simply approve that person. She noted that he had previously indicated that he approves people but does not necessarily tell them who to hire. Chancellor Rogers recalled it differently. He said that he did not have a problem telling the Board what he has done or whom he has hired, and letting the Board look at that. He did not want the Board to have the final authority on who he hires. He said that the Board and chancellor currently have that problem with the presidents. If he tells a president to do something he does not want that president seeking Board authority not to do what the chancellor has mandated. Regent Howard said that no president had ever approached her to ask who they should or shouldn't hire. She felt there should be a system of checks and balances. She said that she was not for this request. She did not think that anyone should have the sole power to make a decision. She felt that everyone should have to answer to someone.

Regent Derby clarified that the Board was discussing System administrators and not presidents. She observed that the Board still has the authority to hire presidents. She said that she had never experienced an end run by a System administrator. While this might be a principle that she would ultimately support in terms of management, her concern was that the Board would be involved in doing something piecemeal. She preferred the Board review the entire arrangement rather than making small changes in terms of the role and responsibility of the chancellor. She said that her reason for not supporting the request had more to do with her desire to conduct a governance study that reviews the entire package.

(20) Approved-Handbook Revision, UCCSN Code, Appointment of System Administrators –
(Cont'd.)

Regent Sisolak noted a point of clarification, asking whether the Board was still considering agenda item #5. Regent Derby clarified that they were discussing Consent Agenda item #(20). Regent Sisolak established that the Consent Agenda was item #5.

Regent Dondero felt the Board should give the chancellor the authority to hire the people who will work best and do the job that is needed, just as they allow the presidents to hire their people. She observed that the Board did not work with these people on a daily basis like the chancellor would.

Regent Alden reported that he had encountered end runs by presidents and System administrators. He felt that someone must be in charge and indicated his support for the policy.

Regent Whipple asked whether the item could be included on a Board Development Committee agenda if the item did not pass.

Chair Anthony related that in his profession there is a body that picks the chief and the chief picks the staff. The chief is fired if the staff is not doing the job properly. He indicated his support for the motion.

Regent Hill agreed with the proposal in concept. He said that the problem with the hiring and firing system is that they do not have "at-will" employees and they are stuck with them for a period of time. He thought this should be brought back for the next meeting. If the Board is unhappy with the chancellor because of his hires, the Board is still stuck with those people the chancellor hired even after they get rid of the chancellor. He said he would like to make this part of an entire package for how the Board deals with those issues.

Chancellor Rogers acknowledged that was a valid point: the problem the Board has of unloading people who are not carrying their weight. If the Board wanted to get rid of a chancellor they would still be stuck with all of the people the chancellor hired due to a ridiculous 23-month termination contract clause. He did not feel that the Board's participation in the hiring process would solve that problem. He felt that he had a better chance of picking someone that would last than the Board did. He felt it would only undermine the authority of the chancellor if the Board was involved in the hiring process.

Regent Howard said that she was trying to understand. She did not think the Board would be picking or interviewing anyone. Chancellor Rogers asked whether she was referring to the chancellor saying this is the background on this person and that he would like that person approved. Regent Howard agreed. Chancellor Rogers said the Board would not bring them in for another interview.

Regent Howard agreed. Chancellor Rogers said he did not have a problem with coming to the Board and saying I just hired Joe Smith, providing his resume, and requesting the Board's approval. He did not want the Board talking with him or interviewing him because he felt it would undercut his authority. Regent Howard agreed with that. She said the Board does not tell the presidents who to hire, or interview them, but only approves them. She said that police chiefs need to seek approval from the City Council for their hires.

(20) Approved-Handbook Revision, UCCSN Code, Appointment of System Administrators –
(Cont'd.)

Chair Anthony suggested withdrawing the motion and reviewing the matter further.

Regent Alden asked that this at least appear on the October agenda with the 23-month rule. He wanted to get the 23-month rule settled. He felt it was the height of insanity that the Board would be stuck with someone for 23 months. Regent Sisolak noted a point of order.

Regent Alden withdrew his motion.

Chancellor Rogers said that he was spending an incredible amount of time trying to reconstitute the legal department. He did not want to wait until October for a decision on this issue. He did not have a problem with hiring a Chief Counsel subject to Board approval.

Regent Alden withdrew the withdrawal of his motion.

Regent Sisolak noted a point of order, stating that the Board was so far afoot from the agenda item. Chair Anthony clarified that the Board was still considering Consent Agenda item #(20).

Regent Rosenberg noted a point of clarification, asking whether the Board was considering System staff or System staff and presidents. It was established that the Board was considering System administrators. Chancellor Rogers said that he misspoke when he used the presidents as an example.

Regent Bandera observed that when the sheriff disappears all of the under sheriffs also disappear. She related that large gold mine companies operate similarly. When the CEO no longer suits the board of directors, the CEO's hires also disappear. She said she was not interested in doing this singularly. She said she might consider a total package regarding top administrators.

Regent Schofield said that he would support the request. He felt the Board should not tie the chancellor's hands. He said they were beginning to talk about micromanaging. He felt the Board should have enough confidence in the chancellor that he will take the time, make the effort, and do a good job of finding the person he wants in those positions.

Regent Kirkpatrick saw this as a reaffirmation of the chancellor's recommendations. He felt that Regent Rosenberg brought up an important point. The material indicated all administrators reporting to the chancellor. He noted that the presidents also report to the chancellor and he did not want to approve that.

Assistant Chief Counsel Brooke Nielsen stated that if it was clear in the motion that it was not intended to apply to presidents, and there are other provisions in the policy manual that require the Board to approve the appointment of presidents. She did not feel that action today would have any impact on the manner in which presidents are appointed, especially if it was noted in the record.

(20) Approved-Handbook Revision, UCCSN Code, Appointment of System Administrators –
(Cont'd.)

Regent Dondero stated that it had been her experience that county administrators have the ability to select their staff. She felt the Board's administrator should also have that authority to work effectively.

Chancellor Rogers asked about the approval process and what he should do in between Board meetings. Ms. Ernst said that he must wait until the next meeting.

Regent Sisolak noted a point of clarification, asking whether the chancellor would wait 3 months next year in between meetings. It was established that he would. Regent Sisolak felt that was ridiculous.

Chancellor Rogers said that just would not work. Regent Rosenberg suggested the Board would need more meetings.

Regent Sisolak noted that, next year, there would be three months between meetings, which was an enormous amount of time unless special meetings were called to approve people. Regent Sisolak questioned how the Board would accomplish its business with one-day meetings.

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

(22) Approved-Handbook Revision, Contract Approval – The Board approved Vice Chancellor for Finance and Administration Buster Neel's request for a *Board of Regents Handbook* revision to delete policy contained in (*Title IV, Chapter 10, Section 9, Subsection III (D) and (F)*) concerning the requirement for Regents to approve foreign contracts and contracts involving commitments in excess of five (5) years. The policy modification will allow all contracts to be prepared and approved in accordance with *Chancellor's Memorandum 02-04*. The recommendation was approved by the Business Officers Council at its June 2004 meeting (Ref. C-22 on file in the Board office).

Regent Rosenberg said that he had the same problem with this item. He felt this was a responsibility the Board needed to take.

Vice Chancellor Neel reported that he and the campus business officers had reviewed this matter. He explained that in 1995, the chancellor issued a memorandum that was in conflict with Board policy. The memorandum delegated responsibilities somewhat to the campuses and to the chancellor. In 2002, the chancellor's office released a 61-page document that clearly defined how the campuses are to process contracts. In some cases, the chancellor must sign on behalf of the Board. The conflicting policies have put everyone in a difficult position. The business officers agreed that the preferred method was following the chancellor's directive.

(22) Approved-Handbook Revision, Contract Approval – (*Cont'd.*)

Regent Hill moved approval of the Handbook revision concerning contract approval. Regent Sisolak seconded. Motion carried. Regent Rosenberg abstained.

(25) Approved-2005-2007 CIP Campus Improvement Projects – The Board approved Chancellor Jim Rogers' request for the 2005-07 Campus Improvement Projects as part of the UCCSN 2005-07 Capital Projects Request. These projects are funded from the Capital Construction Fund for Higher Education (*HECC*) and the Special Capital Construction Fund for Higher Education (*SHECC*), and these funds are utilized to address deferred maintenance repair and code deficiencies as well as the retirement of the UCCSN facilities pavilion bonds for the arenas at UNLV and UNR (Ref. C-25 on file in the Board office).

Regent Kirkpatrick requested clarification of the recommendations. Vice Chancellor Neel explained that each year for the last several biennia the UCCSN has received money from the slot tax, which is categorized into two areas: capital construction and special capital construction. Approximately \$10 million is received for HECC projects, while approximately \$5 million is received for SHECC projects. These funds are the primary source of funding for addressing deferred maintenance and code and safety issues. Normally, this request would have come forward at the June Board meeting when the Board approved capital priorities. It was an oversight that it had not been included.

Regent Alden moved approval of the 2005-2007 CIP Campus Improvement Projects. Regent Sisolak seconded.

Regent Kirkpatrick asked President Lucey whether this was the same item that had been included on the construction budget. President Lucey replied that HECC and SHECC funds cover all of the campuses' health and safety issues. She related that a couple of WNCC's items could be funded with these funds. She said it was not the same item to which he was referring.

Motion carried. Regent Rosenberg abstained.

(28) Approved-2005 Board Meeting Locations – The Board approved the following Board meeting locations sites:

- • February 4, 2005 – CCSN West Charleston Campus.
- • April 15, 2005 – WNCC Carson City.
- • June 24, 2005 – UNR.
- • September 23, 2005 – DRI Las Vegas.
- • December 2, 2005 – UNLV.

Regent Alden moved approval of the 2005 Board meeting locations. Regent Schofield seconded.

(28) Approved-2005 Board Meeting Locations – (*Cont'd.*)

Regent Rosenberg asked how the Board would accomplish its business with one-day meetings. Chair Anthony replied that the Board would start at 8:00 in the morning and finish at 7:00 p.m.

Regent Sisolak noted that if the Board did not finish by the time the last flight leaves, they would not save any money with one-day meetings. He explained that if everyone had to stay overnight it would not accomplish the cost savings that one-day meetings had

intended. Chair Anthony agreed that it was a change in philosophy and that the Board would need to understand they were going to attend to all of the business in one day. Chair Anthony said that the schedule could be changed if it was determined that one-day meetings would not work.

Ms. Ernst reminded the Board that they had already ruled on one-day meetings. The purpose of this agenda item was solely to approve the locations.

Regent Rosenberg moved approval of tabling the item and putting it back on the agenda for further consideration. Regent Derby seconded

Chair Anthony established that the meeting dates had been determined at a previous meeting. He asked whether the Board could table the dates that had already been approved. Assistant Chief Counsel Nielsen replied that they could table this item. If the Board wanted to reconsider the dates, which were already approved, it would have to be done at a subsequent meeting with provision of notice of intent to rescind action.

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

Regent Kirkpatrick observed that the one-day, Friday, April 15th meeting in Carson City could pose difficulty for those returning home with the Legislature in session. He asked the presidents whether their staff would be arriving on the day of the meeting or the night before. President Harter replied that they would arrive the night before. Regent Kirkpatrick observed that they could be forced to spend another night and would begin to spend even more money. He felt that the schedule was not well thought out.

Regent Alden noted that the Board was only addressing locations. He suggested they could switch the location of the April meeting to another location or hold the meeting in Las Vegas.

Regent Derby recalled that the Board traditionally held the meeting during the legislative session in Carson City. She said there was a lot of symbolic value as well as opportunity since the Board would be near the Legislature. She favored keeping the location. Chair Anthony suggested that the Board could make that a two-day meeting.

(28) Approved-2005 Board Meeting Locations – (Cont'd.)

Regent Sisolak said that he understood the benefit of having a meeting in Carson City with a two-day meeting allowing for interaction with the Legislature. He suggested holding the meeting at the state college to avoid problems with the flights going south. Ms. Ernst explained that President Romesburg felt that the state college was not ready to host a Board meeting because they were using all available space for classrooms. Regent Sisolak asked whether the Board could “rough it.” He felt it was ironic that the Board was requesting money for the state college building, yet they did not want to have a meeting there. Ms. Ernst related that President Romesburg had asked the Board not to hold their meeting at the college, which was why the meeting had been held at DRI.

Regent Rosenberg asked President Miltenberger if she wanted the Board to hold a meeting at the state college campus. President Miltenberger replied that the Board was always welcome, adding that they would be “roughing it.”

Chair Anthony noted that Regent Derby had recalled that the Board intentionally held its April meeting in Carson City to coincide with the legislative session.

Regent Sisolak said that the advantage to having the meeting in Carson City during the legislative session was to afford Board members time to interact with the Legislature.

