

BOARD OF REGENTS

UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA

Hall of Fame Room, Legacy Hall
University of Nevada, Reno
1664 North Virginia Street, Reno
Thursday-Friday, October 14-15, 2004

Members