Regent Bandera noted a point of order, observing that the Board was arguing another location while it had a motion to approve the locations as listed. She suggested either amending the motion or voting on the existing motion.

Chair Anthony suggested voting on the existing motion.

Regent Alden offered a friendly amendment to hold the April 15th meeting in Las Vegas at the CCSN Henderson campus. Regent Schofield did not accept the friendly amendment.

Regent Alden withdrew his motion.

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

Regent Rosenberg noted a point of order, asking whether it was possible to make a motion to reconsider the meeting times and the length of the meetings at this point. Assistant Chief Counsel Nielsen replied it was not because the Board would be rescinding prior action, which required notice and would need to take place at a subsequent meeting. Regent Rosenberg requested that the item be placed on the Board's next agenda. Regents Sisolak and Dondero supported the request. Chair Anthony asked whether they would also discuss the locations. Regent Rosenberg agreed that they would.

Chancellor Rogers suggested requiring Board members to be the chancellor for one month, adding that he felt the Board's decisions would be different following such an experience.

7. Approved-Resolution 04-22, SkillsUSA-VICA Competition, TMCC – The Board approved President Philip M. Ringle's request for the following resolution:

Resolution 04-22

Chair Stavros Anthony requested approval of a resolution in honor of Truckee Meadows Community College's two-person team, Ian Farnsworth and George Melahn, for winning a gold medal in the 3-D Visualization and Animation category of the SkillsUSA-VICA National Championship.

President Ringle reported that, in addition to the medal, the students also received software and scholarships.

Regent Rosenberg moved approval of Resolution 04-22. Regent Alden seconded. Motion carried.

8. Approved-Appointment, Interim Vice Chancellor, UCCSN – The Board approved Interim Chancellor Jim Rogers' request to appoint Dr. Christine Chairsell as Interim Vice Chancellor for Academic and Student Affairs at a salary of \$143,320, effective upon approval by the Board and continuing until a permanent appointment is made at the conclusion of a search. She will not be a candidate for this position. Dr. Chairsell has been serving as Associate Vice Chancellor of Academic and Student Affairs since June 2000 (Ref. B on file in the Board office).

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

Regent Sisolak asked whether the recommended salary fit within the range. Assistant Chancellor Larson replied that it did.

Motion carried.

9. Approved-Facilities Master Plan, GBC – The Board approved GBC's Facilities Master Plan (Ref. C on file in the Board office).

Mr. Carl Diekhans, Vice President, Finance & Administration-GBC, reported that GBC relies heavily upon technology and interactive video, with seventeen sites. The college also employs thirteen sites in the five school districts within their service area. Community members, faculty, and students feel that the number of sites are sorely lacking. He reported that a good facilities master plan should be tied to the college's mission, strategic plan, and the academic master plan. GBC's mission is to "provide superior, student-centered, postsecondary education in central northeastern Nevada." The college provides five types of educational opportunities: university transfer courses, occupational and technical studies, developmental courses, community education and selected baccalaureate programs, along with student support services and special business-education partnerships. Since 1990, GBC's FTE has grown at an average rate of 6.2% annually. Due to the non-static nature of rural Nevada, this annual rate of increase

9. Approved-Facilities Master Plan, GBC – (Cont'd.)

is defined by yearly increases such as 9.6% in 1991, a low of (-8.9%) in 2001, and 13.8% in 2003. With an annual growth of 6%, FTEs will reach 2,428 by 2012. This represents a 69% increase in FTE over 2003.

Vice President Diekhans reported that the facilities master plan is tied to the strategic plan. Goals from GBC's strategic plan that affect the facilities master plan include: Goal 2 – *Resources-what it takes to do what we need to do* and Goal 4 – *Economic and Community Development*. In spite of the generally positive view of resources, the special demands of baccalaureate programs with funding based on the community college formulas will eventually force hard decisions depending upon the fiscal health of the state.

Objectives – Goal 2 Resources:

- • Obtain funding for the Electrical/Industrial Building for a desired completion date of Fall 2007.
- • Replace the ABE/ESL facility in Winnemucca.
- • Develop comprehensive student learning centers in Elko, Ely, and Winnemucca.

- • Expand west side of Berg Hall for additional Student Services facilities.
- • Double the size of the Physical Education Building by approximately 7,500 sq. ft.
- • Construct Fine Arts Building for theater, art, and music including classrooms and faculty offices.
- • Expand the diesel and welding facility.
- • Upgrade and enhance the technology infrastructure.
- • Provide additional distance education rooms in all of the outlying centers.

Vice President Diekhans reported that the existing thirty distance education sites were not sufficient to meet demand. With new technology, it is not as expensive to tie a small room to the other students in the service area. The cost to develop a receive site is now less than \$10,000.

Objectives - Goal 2 Resources: (Cont'd.)

- • Upgrade and enhance the existing IAV room and equipment.
- • Continue to improve classrooms to high tech status.
- • Obtain dedicated IAV classrooms throughout Nevada.

Objectives - Goal 4 Economic and Community Development:

- • Determine property needs (*land and buildings*).
- • Establish Great Basin Natural History Museum.
- • Assist in the establishment of the Great Basin Indian Archival Center.

Vice President Diekhans reported that two academic goals and objectives from the 2003 Academic Master Plan also affect the facilities master plan. With respect to Goal 4 – *Ensure consistency between courses, programs, and the learning environments on the branch campuses and satellite centers and for students enrolled in distance education courses and programs* – GBC plans to continue the improvement of services, the number of courses offered, and the number of receive sites for distance education delivery. With respect to Goal 11 – *Develop and maintain facilities to support the Academic Master Plan throughout the service area* – GBC plans the following:

9. Approved-Facilities Master Plan, GBC – (Cont'd.)

- • Interactive video classrooms in Ely, Battle Mountain, Wendover, and Owyhee.
- • Relocate Animal Disease Lab currently on the Elko campus.
- • Acquire National Guard Armory property and building.
- • Continue discussion of acquisition of Elko Fairground's property adjacent to GBC.

Vice President Diekhans then reviewed the new facilities completed since 2000. He reported that the Electrical and Industrial Technology Building has been on the Regents' capital projects list for the past three biennia. The building will provide 35,000-38,000-sq. ft. for an estimated cost of \$12.6 million. Lombard Conrad has been selected as the designers. It will house electrical, instrumentation, industrial plant, and HVAC programs, the Learning Center, and faculty offices and general classrooms.

Future capital projects include:

- • Physical Education/Community Center addition.
- • Fine Arts/Classroom building.
- • Ely and Winnemucca Center additions.
- • Elko Campus classroom building.

Regent Alden moved approval of GBC's facilities master plan. Regent Bandera seconded.

Vice President Diekhans stated that GBC needs to locate more land. The college is becoming landlocked. The fairgrounds will become available in 2012. Great Basin College's ten-year outlook to the future must keep an eye to the past on those aspects of facilities that did not keep pace, while focusing on two strategies for the future – advanced studies and distance education.

Motion carried.

The meeting recessed at 4:43 p.m. and reconvened at 8:25 a.m., on Friday, August 20, 2004 with all members present except Regent Whipple.

10. Approved-Chancellor Report on Meeting with Attorney General; Consider Proposed Settlements - Interim Chancellor Rogers provided an update on his meeting with the Attorney General and the chancellor's plans for the future relationship between the System and the Attorney General. The Board approved the chancellor's recommendation that the Board approve the **STIPULATION TO DISMISS APPEAL AND CROSS-APPEAL** in *Brian Sandoval v. Board of Regents*, S. Ct. No. 43618 and proposed resolution of Attorney General File No. 04-035 set forth in the Letter of Brian Sandoval to Jim Rogers, dated August 10, 2004 (Ref. T on file in the

Board office).

Interim Chancellor Rogers reported that since assuming the position of chancellor the most troubling issue had been the relationship between the UCCSN and the public at large. He stated that approximately 400,000 people are directly affected by the UCCSN. He speculated that there is no other governmental unit that has a greater or more direct impact on the people of this state than this System. He felt that the relationship between the UCCSN and the people at large is very important. He said that the public is

10. Approved-Chancellor Report on Meeting with Attorney General; Consider Proposed Settlements – (Cont'd.)

suspicious of everything involving the government. He felt the System had done a bad job of making the public feel comfortable with what goes on in the System due to past policies. The public at large does not trust the UCCSN. The media does not trust this System. When also considering the relationship that has developed between the UCCSN and the Attorney General over the last several years, a serious problem has arisen. He said the Board would discuss making a deal with the Attorney General wherein the Board would dismiss the pending appeal before the Nevada Supreme Court. He said he knew how strongly Regents Hill and Whipple felt about this, adding that they were both very fine lawyers. He said he was not qualified to argue against them about the legal merits of whether the System would win or lose the appeal. From his standpoint, he felt it was not the overall and controlling issue. He said the Board needed to start a new day and must discard the baggage. He has spoken with the Attorney General at length. He found him to be very cordial and open. He has had no problems communicating with him or his staff. He believed it was essential that the Board make peace with the Attorney General. Due to the chancellor's discussions with the Attorney General, he was convinced that the Board could have a new day. He told the Attorney General that every day it is a new situation and a new interpretation for him. He told him that he needs access to counsel who are not prejudiced against him to help him solve these problems. Chancellor Rogers said that he knew that Board members are nervous about this situation, adding that it is frightening. He was concerned about the situation reaching the point where the Board is unable to hold any meetings for fear of violating the Open Meeting Law. He said that the law, which was intended to keep government open, was actually closing it down. He said the Board required access to the Attorney General and required a relationship based upon mutual trust. He noted that the feelings have been bitter, adding that the Attorney General remains somewhat suspicious of the Board. He felt the situation must be addressed. He said he had no question in the competence of Mr. Tom Ray or Mrs. Brooke Nielsen. He also did not question their good faith in what they believe are the issues in this case. He said that he had no basis to believe that they are wrong in their opinion that the Board would prevail before the Supreme Court. From his standpoint, he did not believe that was the controlling issue. He told Attorney General Sandoval that he was concerned about developing a mechanism where they can get together after settling this case to develop a set of regulations that are consistent with the Open Meeting Law. Chancellor Rogers acknowledged that the wording of the Open Meeting Law was vague and open to interpretation. He felt that if the Board has a head-to-head confrontation with the Attorney General there will be a lack of cooperation on the part of both parties and there would be no future.

When Chancellor Rogers volunteered for the job he told the Board that he did not want a contract. Legal counsel determined that a contract was necessary. He was never consulted as to whether the newspapers should be given a copy of the contract. Then he became aware that a decision had been made not to share the contract with the media because, legally, they were not required to do so. Chancellor Rogers felt that the Board must be open with the public. He felt that the UCCSN should be open with their information unless there is a statute prohibiting it. Suddenly, there was a controversy

10. Approved-Chancellor Report on Meeting with Attorney General; Consider Proposed Settlements – (Cont'd.)

about sharing the chancellor's contract with the media. He said that the Attorney General, the media, and the public perceives this as a policy that has developed over a long period of time for not being open with the public unless there is a statutory requirement to do so. Chancellor Rogers felt that the policy should be that information is provided to the public unless there is a statutory prohibition against such. He said this was a policy issue that the Board must address. Chancellor Rogers asked Attorney General Sandoval for something that would provide the Board some comfort that in agreeing to not pursue the appeal before the Supreme Court that the Attorney General would not show up with a new complaint. He said he wanted some mechanism/methodology where they can meet and develop a set of rules and regulations that are consistent with the Open Meeting Law. Chancellor Rogers reported that Attorney General Sandoval had agreed, subject to the Board's approval, that Mrs. Nielsen, Chancellor Rogers, and Attorney General Sandoval and his assistant would meet to try to develop a set of rules and regulations to which everyone can refer. He said they would communicate on any questions that were not covered by the established rules and regulations. Chancellor Rogers was convinced that if the Board adopted a "new day", and the media and public realized it, that many of the Board's problems would go away. He noted that they were in the education business and not in the litigation business. Part of the education process is the relationship with the public. He said that he did not want to have a continual war with the Attorney General. He believed that Attorney General Sandoval had made as much of a concession as he was able to and encouraged Board support.

Regent Rosenberg said that he agreed with Chancellor Rogers and indicated his support for the request. He asked about a disturbing paragraph in the letter regarding any future violation by the Board of Regents of the Open Meeting Law. He felt that the paragraph seemed to be a loaded gun and he was very uncomfortable with it. He said he did not see the need for it. He asked about the possibility of removing that particular paragraph. Chancellor Rogers replied that he had discussed that with him at length. Chancellor

Rogers said that he was aware of the Board's uneasiness with that potential threat. He said that when considering it from the Attorney General's standpoint, he has had this problem with the Board for many years. He does not want to give that up if the Board does not agree to do what it has indicated that it will. It is going to take great faith on the part of both parties. If any questions arise, someone will be on the telephone with the Attorney General. Chancellor Rogers related that, in the past, legal counsel has called the Attorney General and has not received much of a response. Chancellor Rogers believed that Attorney General Sandoval is a man of honor and that he believes that this is a very big problem for him and for the Board. He did not think that he was being snookered. He said they had to stop drawing the line in the sand because the line is drawn much too deep and far too often. For the period of time that Chancellor Rogers and Mrs. Nielsen will serve, he felt there is a good relationship. He felt that Mrs. Nielsen felt comfortable with this and that it could work. He acknowledged that she did not feel overly comfortable with dismissing the case. He related that what the Board was doing now was not working and that it would not get any better by pursuing the appeal. He said they needed to work towards making things better.

10. Approved-Chancellor Report on Meeting with Attorney General; Consider Proposed Settlements – (Cont'd.)

Regent Alden said that he was making an argument on behalf of the absent Regent Whipple. Chair Anthony expressed concern that Regent Alden was making a remark for Regent Whipple when he was not present. Assistant Chief Counsel Nielsen said that it was not a legal problem.

Regent Alden said that Regent Whipple also wanted this matter resolved. He said that Regent Whipple was concerned that the lower court ruling was not very clear and that approaching the Supreme Court would clarify the matter. Regent Alden observed that the Supreme Court may not make an immediate ruling. He agreed with the chancellor that they needed to end it and that there needed to be communication and clarity. He admitted that he had provided the chancellor's contract to the media. He said they were in the education business and that they belonged in the classroom and not in the litigation business or in the courtroom. He urged Board members to move on. He said the Board needed a commitment that there will be openness with the Attorney General. He encouraged the Board to move on, adding that they had a big year coming up with the Legislature.

Regent Sisolak acknowledged the effort that the chancellor put into this negotiated settlement with the Attorney General. He felt it had been time consuming for him and that his time could be better spent in other areas.

Regent Sisolak moved approval of the stipulation to dismiss the appeal and cross-appeal in *Brian Sandoval v. Board of Regents*. Regent Rosenberg seconded.

Regent Whipple joined the meeting via telephone.

Regent Schofield said he would support the motion. He decided to run for a seat on the Board of Regents due to the problems that he had been reading about. He thought he might be able to help. His goal is to help be on the team to help the university System become the best in the United States. He felt it could be accomplished if everyone was on the same team. He observed that arguing about the Open Meeting Law was a waste of time and left the public with a negative image of the Board. He felt the Board had gotten off track and that this agreement was a way for the Board to get back on track, stop the bickering, and move forward. He related that he had been insulted when the Board was accused of violating the Open Meeting Law. He felt the Board was simply following the attorney's advice. He said that this agreement was a way for the Board to get back on track, get on the same team, and move forward.

Regent Derby said she was struggling with this item, adding that she felt it was not a very good idea. She was weighing the value of putting this matter behind the Board versus future uncertainties regarding what the Board has agreed to and the way it could put Regents in harms way. She too was concerned about the paragraph mentioning future Open Meeting Law violations on behalf of the Board, adding that she did not know what it meant. She said that the Board's past violations of the Open Meeting Law had been

10. Approved-Chancellor Report on Meeting with Attorney General; Consider Proposed Settlements – (Cont'd.)

innocent mistakes. She noted that the Open Meeting Law's language is very vague. When pressed to define the difference between "discussion" and "deliberation", very little difference was determined by the legislative committee. She felt it has been a matter of interpretation, that it is not clear, and it will be a real challenge to clarify it. She said that any time the Board has strayed and been accused of violating the Open Meeting Law it has not been with an intent to not do business in public, but rather not being sure of what is and is not acceptable. She was concerned that the language in the paragraph meant that Regents could be subject to a fairly severe penalty if a future violation occurs. She questioned to what the Board was agreeing. She agreed with the value of putting this matter behind the Board. She said there had been a cost in public relations of which all Board members were aware. She asked what exactly the Board was agreeing to and about the Board's future liability.

Chancellor Rogers said that he understood her discomfort. In all of his discussions with everyone at the Attorney General's office, he has never gotten the feeling that this is a witch hunt by them. They think we have stonewalled them. As long as there is a good faith

effort between Chancellor Rogers and the Attorney General, it can be worked through. The key to this is that as long as there is open communication, anything can be solved. When communication shuts down, everything takes on a more sinister nature. Chancellor Rogers said the Attorney General is trying to solve the problem, not to “get” the Board. He did not think the Board was at risk for going to jail or losing its franchise. The worst that could happen would be a \$25 fine, which he did not believe would happen. He said that he wanted to wipe out all that has happened in the past. He felt that all Board members act in good faith and that the Attorney General’s office does too. He said the Attorney General’s office could not get through the stonewall that they perceived had been erected by the Board. The media and the public also think that the Board is not accessible. He said that not providing his contract because there was no legal requirement to do so was not a good indicator for openness. He said that he understood her discomfort, but believed that it could be solved very easily.

The telephone connection with Regent Whipple was disconnected.

Regent Dondero felt the Board should put the matter behind them. She noted that all public bodies should operate under the same Open Meeting Law, but the Legislature does not. She felt the Board was somewhat picked upon. She said she would support the motion.

Regent Hill said he did not disagree that the Board should have a relationship with the Attorney General and that they should try to put the matter aside. He observed that the Attorney General was not present to assure the Board that he would not be chicken about enforcing the Open Meeting Law in the future and that he would not play games with the Board. He said he would not object to the Attorney General informing the Board that serious violations would be pursued. He said that he supports the Open Meeting Law in spirit and in letter, but he felt that the law was unclear. He said it could not be read. He said that he advised another elected, public body on the law and he could not ascertain its meaning.

10. Approved-Chancellor Report on Meeting with Attorney General; Consider Proposed Settlements – (Cont’d.)

Regent Whipple rejoined the meeting via telephone.

Regent Hill said that a second-year law student should be able to draft a clearer law than this. He noted the similarities between the definitions for “consider” and “deliberate”. He said the Attorney General had taken the position that a board could “consider” but not “deliberate”. He noted that Chancellor Rogers was asking the Board to rely upon the Attorney General saying that he will act in good faith. If he is acting in good faith, then he ought to be prosecuting the Board on matters that are clear and not prosecuting the Board on matters that are not. He brought eight separate complaints against the Board of Regents. Some of those violations are in clear contradiction to prior Attorney General opinions. He only prevailed on two out of the eight complaints. He asked Board members whether that sounded like he was acting in good faith. Regent Hill said he had no problem with the Attorney General prosecuting the Board on a clear violation. He said the law was ambiguous and that it would be clarified. He said there were real problems in defining the words.

Regent Hill said that he wanted the members who vote to affirm the motion to sign the agreement, adding that he would not. He said that it appeared to be a contract. The people who sign the contract will have it enforced against them. He did not think that the Board violated the Open Meeting Law. One of the two issues that were found to be violations involved the discussion of a lobbyist who did not receive notice. He was not the subject of the Board’s discussion but was merely mentioned in passing. He cautioned Board members that they were putting themselves in harms way by signing the agreement. He did not feel that this should have been the subject of a prosecution. He asked Board members whether this sounded like good faith on the part of the Attorney General. The other violation involved the determination that the Board reached a consensus in closed session. He assumed that most Board members had read the transcript and questioned whether anyone could have determined how the Board would vote. He said that reaching a consensus was also not clearly defined in the Open Meeting Law. He said that no vote had been taken in closed session. He did not think the Board reached a consensus in the closed session. He asked Mrs. Nielsen whether she considered the agreement a contract. Assistant Chief Counsel Nielsen replied that settlements are contracts, adding that this would be a contract between the Board and the Attorney General. Regent Hill asked whether it would be enforceable against individuals. Assistant Chief Counsel Nielsen replied that the settlement was between the Board as a body, which would lead to the argument that it should not be enforced against individuals in future matters. She related that she could not predict the circumstances where it might be enforced. Regent Hill noted that the agreement did not say that it could not be enforceable against individuals. He asked who would be bound by the contract. He observed that the Board itself would be bound by the contract, and asked about those individuals who do not sign the contract. Assistant Chief Counsel Nielsen replied that each member was bound to the contract as a member of the Board. She did not know whether it could be enforced against an individual, adding that she thought it was unlikely but she could not say for sure. Regent Hill said that the Board could have a serial violation problem. He reminded the Board that the Attorney General had prevailed on

10. Approved-Chancellor Report on Meeting with Attorney General; Consider Proposed Settlements – (Cont’d.)

two out of eight violations and questioned the outcome if another silly complaint was brought forward. He said he would love to put

the matter behind the Board and have it resolved. The problem was that the Attorney General was not present to assure the Board that he would only bring serious complaints forward. Regent Hill thought the Board could prevail in the Supreme Court. He lauded Chancellor Rogers' efforts and appreciated the desire to put the matter behind. He said he supports the Open Meeting Law. He asked about the length of the contract. Assistant Chief Counsel Nielsen replied that it would last forever. Regent Hill noted that the Board would bind themselves as well as future members. He felt the Board was making a mistake and that they should get all conditions of the agreement in writing. He said he could not support the motion.

Regent Hill left the meeting.

Regent Whipple concurred with what he had heard thus far. He was glad the chancellor took the first step and that he was communicating with the Attorney General. He agreed the Board should work together. He felt that Regent Hill had identified some real problems with contractual resolution. He felt it could be handled with a verbal resolution, where the Board spells out its intent to work with the Attorney General and its intent to set new structures to not violate the Open Meeting Law. He expressed concern with the contract. There is no time limit on the agreement, the details are not clear and could be interpreted against the Board in the future. He observed that reasonable minds differ. He noted that only two of the eight complaints were found to be substantive. He said they were not the only board facing this issue and that it was important for the state to clarify this issue for other boards as well, so that future Open Meeting Law violations could be prevented. He felt that all board members wanted to be law abiding. He did not feel the Board needed to commit to a future contract in order to express that. He also felt the appeal should go before the Supreme Court.

Regent Kirkpatrick said that he wanted to do the right thing, like every other Board member. He could not understand why the Board was in a confrontation with the Attorney General. He observed that they both had the same objectives for the state. After reading the judge's opinion, he did not know what the Board had done wrong. The opinion indicated that the Board violated the Open Meeting Law by reaching a consensus. He said that no consensus was reached. When the Board went into open session and voted, the result was 7-6; it could not have been any closer. There was no consensus. If the Board signs the agreement, they are indicating that the judge's assessment was correct. He did not believe that it was. He said that he had reviewed previous Attorney General guidelines and found that some are ambiguous and inconsistent. He observed that no one on the Board intentionally violated the Open Meeting Law. He wanted the appeal to go before the Supreme Court for clarification. He was not concerned about winning or losing, but rather about determining guidelines and having discussions with the Attorney General to develop opinions for the proper method to proceed. He observed that this affects every public board in the state. He said he could not support the motion.

Regent Bandera said she was having a bit of a dilemma. She appreciated the chancellor's effort to work this out. She was concerned that each Board member is respectful of their

10. Approved-Chancellor Report on Meeting with Attorney General: Consider Proposed Settlements – (Cont'd.)

own opinion. She was not sure they were as respectful of each other's opinions and statements as they should be. She said that a lot of games had been played with the Open Meeting Law, which had drawn a lot of media coverage. Much has happened that has driven divisions amongst people, all in the light of the Open Meeting Law. She said she never made a false claim about the Open Meeting Law just to cause things to stop or to twist things from one pattern to another. Perhaps with the Attorney General's assistance, Board members could stop the game playing amongst themselves. She told Chancellor Rogers that if she did not vote for the item that it was not out of disrespect or lack of appreciation for his efforts, but rather whether or not it would truly get the Board down the path, because it would not fix the internal problem for how Board members treat one another. She observed that some members were using the Open Meeting Law as a weapon against one another.

Regent Derby said that listening to her colleagues on the Board made a difference for her. She agreed with Regent Whipple that she could enthusiastically support a resolution on this matter. She said the spirit reflected what all Board members feel about how important it is to make peace and put the matter behind them. She agreed that the Board had often caused its own problems because of the divisiveness on the Board. She said she would support a resolution. She was troubled that the agreement would bind current and future Board members in perpetuity to a legal contract with many uncertainties. She was appreciative of the good work and the good will expressed, but was hesitant to agree to it.

Regent Alden said he would still vote for the item, adding that Regents Hill, Whipple, and Bandera made some good points. He said that he, like others, was guilty of using the Open Meeting Law as a weapon because they did not like what happened in a meeting. He promised for the remainder of his term that he would abide by the law and that he would never sign another Open Meeting Law complaint. He did not think it was right for a Board member to file a complaint against their own Board. He hoped that Regent Bandera would forgive his error. He agreed it was a difficult decision and that the agreement was a contract. He said he held no difference of opinion for those who would not support the measure and felt that other Board members should show them the same respect.

Regent Seastrand said that he agreed with much of what he had heard. He felt it was best to focus upon the things they do agree whenever there is a disagreement. He observed that everyone in spirit wants to resolve the matter and put it behind them. Everyone

would like not to have more battles and lawsuits. They would also like to see clarification and specific guidelines. He hoped that some clarification would be provided. The question is whether this contract is the vehicle that will help both parties agree and whether such a binding agreement is necessary. He asked the chancellor whether it made sense for the Board to consider a resolution stating that the Board will drop its lawsuit if it can get clarification with the Attorney General. Chancellor Rogers replied there was no

10. Approved-Chancellor Report on Meeting with Attorney General; Consider Proposed Settlements – (Cont'd.)

other vehicle because of pending litigation. The only resolution to this case is if both parties agree to dismiss their appeals. He said that he had discussed this with General Counsel Tom Ray. The biggest disappointment the legal staff will have is what they think they will get out of the Supreme Court and what they actually will receive. Supreme Courts are not legislative bodies. They will only make a decision on the facts presented. They will not consider facts that are not presented or provide recommendations for how to handle such situations. The litigation in this case is very narrowly drawn. The Board will receive a decision that says whether or not they violated the Open Meeting Law. They will not provide a treatise on the meaning of the law or guidelines for future applications. He said that resolutions are nice, but he felt the Attorney General would think the Board is not very serious about this because they want a resolution to do certain things but were unwilling to agree to it. He said this is the time to get with it. He felt the Board needed to tell the Attorney General that they believe he will act in good faith. He said they could not enter into this with the assumption that he would act in bad faith. He felt the Board should communicate that if the Attorney General had acted in bad faith in the past, they will not act in bad faith in the future. He felt they needed to open the communications and that this was the only way to do it. He did not think that the Board could presume that the Attorney General would act in bad faith. He said that the problems that had arisen had existed forever; a lack of communication. Chancellor Rogers believed it was essential to show good faith and not to presume that he would show bad faith. He said that he was comfortable with the agreement because the Board was agreeing to abide by the law as it exists. He said that not signing the agreement would indicate that the Board did not want to abide by the law. He said it was a reaffirmation of the law as it exists. He could not think of a good reason not to sign the agreement.

Regent Kirkpatrick offered a friendly amendment to exclude the paragraph in the agreement that follows item number three. Regent Sisolak did not accept the friendly amendment.

Regent Kirkpatrick said that if the chancellor would exclude that paragraph it would avoid a lot of problems. He noted that items two and three said that the Board would comply with the law. Regent Sisolak said that it was part of the agreement and that his motion had been to approve the agreement. Chancellor Rogers said that he had hours of discussion about that.

Regent Rosenberg observed that the Board was already doing things mandated under items two and three. The problem was with the unnumbered paragraph that indicated what the Attorney General proposes to do. He said the Board was not agreeing to accept what he was proposing to do. He felt the Board was only agreeing to points one, two, and three. Assistant Chief Counsel Nielsen disagreed. She said that the way it was written the settlement would be admissible as evidence in any future action taken against the Board of Regents. She said it was a statement to which the Board would be agreeing if they signed the agreement. She felt it would be used in a future action.

10. Approved-Chancellor Report on Meeting with Attorney General; Consider Proposed Settlements – (Cont'd.)

Regent Howard asked whether a “yes” vote would be construed as a signoff on the agreement. Assistant Chief Counsel Nielsen replied that when the Board approves action at an open meeting the Board Chair would sign the agreement. It does not indicate any individual vote, but rather that a majority of the Board approved this action and that the Board is therefore bound by it. She said it was a collective agreement rather than an individual one. Regent Howard asked whether Regents would be required to sign the agreement. Assistant Chief Counsel Nielsen replied that a signature was not required. Regent Howard said that she would vote for the motion, adding that she would not sign anything.

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

The meeting recessed at 9:38 a.m. and reconvened at 9:53 a.m. with all members present except Regents Hill and Whipple.

11. Approved- Cummings v. Board of Regents- Settlement Agreement – The Board approved Interim Chancellor Jim Rogers’ recommendation that the Board ratify and approve the settlement of the John Cummings v. Board of Regents litigation dated June 23, 2004 (Ref. Son file in the Board office).

Regent Alden moved approval of the settlement agreement for the *John Cummings v. Board of Regents* litigation. Regent Rosenberg seconded. Motion carried. Regents Bandera and Kirkpatrick voted no. Regents Hill and Whipple were absent.

12. Approved-Vice Chief Counsel for Legal Affairs – The Board approved Interim Chancellor Jim Rogers’ request to create the position of Chief Counsel for Legal Affairs. Interim Chancellor Rogers discussed his plans for this position and its relationship to the reorganization of the legal services department (Ref. R on file in the Board office).

Regent Alden moved approval of creating the position of Vice Chancellor for Legal Affairs. Regent Sisolak seconded.

Chancellor Rogers reported that the System had grown rapidly in the last several years. Some of the Board’s problems have resulted from being what he felt was too legalistic about matters and not considering the effect on the Board’s relationship with the public, the Attorney General, and the Legislature. He felt the Board needed a new Chief Counsel and that the position should be raised to the level of vice chancellor. He felt that it was also essential that when legal decisions are made in the System that the Board continue to have and develop a relationship with the communities in which they operate. He felt that

12. Approved-Chief Counsel for Legal Affairs – (*Cont’d.*)

decisions should not be made based solely upon the letter of the law. He said that taking a position that information is provided only when it is legally required was far different from providing all information unless it is restricted by law. He said it would provide a different result with the System’s relationship with the community. This person must not only be aware of the political climate of this state, but must also have a relationship with the Governor, Attorney General, and Legislature. This person must have great experience in practicing law and in administering a legal department. The System needs someone who can coordinate the efforts of the various counsel at the institutions. He originally suggested that certain entities have their own counsel in-house. A few years ago that proved to be problematic. One of the universities captured the counsel and there was no central counsel strong enough to control what went on in the individual areas. That problem resulted in what he believes to be an overreaction where all counsel was moved to a central area. He said that created a problem. He felt the legal counsel was somewhat like a priest. The presidents want to be able to confide in and rely upon their counsel and to have them nearby. He said they were opposed to calling in and taking a chance on which lawyer answered the phone. He said they wanted somebody who understands the continuity and the need for continuity of policy and legal decisions at their institution. He observed that President Harter would have much different problems than President Lilley would. He reported that Regent Hill had indicated that he did not think the presidents should be hiring and firing their own counsel. He felt that it should be done by a central or general counsel. Chancellor Rogers indicated that he did not have a problem with that. As the proposal has been revised, UNLV and UNR would each have their own general counsel. CCSN needs to have its own counsel on campus who will also serve NSC. DRI and the three northern community colleges will share a legal counsel. He reported that the cost was not very great. He explained that President Harter currently pays the salary of one of the in-house counsel, while President Lilley pays the salary of another. He said they would continue to have “potluck” in the central administration. A new chief counsel will need to be hired. He hoped the Board would agree to raise the position to that of a vice chancellor. He said they would need to hire an additional general counsel for UNLV. The new chief counsel will hire that person in consultation with the president of the institution. He agreed there would be a divided loyalty, but he did not know how else to do it. He hoped they would have a general counsel who has a strong enough personality and administrative abilities that they would not lose control of the situation. He said the System would be no stronger than the new chief counsel. He said that his office would provide the names to the Board so they can check these people out. He was hoping to complete the hiring within the next 2-3 weeks. That person will also need to work with the Attorney General.

Regent Kirkpatrick did not know whether or not this action needed to be taken. He was also unsure whether this was the proper method. He had a great number of reservations. He recalled problems in the past that justified moving the counsel to the System office. Recently, the general counsel reported to the Board Chair. That was changed within the last year. He suggested that the general counsel should work for the Board Chair. He said that Chancellor Rogers had been acting as the Board’s general counsel and had gotten the Board into a bit of trouble, which he did not like. He did not see the need for the rush. He felt the Board should slow down, take a good hard look, and decide whether this is what the Board wants to do and the manner in which they

12. Approved-Chief Counsel for Legal Affairs – (*Cont’d.*)

wish to accomplish it. He felt that a good hard look was necessary before a rush to judgement.

Regent Derby said that she felt strongly about the importance of counsel not reporting to the presidents, but rather to a chief counsel. She said there was still a concern about the capture issue. She said the Board would try this and see how it works. She mentioned the sense of public relations and political sensitivity that Chancellor Rogers desired in the new chief counsel. She agreed that was an important element, which she supported. She was concerned about the title “vice chancellor”, adding that she would prefer the position be called “chief counsel” and the others “general counsel”. She knew of no other system in the country that has a vice chancellor for legal affairs, which she felt elevated the position inappropriately. She did not disagree with the description or the reporting lines. She said they would try it and see how it works. She wanted to hear from the presidents about what wasn’t working before. She acknowledged that one piece that was not working related to the political/public relations sensitivities.

Regent Derby offered a friendly amendment to the position title substituting chief counsel for vice chancellor. Regent Alden accepted the friendly amendment.

Chancellor Rogers was not concerned about the position title.

Regent Sisolak asked for the justification in changing the title. Regent Derby felt the vice chancellor title was not appropriate. Regent Sisolak asked why. Regent Derby explained that it was a different function from vice chancellor for academic affairs or finance. She stated that the legal position supported the whole organization. Regent Sisolak asked about the vice chancellor for technology. Chancellor Rogers said that he did not care. Regent Sisolak said that he wanted to give this person the authority. Regent Derby felt the Board would give it authority by calling it chief counsel and the salary level.

Chancellor Rogers explained that one of the reasons he suggested vice chancellor was because of the level of pay. He said the title did not make much difference to him.

Regent Sisolak accepted the friendly amendment.

Regent Howard said she was confused whether or not the Board would still have a general counsel. Chancellor Rogers replied that they would have an overall counsel. Regent Howard asked who would fill that position. Chancellor Rogers replied that would be the new person to be hired. Regent Howard asked who would be the new chief counsel. Chancellor Rogers replied that would be the same person. He explained that UNLV and UNR would each have a general counsel who would report to the chief counsel who will oversee all of the System's legal matters. The general counsel at UNLV will not be involved in any of the problems at any of the other institutions. He explained that the chief counsel would be the person in charge. Chair Anthony explained there would be a general counsel for the System. An attorney is referred to as general counsel. The chief counsel will be in charge of all of those attorneys. Regent Howard said that

12. Approved-Chief Counsel for Legal Affairs – (Cont'd.)

she understood that, but was unsure whether she agreed. She agreed that some reorganization was necessary to address some problems. She was unsure whether she agreed with this structure. She said that creating a new position simply created a new level of bureaucracy that she felt was unnecessary. She felt that her powers as a Board member were being stripped and that the process was being circumvented by allowing this. She observed that this person would report to the Chancellor. Chancellor Rogers explained that, currently, Mr. Tom Ray is the Board's general counsel. The person coming in as chief counsel will have his responsibilities in addition to having the outside relationships with the community. He said there was no new layer of administration. Regent Howard asked him to explain why the presidents would hire/choose the general counsel. Chancellor Rogers explained that the chief counsel will pick the general counsel for each area, but they will consult with the presidents to ensure there is compatibility. Rather than having all of the attorneys in the central office, 4-6 of them will move to the campuses to respond to a specific institution.

Regent Howard asked the chancellor to further address her concern about a situation involving a legal problem with the chancellor. Chancellor Rogers said they did not need to get into the specifics. The Board's new chief counsel will, in effect, report to the Board and will have an ethical and legal obligation to report anything untoward to the Board. The chief counsel's primary obligation would be to carryout the day-to-day operations between that position and the chancellor. If there is a question about the chancellor's conduct, the chief counsel would be ethically obligated to report to the Board. Regent Howard observed that the chancellor would hire this person and questioned the position he/she would be in if they had to make a decision that was adverse to the chancellor. Chancellor Rogers replied that the rules of ethics of a practicing lawyer will tell them that their first obligation is to do right and their second obligation is to do what is in the best interest of the System. That would be to come to the Board and notify them of a problem. He said they would set up the structure so that if something goes wrong with the chancellor, the chief counsel will come to the Board. They will include something in the description saying that the chief counsel's first obligation is to the System. Regent Howard asked whether the chief counsel would report directly to the Board. Chancellor Rogers replied the position would report to the chancellor on a daily basis but have an obligation to report any inconsistencies to the Board. Regent Howard asked whether the document could be changed to reflect that. Chair Anthony observed there was an existing Bylaw. Assistant Chief Counsel Nielsen clarified that Chancellor Rogers had initially suggested the title of vice chancellor because it fits within the current policy on salary structure. She observed there is nothing in the *Handbook* that discusses a chief counsel. In order to achieve the anticipated salary level, an amendment to the *Handbook* would be required because the position does not exist. In response to the question about to whom the person would report, the current policy provides that the general counsel reports to the chancellor except in the case where there is a conflict with the chancellor when the general counsel would report to the Board Chair.

Regent Howard asked how soon the position would be filled. Chair Anthony and Chancellor Rogers replied it would be done as soon as possible. He hoped that he would have some really good, qualified applicants within the next two weeks. No one has sent a

12. Approved-Chief Counsel for Legal Affairs – (Cont'd.)

resume and he has no deal to hire anyone. Regent Howard asked how a search can be completed in two weeks. She asked whether this would be another position that was filled without a search, noting the perception that positions are being created and filled without a search.

Chair Anthony asked whether the Board was in a position to pay this person or whether a position needed to be created at a separate

meeting. Assistant Chief Counsel Nielsen replied that Board policy identified positions in the salary schedule. The general counsel and assistant general counsel fit within that. Chair Anthony established that the Board was creating a new position but there was no pay scale for the position. Ms. Carla Henson, Director, Human Resources-UCCSN, reported that in the salary schedule adopted as of July 1, 2004, the first three grades within the System office have descriptive titles. Those titles do not encompass all of the titles that fall under them. This title could fit within one of those two grades.

President Harter reported that UNLV and UNR both pay one salary for one internal counsel plus an assessment for a second one. They have a pool of attorneys to call upon. Normally, one of those people responds to the campus' needs. But any one of them can respond or not respond, which is part of the problem. When working on a delicate personnel matter one can call the attorney with whom they have been working only to find that they are in court on a different case. She said that one attorney can be working on a contract and not be available for two days while involved on another project. She said it was dysfunctional not to have a person in-house that is responsible for the work of the other people or who can contact a central person for assistance. She said there was no consistency or logic. There is no sense that this person is responsible for the institution. With a pool of attorneys, all institutions are everyone's responsibility, which often leaves the campuses without someone to respond.

President Carpenter said that he would need his own general counsel at CCSN more than at any point in his career. A proactive general counsel is far more efficient and far less costly to a college or system than a reactive one. The advantage to having someone on campus is that they know what the administration is trying to accomplish and the idiosyncrasies of the college and can advise before action is taken. The advantage to having a chief counsel is avoiding one counsel setting a precedent that can later be in conflict with another. He felt they needed to be consistent across the System.

Regent Rosenberg asked what the Board should do if there was disagreement regarding who the chancellor wishes to assign. He observed that some people could work with other while some people cannot. He felt that the most important thing was for the president to be able to trust and work with the assigned legal counsel. He assumed there would be a good dialog going on. Chancellor Rogers agreed.

Regent Derby underscored Regent Howard's concerns. She recalled prior reporting lines for the general counsel. She felt it was wise to include language regarding the reporting lines should any conflict arise.

Chair Anthony called for the vote.

12. Approved-Chief Counsel for Legal Affairs – (Cont'd.)

Motion carried. Regent Bandera voted no. Regents Hill and Whipple were absent.

13. Information Only-Academic Reorganization Report, UNR - At the request of the Board, President John M. Lilley presented a report on the recent realignment of colleges at the University of Nevada, Reno (Ref. Q on file in the Board office).

President Lilley introduced Provost Frederick; Dean Ted Batchman, College of Engineering; Dean David Westfall, College of Science; and Dean Erik Herzik, College of Liberal Arts.

Provost Frederick reported that the major academic reorganization was the result of two years of work involving the strategic planning process and intensive faculty consultation. The reorganization involved moving a couple of engineering departments that were formerly in the Mackay School of Mines to the College of Engineering. The College of Arts and Science was split into two colleges: the College of Liberal Arts and the College of Science. The Mackay School of Mines was renamed (*Mackay School of Earth Sciences and Engineering*) and moved into the College of Science. The interior design and dance programs were moved to the College of Liberal Arts. Within the College of Liberal Arts a new School of the Arts was created (*including the Fine Arts programs, theater, etc.*). The College of Science contains five departments from the former College of Arts and Science: biology, chemistry, math, physics, and geography. They joined the departments of geological sciences and mining engineering, in the Mackay School as well as the Nevada Bureau of Mines and Engineering and the Nevada Seismological Laboratory. The reorganization was approved by the Board one year ago in June. In July, the engineering departments moved into the College of Engineering. The remainder of the reorganization occurred January 1, 2004. He said the reorganization had been operating for approximately 7½ months.

Dean Batchman reported that the College of Engineering originated in the 1864 constitutional convention. In 1896, the university register listed a department of engineering with the subdivisions schools of mines and schools of engineering, which included civil and mechanical engineering. In 1905, the register listed the College of Engineering, including schools of mining, mechanical, and civil engineering. In 1937, the schools of mining and electrical engineering were first accredited. The mechanical school followed in 1938. During this time, the total engineering enrollment was approximately 250 students. The Mackay School of Mines was given separate college status in February 1951. The latest chapter in this history is currently being written with the former departments of chemical engineering, metallurgical engineering, and materials engineering joining the College of Engineering along with the biomedical engineering program. Progress during this period has been transitional. The transition of the new programs into the

College of Engineering has generally gone well. Biomedical engineering reports directly to the dean, while chemical engineering, material science engineering (*formerly metallurgy division*) each have their own division director. One issue has been endowments and scholarships. Most resided with the Mackay School of Mines. A program has been developed where all students that had scholarships under the Mackay endowment will be taken care of until they graduate. All students now have access to the

13. Information Only-Academic Reorganization Report, UNR – (Cont'd.)

College of Engineering scholarship fund. The College is currently embarking on an aggressive program review to determine how to best meet the state's and nation's needs. This may include curriculum changes to better reflect the skills needed by graduates to compete in the global engineering community. It may also necessitate restructuring the College to better utilize available staff and resources. The College is working with an outside consulting group. A number of efficiency issues need to be addressed (*i.e., duplication of course work*). The focus of some of the programs will be changed to address new state requirements. The College employs sixty-one faculty, undergraduate headcount enrollment (*Fall 2003*) was 1,338, and 301 graduate students. 89% of the College's graduates who applied for a job received an offer before commencement. Research expenditures for FY 2003 were \$8,095,000. The College's strategic goals are to become a top tier engineering college. They want to attract the most qualified students to remain in Nevada. They have established and are working to establish a seamless progression from the community and state colleges to UNR's College of Engineering. They strive to be regionally premier in major research focus areas and attract high quality faculty and students to pursue research and graduate education. The College has begun significant partnering collaborations with DRI and UNLV. The College hopes to produce an intellectual property licensing and royalties, which will help offset a lack of state funding; provide a leadership role in establishing and nurturing entrepreneurship; and have a high impact on the Nevada economy through technology transfer and support of industry. The College also strives to provide for easy access to distance and non-traditional education for life-long learning. Dean Batchman stated that a lot of progress had been realized and that the transition had made it a stronger program.

Dean Herzik reported that the reorganization did not begin until January 1st. In anticipation of the reorganization, the College of Liberal Arts formed a CLA oversight committee consisting of faculty to reexamine how the College would be organized and do business. The committee has been meeting continuously since September and has made significant progress. Six subcommittees were formed to address major parts of college organization (*i.e., personnel procedures, external relations and community engagement*). Each of those subcommittees incorporated more faculty from the College. They are attempting to develop proposals to strengthen what the College of Liberal Arts does within the university community as well as the community at large. An eighteen-month process has been scheduled to accomplish the goals. They are more or less on schedule. Basic procedural items have been established. Provisional bylaws have been adopted. A substantial review of College goals and values has also occurred. A curriculum committee report was recently accomplished, which addressed how classes are delivered to students and the requirements.

Regent Sisolak left the meeting.

Dean Herzik reported that a working relationship with the core curriculum has been adopted. The College delivers more than 60% of all classes in the core curriculum and 100% of the classes in the core curriculum over the 100-level. The most visible progress to date is the creation of the School of the Arts, which has become a focus for the arts to

13. Information Only-Academic Reorganization Report, UNR – (Cont'd.)

better coordinate amongst themselves, as well as an emphasis of the development efforts. New faculty members and resources have been added. They have also received a major grant to underwrite a series of performances for the coming year. Part of his goal as Interim Dean was to create a new college culture in liberal arts. A number of items were instituted to increase community and student engagement. The College has reinstated the Fund for Excellence speaker and is planning a series of events that links the college to the community through a series of speakers. Elected officials will also come to campus and meet informally with students. The establishment of masters classes is underway.

Regent Rosenberg explained that he works in the College of Liberal Arts and that he was not initially thrilled with the reorganization. He said it was largely Interim Dean Herzik's responsibility that the College had accomplished what it has. He personally thanked him for his efforts.

Dean Westfall reported that he was pleased with the opportunity to be involved with the development of a new college. He observed that it wasn't often that the chance to be involved in planning a new college that is imbedded in a well established university that has a brand school associated with it, like the Mackay School, presented itself where new and innovative things could be done. He related there are two statewide research and service units with the Mackay School of Earth Sciences and Engineering: the Nevada Bureau of Mines and Geology and the Nevada Seismology Laboratory. Students from the College of Science work with these people. Faculty from these two divisions recently had a very important paper published in the *Science Journal of Science* regarding a swarm of earthquakes located 20 miles below Lake Tahoe that they concluded was due to magma flow which actually increased the height of Slide Mountain (*less than 1 cm.*). The College boasts 800 undergraduate students and 400 graduate students. 11,000 students from the university take classes from faculty in the College of Science. The College has 157 faculty members and performs \$24 million in grants and contracts. A dean's staff is in place. Former DRI President, Dr. Jim Taranik, who was also the dean of the Mackay School of

Mines, is now serving as the director of the Mackay School. The College is focusing upon the student program and is considering the development of a core science program that would fulfill the core requirements of students in the university that would involve all of the faculty in the College of Science. The College is also involved in a new concept about how to declare a major. The College has students who desire more variety. So the College is discussing interdisciplinary majors. The College is working towards having all majors in the College of Science to have a research and scholarly experience, working in the laboratory and the field with a faculty member. The College is working well, the chairs are a strong group and they are interacting well. Synergies are developing between geological sciences and chemistry. There are a few challenges (*i.e., space*). They look forward to the Board's support in renovating and approving their new science technology labs.

Three members from the Mackay Working Group then addressed the Board. Mr. Richard Perry, Vice President, Operations, Newmont Mining Corporation, introduced Mr. Bill Flangas, a native Nevadan, and Mr. Russ Fields, President, Nevada Mining Association. All three are graduates of the Mackay School of Mines. He reported that the Mackay Working Group consisted of seven individuals who were part of the Mackay School of

13. Information Only-Academic Reorganization Report, UNR – (Cont'd.)

Mines Advisory Committee who worked with President Lilley, Provost Frederick, and the faculty, students, and constituents of the Mackay School of Mines to recommend a structure for the School in the new College of Science. The Group strove to achieve a structure that preserved the uniqueness of Mackay. For years, the Mackay School has included elements of both science and engineering. There are Mackay graduates all over the world. The Mackay School produces graduates that drive the extractive and high tech industries in Nevada. The mining industry employs 50,000 people in the state, is the highest paying employment sector in Nevada, and the largest exporter at over \$3 billion per year in mineral value. The industry generates \$100 million per year in net proceeds in mines tax that fund the rural counties and state fund. Mackay has a strong and well funded constituency. Although the School never produced a large number of graduates, it is very important to the industry and the state. Mackay is one of the fourteen remaining schools in the U.S. that educate minerals engineering and economic geologists. At the time of the restructuring, many Mackay alumni were very concerned for the survival of the School by its losing its status as a college and having its own dean. The reorganization has produced good results in most areas. Enrollment has increased in the past two years in mining engineering, geological engineering, geophysics, and geography. Mackay has special recruiting functions within the School that are largely funded by the \$13 million endowment. Those students are treated extremely well and receive internships. Mr. Perry raised two issues of concern. The director of the Mackay School of Earth Science and Engineering does not have much full line management authority. Although Dr. Taranik is a strong player in the state, there is a long term concern about his replacement and how the situation would work to ensure that it maintains some autonomy as a school within a college. The other concern related to chemical metallurgical engineering being transferred out of Mackay and into the College of Engineering on January 1st. This was one of the stronger, growing areas in the Mackay School. Chemical metallurgical engineers are critical to the extractive industries and the materials science portion of the program is very much in demand for graduates in high tech fields. Since the move to the College of Engineering enrollments have dropped over 50%. At the time of the restructuring, the students in this department overwhelmingly wanted to stay in the Mackay School. It has resulted in a number of space allocation issues and alumni concerns. Mr. Perry reported that the students were really suffering from this change. Chemical and metal engineering students had access to Mackay endowment scholarships. Now that the program is outside of the Mackay School they will no longer have that access. He asked that President Lilley reevaluate the situation to determine whether chemical and metallurgical engineering should be moved back into the Mackay School.

Regent Bandera asked whether a timeline had been established for President Lilley's review. Mr. Perry replied that he had only recently discussed these issues with President Lilley. Regent Bandera requested that a timeline be developed for the Board.

Regent Schofield thanked Mr. Flangas for his service. Mr. Flangas thanked President Lilley for his close attention to these matters. He said they tried hard to take a sensitive turf situation to meet current standards and today's requirements. The need for dramatic and dynamic change presents itself with very little notice or warning. He said that great progress had been made in realigning the institution and the Mackay School. There are

13. Information Only-Academic Reorganization Report, UNR – (Cont'd.)

still some imbedded, hard-nosed bureaucracy that continue to complain, which is understandable since change is difficult but necessary. He said that now is the time for implementation. He reported that they are in the final phase of implementation and that they have a concern that the line of authority not be compromised. The associated staff functions must exert themselves to the mission.

President Lilley expressed his appreciation to the working group members, adding that he would follow-up on their request.

Provost Frederick provided the enrollments for the programs mentioned. Chemical engineering had 78 majors in Spring 2003 and 76 majors in Spring 2004. Metallurgical materials engineering had 38 majors in Spring 2003 and 41 majors in Spring 2004. He said they would clearly need to work with them to ensure those numbers stay up and the proper support is provided.

Chair Anthony reported that agenda item #9 (*Strategic Plan, TMCC*) had been postponed to the next Board meeting.

14. Approved-2005-2007 Biennial Budget Request – The Board approved Vice Chancellor for Finance & Administration Buster Neel's request for the 2005-07 Biennial Budget Request for the State-Supported Operating Budget. The preliminary budget was presented to the Board for discussion purposes in June 2004. Final approval of the budget request is required at the August meeting in order to meet the statutory deadline for submitting the budget request documents to the Governor's Office and the Legislature by September 1, 2004. The budget will be reviewed, and funding levels determined, by the 2005 Legislature, which convenes in February 2005 (*Bound Report on file in the Board office*).

Vice Chancellor Neel reported there are two parts to the budget request. One addresses the base budget. Most of the changes are related to the formula. He said that it was extremely important to maintain the level of funding, which is currently at approximately 84%. If the budget request is approved, it will equate to an approximate 87% level of funding. The figures are generated by the formula, which is based upon enrollment projections. A cost of living increase has not been included in the budget proposal at this time. The Faculty Senate has requested a 3.75% increase each year, or at least as much as the other state agencies receive. Also not included in the request is the \$89 million that the state funded in this biennium representing the Estate Tax. While the amount is not part of the request because it is built into the base budget, it is critical that the legislators understand that the System needs this to be funded. If the campuses were asked to cover this cost out of their operating expenses it would represent a 65% reduction. If the students were asked to cover the cost, it would represent a \$45 per semester increase. The only other option would be reducing employees. 70% of the budget is personnel related. On some campuses it is even higher. He said that options were limited and that it was absolutely essential that this item be addressed by the Legislature.

Vice Chancellor Neel reported that the Executive Budget request was required in the Governor's office and to the Legislative Council Bureau by September 1st.

14. Approved-2005-2007 Biennial Budget Request – (*Cont'd.*)

Vice Chancellor Neel observed that in the next fiscal year \$11 million should be provided for student access. It will be increased to \$19 million in the second year of the biennium. He wanted the Board to know that UCCSN was making efforts to provide financial aid support. Projected enrollment increases over the next two years will be 6% 2006 and 7% in 2007, which is driving \$132 million to support the growth.

Regent Alden moved approval of the 2005-2007 biennial budget request. Regent Kirkpatrick seconded.

Vice Chancellor Neel reviewed the total request by institution, representing a 20% increase over the current biennium. He then provided a breakdown of the percentage paid by the state, student fees, and other sources. He noted that Regent Alden had requested an additional report providing the percentage of this budget that comes from the state versus what is generated from other sources. He said that this did not represent the entire institutional budget and did not include auxiliaries or contracts and grants.

Regent Alden felt the additional report should become a permanent document that is updated quarterly. He explained that it provided a breakdown by institution of the general fund request and other revenue, which is mainly student fees. He said it was very important when trying to explain a 20% increase in the budget. He said it was driven by the number of students in the System who were being provided an education. He called attention to CCSN and NSC and their growth. He noted that the amount of general fund money per student was less at CCSN than at other institutions because they were serving more students, which lowered the cost ratio. He said that CCSN had been consistently serving more students at a lower cost. He felt that should not be forgotten and that the faculty and staff should be thanked for their efforts.

Vice Chancellor Neel stated that much of the base budget was generated by the formula and growth. He reported that an enhancement request was also prepared and reviewed several changes in priority order.

- • Priority #3 (*Safety and Security*) – the presidents agreed the item should be moved to priority #3.
- • Priority #5 (*Economic Workforce Development/MAP*) – the request has been reordered from priority #3 to priority #5.
- • Priority #7 (*Professional Schools and Health-Related Initiatives*) - one change made was to add the School of Pharmacy to that category.

Vice Chancellor Neel asked whether the Board wanted to change any of the categories, amounts, or priorities, or to send the request as presented.

Regent Derby asked whether the community college presidents agreed to moving Priority #5(*Economic Workforce Development/MAP*) down from #3 to #5. No objections noted. She observed that the 20% increase was significant and asked whether the System was prepared to make a really strong case to justify the request. Vice Chancellor Neel agreed

14. Approved-2005-2007 Biennial Budget Request – (*Cont'd.*)

it was a large increase, adding that it was reflective of the enrollment projections. He agreed it was a difficult situation, but felt they could defend the request.

Regent Seastrand asked whether Priority #4 (*Technology Infrastructure-Phase I*) included only hardware. Vice Chancellor, Technology, Mrs. Becky Seibert, replied that this was the result of the Technology Task Force report recommendations. There were \$139 million in recommendations for campus support including hardware, software, personnel support, and network infrastructure. She said the \$10 million request would not cover all of the real technology need on each campus. Regent Seastrand established that the funds were not earmarked for a specific purpose, but would be used for the general purpose of upgrading the technology. Mrs. Seibert agreed. Vice Chancellor Neel stated that this budget request was for three years from now, which was a lifetime in terms of technology. Other plans may be brought forward in the future. Regent Seastrand wished the request was larger. He felt this was an area that had been grossly under funded.

Regent Rosenberg agreed with Regent Seastrand. He said they could not do the job they needed to do to get students into classes without technological assistance. When a tremendous strain is put on it at the beginning of each semester, it is only Mrs. Seibert's juggling that allows them to accomplish what they do. He asked whether increasing the request would require a decrease somewhere else in the budget. Vice Chancellor Neel replied there was no maximum request for enhancements. We must be realistic in estimating how much might be received. He recalled that the previous enhancement request had been \$95 million, which had been reduced by the Board to \$55 million. UCCSN received approximately \$5.5 million. Regent Rosenberg observed that it was a legitimate request, though he recognized that it is a lot of money. He felt the UCCSN really needed to inform the Legislature what was required and ask for the best they can do.

Regent Kirkpatrick asked how radically the budget would be decreased during the Governor's process. Vice Chancellor Neel replied that the Governor would consider all of the state requests and compare that to the revenue projections. Generally, many of these items will not be included.

Regent Howard was pleased that Priority #6 (*Student Services, Retention*) had been included. She wondered whether the campuses used money from their budgets for remediation. President Harter replied that the universities were moving towards totally self-supported teaching of remedial courses. The courses are offered and are funded entirely by the tuition dollars that support the cost of the program. There is no state subsidy.

Motion carried. Regents Hill, Sisolak, and Whipple were absent.

15. Information Only-Handbook Revision, Chancellor & Presidents' Evaluation Procedures - Staff recommended revising the current chancellor/presidents' evaluation procedures and Board Bylaws providing that an external consultant conduct the mandated periodic reviews. The amendment to the Board Bylaws (*Title I, Article VII, Sections 3 and 4*) requires two hearings, with final action to be taken at the October 2004 meeting (Ref. E on file in the Board office).

15. Information Only-Handbook Revision, Chancellor & Presidents' Evaluation Procedures –
(*Cont'd.*)

Regent Alden indicated his support.

Assistant Chancellor Trudy Larson reported that it was basically a change from a committee structure to having an external consultant perform the evaluations of the chancellor and presidents for their periodic reviews (*every three years*). It was intended to provide an unbiased viewpoint. One amendment was submitted by the Faculty Senate to add a statement that faculty senate input will be accepted by the external consultant.

Regent Rosenberg asked about the difference to the process. Chair Anthony explained that evaluations are currently done by committee. This change eliminates the committee. A consultant will come in and prepare the entire package to be presented to the Board. Assistant Chancellor Larson stated that part of the change related to the Open Meeting Law and provided the ability to have confidential consultations with key executives of the chancellor/president to obtain a balanced and unbiased evaluation that the Board can closely review.

Regent Derby indicated her support, adding that she felt the current method was not as effective as it needs to be.

Regent Kirkpatrick asked how faculty input could be accommodated. Ms. Bridgett Boulton, Faculty Senate Chair-TMCC, replied that the consultant would review a representative sample of faculty. Faculty wanted to codify input from the institutional faculty senates. The faculty also wanted to leave it up to the individual faculty senates to summarize their response without tracing individual comments back to a specific individual. Regent Kirkpatrick asked whether she felt the addition should be part of #9. Ms. Boulton replied that she did.

Regent Bandera felt it was unfortunate that the Board was considering turning the entire process over to a consultant. She had hoped that staff could be a bit more creative in how to keep the responsibility and process in the hands of the Regents while still abiding by the Open Meeting Law.

16. Approved-Handbook Revision, Regulations for Determining Residency and Tuition Charges – The Board approved General Counsel Tom Ray's request for revisions to the *Board of Regents Handbook (Title IV, Chapter 15)* concerning regulations for determining residency and tuition charges. These revisions are proposed primarily to implement recent changes approved by the Board dealing with determination of residency and non-residency. Other modifications, primarily editorial in nature, are proposed to improve the organization and readability of the chapter (Ref. F on file in the Board office).

Regent Alden moved approval of the Handbook revision concerning regulations for determining residency and tuition charges. Regent Kirkpatrick seconded.

16. Approved-Handbook Revision, Regulations for Determining Residency and Tuition Charges – (Cont'd.)

Assistant Chief Counsel Nielsen reported that these changes were primarily to put into effect actions taken by the Board earlier this year. She recalled that the Board approved the refund provision and the change in policy to align it with the statute for initial residency determination. In that process and with all of the institutions involvement, better ways were determined to write these policies and procedures, to make it clearer for all of the campuses about what evidence should be presented in order to establish residency. She explained that it was also done to address the Board's concern that there be consistency throughout the institutions. She said that no significant changes were presented. They were more organizational in nature. The previous organization did not make a lot of sense. Building on the process that was developed for the refund to students under the new 6-month standard, the sections were organized to more clearly reflect campus procedures. They all agreed this made more sense. The reclassification process was also reviewed. She felt the changes were helpful, improved efficiencies, and provided clarity for students. One substantive change was that, under the current policy, a student receiving a WICHE/Good Neighbor/Children of Alumni discount were prohibited from applying for reclassification until they gave up their WICHE benefits for one full year. Everyone felt that was highly inequitable and the provision has been removed. Those students can reclassify their status as in-state students in the same manner that other students are able. She said the proposed change had the unanimous support of the institutions and recommended approval.

Regent Kirkpatrick indicated his support. He discussed a related matter requiring attention dealing with tuition and in-state residency. He said that a student had been denied a refund of her money because she was not a resident. Policy states that students have to be a 12-month resident in order to apply for a refund. He observed that the Board had changed the residency requirement to 6 months, but had not changed the refund policy. He wanted the matter investigated and changed. He felt the student was entitled to a refund.

Motion carried. Regents Hill, Sisolak, and Whipple were absent.

17. Approved-Handbook Revision, Investment Policies – The Board approved revisions to the *Investment Policies (Title IV, Chapter 10, Sections 4-6)* as approved by the Board of Regents Investment Committee (Ref. G on file in the Board office).

Regent Alden moved approval of the Handbook revision concerning investment policies. Regent Howard seconded. Motion carried. Regents Hill, Sisolak, and Whipple were absent.

Chair Anthony noted that item #16 (*Handbook Revision, Risk Management Administration*) had been withdrawn.

18. Approved-Handbook Revision, Community College Admissions Policies – The Board approved staff's recommendation for an amendment to the *Board of Regents Handbook (Title IV, Chapter 16, Sections A-D)* concerning general admission policies for the community

18. Approved-Handbook Revision, Community College Admissions Policies – (Cont'd.)
colleges. This policy revision, if approved, will align the Board's policy on general admission at the community colleges with current practice, whereby admissibility at any UCCSN institution is not contingent on an applicant's citizenship status (Ref. I on file in the Board office).

Regent Alden moved approval of the Handbook revision concerning community college admissions policies. Regent Rosenberg seconded. Motion carried. Regents Hill, Sisolak, and Whipple were absent.

Chair Anthony noted that item #18 (*Principles and Targets for New UCCSN Master Plan Goals*) had been withdrawn.

19. Approved-Intercollegiate Athletics and Support Organizations Relationship, UNR – The Board approved President John M. Lilley's request for a policy establishing and formalizing the relationship between the University of Nevada, Reno Intercollegiate

Athletics and athletic support organizations (Ref. K on file in the Board office).

Regent Alden moved approval of a policy establishing and formalizing the relationship between the University of Nevada, Reno Intercollegiate Athletics and athletic support organizations. Regent Rosenberg seconded. Motion carried. Regents Hill, Sisolak, and Whipple were absent.

The meeting recessed at 11:40 a.m. and reconvened at 12:00 noon with all members present except Regents Hill, Sisolak, and Whipple.

20. Approved-Academic, Research & Student Affairs Committee Recommendations - Chair Tom Kirkpatrick reported the Academic, Research & Student Affairs Committee met August 19-20, 2004. The Committee continued its discussion on the cost of textbooks and other instructional materials. Additional information was provided about the flexibility allowed in current bookstore contracts. The Committee also reviewed a presentation summary on policies and procedures for faculty office hours. Regent Kirkpatrick requested Board action on the following Committee recommendations:

- • Core Curriculum for Millennium Scholars – The Committee recommended implementation of a high school core curriculum as an eligibility requirement for future Millennium Scholars. This recommendation comes after lengthy statewide discussions and is in response to a requirement of SB 503 (Ref. ARSA-4 on file in the Board office).
- • New Program Proposal, Bachelor of Applied Science, Management, NSC - The Committee recommended approval of the Bachelor of Applied Science, Management degree for NSC (Ref. ARSA-5 on file in the Board office).
- • New Unit Proposals – The Committee recommended approval of the following new unit proposals:

20. Approved-Academic, Research & Student Affairs Committee Recommendations –(Cont'd.)

- ✓ • Center for Program Evaluation and Partnership Development Services, UNR (Ref. ARSA-6 on file in the Board office).
- ✓ • School of Public Health, UNR (Ref. ARSA-7 on file in the Board office).
- ✓ • Department of Sports Education Leadership, UNLV (Ref. ARSA-9 on file in the Board office).
- • New Unit/Program Proposals – The Committee recommended approval of the following new unit/program proposals:
 - ✓ • School of Public Health and Master of Public Health (MPH), UNLV (Ref. ARSA-8 on file in the Board office).
 - ✓ • Doctorate in Pharmacy (Pharm.D.) and School of Pharmacy, UNR/UNLV (Ref. ARSA-10 on file in the Board office).

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

Regent Alden asked whether it was clear that the public health curriculum would be different, would meet the needs of the community, and that the duplication was necessary due to requirements at both ends of the state. Regent Kirkpatrick replied that public health at UNR would focus primarily on rural needs, while the public health program at UNLV would focus primarily on urban needs. There are some other differences as well as things on which they will work together. He felt they were two good programs. He indicated that Regent Derby felt the System could not afford two schools of public health in the state. Regent Alden said he would support the Committee's recommendation. He felt that the Doctorate of Pharmacy was one of the most important decisions for the Board. He said it would tie the nursing program, the School of Medicine, and the School of Dentistry together. He felt it was an important program and urged Board support.

Motion carried. Regents Derby and Seastrand voted no. Regents Hill, Sisolak, and Whipple were absent.

21. Approved-Audit Committee Recommendations – Regent Linda Howard reported the Audit Committee met August 19, 2004 and received follow-up responses from nine internal audit reports that were presented to the Committee in January and March 2004. Mrs. Sandi Cardinal, Director of Internal Audit, reported on the current status on the Legislative Counsel Bureau audit. The LCB auditors have concluded their work on statewide programs. The reports on enrollment data and investment and income portions of the audit expect to report their findings to the legislative committee in September 2004. The auditors continue their review of hosting activity, intercollegiate athletics, construction and administrative costs. 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 May 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 ahead of target with the business plan for the year. The FSA ended the year approximately \$300,000 ahead of the plan. Mrs. Sandi Cardinal presented a report of the

21. Approved-Audit Committee Recommendations – (Cont'd.)

annual equipment loss at each institution to the Committee. For the fiscal year ending June 30, 2003, the total loss of equipment for all institutions totaled \$79,000 out of the \$75 million total inventory for the System. PricewaterhouseCoopers discussed its response to a request for proposal regarding the master planning process for UNLV and requested approval from the Committee and the Board of Regents to proceed with the response. The Committee voted not to grant approval for PricewaterhouseCoopers to proceed with their proposal. Mrs. Sandi Cardinal presented a report on the review of transactions of the UNLV Research Foundation. Regent Howard requested Board action on the following Committee recommendations:

- • Quality Assurance Review – The Committee recommended approval of PricewaterhouseCoopers' report on the Quality

Assurance Review of the UCCSN Internal Audit Department for the three years ended December 31, 2003 (Ref. A-2 on file in the Board office).

- • Internal Audit Reports – The Committee reviewed the following Internal Audit Reports(Ref. L on file in the Board office):
- ✓ • Center for Workforce Development and Occupational Research, UNLV (Ref. A-3 on file in the Board office).
- ✓ • Libraries, DRI (Ref. A-4 on file in the Board office).
- ✓ • Information Technology Operations, TMCC (Ref. A-5 on file in the Board office).
- ✓ • Plant and Facilities, TMCC (Ref. A-6 on file in the Board office).
- ✓ • Applications Development, TMCC (Ref. A-7 on file in the Board office).
- ✓ • Presidential Exit Audit, CCSN (Ref. A-8 on file in the Board office).
- ✓ • Child Care Centers, CCSN (Ref. A-9 on file in the Board office).
- ✓ • Grants and Contracts, CCSN (Ref. A-10 on file in the Board office).
- ✓ • Testing Department, WNCC (Ref. A-11 on file in the Board office).
- ✓ • Buildings and Grounds, GBC (Ref. A-12 on file in the Board office).
- • Audit Exception Report – The Committee recommended approval of the Audit Exception Report for the six months ended June 30, 2004 (Bound Report on file in the Board office).
- • Handbook Revision, UCCSN and Member Institution Foundations Administrative and Accounting Guidelines Introduction – The Committee recommended approval of changes to the foundation guidelines, *Board of Regents Handbook (Title IV, Chapter 10, Section 10)* (Ref. A-29 on file in the Board office).

Regent Howard reported that Committee Chair Hill and Regent Alden wanted the Board to consider the PricewaterhouseCoopers' item separately.

Regent Howard moved approval of the Committee recommendations and acceptance of the report. Regent Kirkpatrick seconded. Motion carried. Regents Hill, Sisolak, and Whipple were absent.

- • Request for Proposal PricewaterhouseCoopers – The Committee declined PricewaterhouseCoopers' request to be allowed to participate in the RFP process regarding the UNLV Master Planning Process.

21. Approved-Audit Committee Recommendations – (*Cont'd.*)

Regent Kirkpatrick explained that the Committee had a long discussion regarding this matter. He said it was somewhat confusing to Committee members. It arose from the Enron fiasco wherein the auditor was the same person who was providing the institution advice on other matters. The Committee was asked to allow President Harter to consider PricewaterhouseCoopers' response to a request for proposal.

President Harter said they could separate the consulting practice from the audit practice. They requested approval to have their proposal considered. Right now their response is not being considered. Regent Kirkpatrick explained that he abstained from voting because he was not clear about the request. Had he voted affirmatively, the item would have passed.

Regent Bandera stated that the way the item was written confused people. They were not submitting any sort of an RFP response for the Committee's review. They were simply requesting permission to send their response to UNLV's RFP. Because of the way the item was written, the Committee went off on a separate tangent about a lack of backup material. She clarified that the Board needed to consider whether or not PricewaterhouseCoopers should be allowed to respond to the RFP. She related that she had voted against it because she does not believe in intertwining audit and consulting services.

Regent Alden said that he was very familiar with this issue. He related a similar issue arose 30 years ago. It was decided that the San Francisco office would not prepare a proposal, but an office in a different city would. He said this situation was similar, adding that it was two separate teams and two separate managing partners. He did not feel that it was really the Board's decision. He saw no problem with the request. He said that all precautions were built in and felt that it was actually a restraint of trade to not let them participate. He strongly recommended approval of allowing PricewaterhouseCoopers to respond to the RFP.

Regent Alden moved approval of allowing PricewaterhouseCoopers to respond to the UNLV request for proposal. Regent Kirkpatrick seconded.

Regent Seastrand explained that he was on the Committee and had voted in favor of the motion. He had only one concern and wanted to offer a friendly amendment.

Regent Seastrand offered a friendly amendment to ensure that the Board would not assume any liability by allowing PricewaterhouseCoopers to respond to the RFP. Regents Alden and Kirkpatrick accepted the friendly amendment.

Regent Howard asked whether the Board was in line with reconsidering this within the 24-hour period. Assistant Chief Counsel

Nielsen replied that it was not

21. Approved-Audit Committee Recommendations – (Cont'd.)

actually reconsideration. The Audit Committee put forward a particular recommendation. The agenda allows the full Board to consider the item on its own merits.

Motion carried. Regents Bandera, Howard, and Rosenberg voted no. Regents Hill, Sisolak, and Whipple were absent.

22. Approved-Budget & Finance Committee Recommendations - Chair Mark Alden reported the Budget & Finance Committee met August 19, 2004 and heard the following reports:

- • The cost to fund a two grade increase for police officers effective July 1, 2004 for the two universities and Truckee Meadows Community College, as was approved by the Interim Finance Committee.
- • The UCCSN Self-Supporting Budget for fiscal year 2004-2005.
- • State Accountability Report for fiscal year 2004-2005 of the Legislative approved to Board of Regents approved UCCSN operating budget.
- • Self-supporting budget revisions for the fourth quarter of fiscal year 2003-2004.
- • State supported operating budget transfers for fiscal year 2003-2004.
- • Transfers of non-state expenditures to state funds after May 1, 2004 for fiscal year 2003-2004.
- • Institutional resource reassignment/allocations between institutions and units of the UCCSN for fiscal year 2002-2004.

Regent Alden requested Board action on the following Committee recommendations:

- • Fiscal Year 2004-2005 UCCSN Self-Supporting Budget – The Committee recommended approval of the fiscal year 2004-05 UCCSN Self-Supporting Budget (*Bound Report on file in the Board office*).
- • Fiscal Year 2004-2005 Accountability Report – Legislative Approved to Board of Regents' Approved Budget – The Committee recommended approval of the fiscal year 2004-05 Accountability Report. The System is required to submit to the Governor's Budget Office and Legislative Counsel Bureau for their acceptance the fiscal year 2005 Accountability Report reconciling the fiscal year 2005 legislative approved budget to the fiscal year 2005 Board of Regents' approved budget (*Bound Report on file in the Board office*).

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

Mr. Scott McKenzie, Executive Director, State of Nevada Employees Association, reported that over the last six years parking fees have continued to increase. The accumulative effect has been a 200% increase in parking costs. The parking budget is self-supporting. The cost of operations should be equal to the revenue stream. SNEA has received numerous complaints over the past year regarding parking fees and has requested an audit. They have reviewed the increased fees versus the impact on the parking budget. The number of lower-cost parking spaces has decreased dramatically (2001=2,658 blue parking spaces, 2004=969). The amount of revenue generated over the cost

22. Approved-Budget & Finance Committee Recommendations - (Cont'd.)

of operation and necessary reserves is currently \$2.4 million. SNEA considers this a very serious issue because many SNEA members are low- to middle-income and single parents. This has become a big problem for their budgets. He related that it costs \$320/year to park for work, which they felt was unacceptable. He asked the Board to consider suspending approval of the 2004-05 parking budget until October and to seriously consider freezing the additional parking fees that were added in August 2004. They also asked the Board to conduct an audit of the UNR parking services budget for the past five years and the current administration and oversight procedures. SNEA recommends that the audit be performed by the legislative auditor as part of the current UCCSN System audit. SNEA also asked that the Board schedule a public hearing regarding parking fees at the Board's October meeting.

Regent Alden said this would be addressed and that both campuses would be reviewed. He suggested that Board members refer to pages 106, 296, 323 in the self-supporting budget.

Motion carried. Regents Hill, Sisolak, and Whipple were absent.

23. Accepted-Investment Committee Report – Regent Jack Lund Schofield reported the Investment Committee met July 9, 2004 and interviewed three investment consultants of the seventeen that responded to a RFP (*Request For Proposal*). The Committee discussed the consultant presentations and decided to retain Cambridge Associates. The Investment Committee met again on August 16, 2004. Mr. William Atlas, Cambridge Associates, reviewed the asset allocation and performance for the pooled endowment and pooled operating funds of the UCCSN for the year ended June 30, 2004. Endowment investments returned -0.5% for the quarter (*compared to the -0.5% benchmark*) and 17.2% for the fiscal year (*compared to the 15.3% benchmark*). The total return for the pooled operating funds was 0.0% for the quarter (*compared to the 0.1% benchmark*) and 7.0% for the fiscal year (*compared to the 8.0% benchmark*). The Committee also discussed appointing a public member to the Investment Committee. This would be an advisory position, have no vote, and have no conflict of interest with the System. The intent is to add an individual with investment experience that could

bring their knowledge and experience to aid the Committee in making well-informed decisions. The Committee moved to recommend to the Chairman of the Board of Regents that Mr. George Hasse be appointed to this position.

Regent Schofield moved acceptance of the report. Regent Alden seconded.

Regent Alden requested a review of the operating pool reserve and the amount that is remitted to the institutions.

Motion carried. Regents Hill, Sisolak, and Whipple were absent.

Regent Bandera left the meeting.

24. Approved-Faculty Workload Task Force Recommendations - Chair Jill Derby reported the ad hoc Faculty Workload Task Force met April 1, May 5, and July 19, 2004. At the April 1st meeting, the Task Force heard a presentation from Dr. Michael Middaugh of the University of Delaware. Dr. Middaugh is the developer of the Delaware Study, a nationally normed instrument for reporting faculty productivity. Dr. Middaugh provided the Task Force with a comprehensive portrait of the purpose and design of the Delaware Study. The Task Force had an opportunity to ask questions about how this study might be beneficial for the UCCSN to adopt. Dr. Middaugh pointed out that the Delaware Study is solely for four-year institutions, although a similar survey called the Kansas Study is currently under development for two-year institutions. Following Dr. Middaugh's presentation, the Task Force heard from the institutional research directors, who provided their perspective on the current mechanisms for reporting faculty workload as well as their feedback on the data collection effort that would be required to participate in the Delaware Study.

At the May 5th meeting, staff returned with additional feedback from the institutions as to the feasibility of participating in the Delaware and Kansas studies, as well as recommendations for improving the current UCCSN faculty workload data collection methodology. The Task Force approved the following recommendations:

- • Report instructional workload using redesigned forms that incorporate new data elements, as well as a common set of definitions.
- • Record out-of-classroom activities using a method similar to the Delaware Study, where annual output is reported, instead of average hours per week.
- • Report instructional workloads from institutional databases that reflect accurate workloads for all types of faculty and state supported instruction.
- • Collect workload information that has been validated by faculty, as well as department heads.

Further Task Force deliberations concluded that the Delaware and Kansas studies were effective measures of productivity and cost for campus-level management; however, involvement in the studies would not produce a System-wide workload report that adequately addresses UCCSN workload policies and statewide accountability. As a result, the Task Force incorporated into the newly developed UCCSN faculty workload policy a statement that encourages individual participation by institutions in national, benchmarked studies similar to the Delaware and Kansas studies.

In other work completed at its May meeting, the Task Force took action on revisions to the UCCSN Code definitions of community service. Because Code amendments require two hearings, this item is on the Board agenda as information at this meeting, with final action requested at the October meeting. In addition to the Code revisions, the Task force reviewed and approved a revision of the UCCSN's policy on outside consulting.

Finally, the Task Force discussed whether to proceed with developing a System policy on faculty workload. After reviewing the policies and practices in other states, as well as a draft policy for the UCCSN, the Task Force approved a System-wide policy on faculty workload.

24. Approved-Faculty Workload Task Force Recommendations – (Cont'd.)

The Task Force reconvened for a final meeting on July 19th in order to consider a proposed amendment to the System policy on faculty workload. The Task Force agreed to adopt specific language clarifying the expected teaching workload of faculty at the universities. The amendment specifies that faculty heavily involved in doctoral education are expected to teach six instructional units per semester, or twelve instructional units per year; all other university faculty are expected to teach nine instructional units per semester, or eighteen instructional units per year.

Regent Derby moved approval of the Task Force recommendations and acceptance of the report. Regent Alden seconded.

Regent Derby thanked Regents Bandera, Dondero, and Sisolak for their service. She said they worked closely with faculty on the process.

Ms. Bridgett Boulton, Faculty Senate Chair-TMCC, thanked the Task Force for actively involving the faculty and for soliciting broad faculty input.

Motion carried. Regents Bandera, Hill, Sisolak, and Whipple were absent.

25. Accepted-Health Education Task Force Report – Regent Alden reported the ad hoc Health Education Task Force met June 21, 2004 and heard a report on the history of the Oregon Health and Science University (OHSU) from Dr. Lesley Hallick, Provost and Vice President of Academic Affairs. The OHSU includes schools of dentistry, medicine, nursing, and science and engineering, and maintains partnerships with Oregon State University’s College of Pharmacy and the Oregon Institute of Technology. Further, the OHSU includes the OHSU Hospital and Doernbecher Children’s Hospital; numerous primary and specialty care practices; multiple research centers and institutes; and dozens of outreach programs. Dr. Hallick highlighted some of the challenges that were overcome in establishing the OHSU and explained how the university continues to grow today.

Dr. Charles Rutledge, Professor and Interim Vice Provost for Research, Purdue University, presented his review of the proposed University of Nevada School of Pharmacy. Dr. Rutledge recommended that UNR and UNLV take the next steps necessary to develop a new University of Nevada School of Pharmacy in which each institution is a co-sponsor. Board members will recall that in September 2000, the Board approved a joint program proposal for a UNR/UNLV School of Pharmacy. At that time, the proposal was viewed as a statewide program whereby the first two professional years of the program (*focusing on the basic sciences*) would be offered at UNR and the final two years of clinical practice would be at UNLV.

Following the presentation of Dr. Rutledge’s report, a discussion ensued regarding the various proposals brought forward on the matter of pharmacy. Specifically, UNLV President, Dr. Carol Harter, brought forward a “concept” for consideration whereby UNLV, Touro University (*a private, non-profit university*), Nevada State College, and the Community College of Southern Nevada would develop a joint public/private Pharm.D program. UNR brought forward its proposal for a School of Pharmacy, based on the

25. Accepted-Health Education Task Force Report – (*Cont’d.*)
previous Board-approved joint program, but eliminating UNLV’s role. Ultimately, Task force members agreed that the UNLV “concept” for a public/private partnership needed to be developed into a formal proposal; and that the UNR proposal should be referred to the Academic Affairs Council and ARSA consideration.

A similar discussion occurred with respect to the public health proposals brought forward by UNR and UNLV. Both UNR and UNLV are proposing establishing separate schools of public health. The primary difference between the two schools would be the general population focus. The UNLV School of Public Health, if approved, will focus on high density urban population health issues, and the UNR School of Public Health will focus on rural and frontier population public health issues. Again, the Task Force recommended that each institution move forward with its proposal and bring each to the Academic Affairs Council and ARSA for consideration.

Since the June 21st meeting, the aforementioned pharmacy and public health proposals have been reviewed by the Academic Affairs Council and were forwarded to ARSA for consideration – the outcome of which will be reported under the ARSA chair’s report. With respect to the pharmacy matter, through the guidance of the Academic Affairs Council, the institutions (*UNR and UNLV*) agreed to participate in a joint pharmacy program as was presented and approved by the Board in September 2000.

Regent Alden moved acceptance of the report. Regent seconded. Motion carried. Regents Bandera, Hill, Sisolak, and Whipple were absent.

26. Approved-NSC Presidential Search Committee Recommendations - Chair Mark Alden reported the ad hoc NSC Presidential Search Committee met June 21, and July 19, 2004. On June 21st, the Advisory Committee and the Regents’ Committee agreed that they wanted to hire a search firm to conduct the search for the new president and directed that letters requesting proposals be sent. On July 19th, the committees heard presentations from search firms and unanimously selected A.T. Kearney as the executive search consultant. A budget was then discussed and approved. Regent Alden requested Board action on the following Committee recommendations:

- • Search Firm Request – The Committee approved a Request for Proposal for a search firm for the NSC presidential search.
- • Selection of Search Firm – The Committee selected A.T. Kearney as the executive search consultant for the search process.
- • Budget Request – The Committee determined the budget necessary to complete their charge and approved a budget request of a minimum of \$60,000 not to exceed \$75,000, plus candidate travel expenses and advertising costs.

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

Regent Derby related that item #27 (*Report on Legislative Committee to Evaluate Higher Education Programs (AB 203)*) would be postponed until the October meeting due to the importance of the subject matter and the number of Regents missing.

27. Information Only-Admission Application Forms - In response to the Board Chair's request, Dr. Chris Chairsell and System staff provided a summary concerning admission application forms (*Ref. P on file in the Board office*).

Vice Chancellor Chairsell reported that the application form is the first and only opportunity for gathering information on students. The form serves as an audit trail for legislative audit requests. Institutions have different fees and vendors that allow the applications to be filed electronically. Standardizing the form would require working out these differences. Each year, the UCCSN is required to produce a 1098T for the Internal Revenue Service. This is the cashier's report that identifies for the IRS and the student what has been paid in tuition. The student can then consider whether they are eligible for the health tax credit or the life-time learning credit. The social security number serves as the identifier for this report. A potential fine is associated for every invalid social security number provided to the IRS. The social security number serves as the identifier for the form which begins the process for federal financial aid. The IRS requires UCCSN institutions to identify potential nonresident aliens for tax purposes. Their employment, and in some cases, their undergraduate scholarships are taxed at a higher tax rate. The social security number is not mandatory. A unique identifier can be assigned. If there is not enough documentation to identify whether or not a student is a nonresident alien they will automatically default to the higher tax rate. The burden of proof will be on the student to prove residency. In 1999, the IRS conducted an audit and found the UCCSN out of compliance for identification and withholding of taxes for non resident aliens. The System faced possible fines exceeding \$2 million. In an effort to reduce this liability, the System hired a consultant to develop a better plan for managing international student programs. The IRS reviewed and accepted this and proceeded no further. They would need to consider this should they decide to remove the social security number from the admission form. Without the social security number, UCCSN would have difficulty tracking Millennium Scholars, matching ACT and SAT scores with students' files, and managing the tracking of transferability. They would also be unable to track students moving in and out of state for school and employment rates, all of which fall within expectations of the master plan. Citizenship information is not required for admission, but is used for federal purposes only. It is not the institutions' intent to police immigration status. The federal government requires UCCSN to report potential resident and nonresident aliens through the Student Exchange Visitors Tracking System. After 9/11, this has become a very hot issue. Vice Chancellor Chairsell felt that Nevada's Governor and Legislature must deal with the federal government if they choose not to comply with federal mandates. She related that it was the way UCCSN did business. She suggested that this was possibly a residence issue. In 1994, it was decided that if a student graduates from a Nevada high school that student would be considered a resident and did not need to provide documentation. The issue here is the non-Nevadan high school graduate. She felt the Board may wish to revisit this issue. The admission officers believe that this information is necessary in order to do their jobs.

Regent Rosenberg said that his major concern was the citizenship because it put some students in a position where they might have to lie. Some students do not know whether

27. Information Only-Admission Application Forms – (*Cont'd.*)

they are or are not and were afraid to ask. He originally thought it would be simple to remove the requirement. He acknowledged that it is not a simple matter. UNR was fined several million dollars because they could not justify what they were doing and the manner in which they were doing it. He suggested that he and Regent Alden speak with Assemblywoman Giunchigliani to assure her that it was not a punitive measure on the part of UCCSN. He said they could conceivably do more damage by having the students taxed at a higher rate if the information is not reported properly.

28. New Business – Regent Seastrand requested a report or feedback on the reorganization of the legal department. One concern is when the legal staff or an institution makes the decision to file an appeal or a lawsuit and when is it appropriate for the Board to have interaction on such decisions. He wanted to know about the policies or plans to address such issues and to identify the Board's role. Chancellor Rogers said he would provide a report.

Regent Alden said it was very important for Board members to keep up to date on the formulas, how much funding comes from state hard money, and how much comes from other sources, and the actual dollar amount for each campus. He felt it was important to keep the Board and the public informed.

The meeting adjourned at 12:50 p.m. on Friday, August 20, 2004.

Suzanne Ernst
Chief Administrative Officer to the Board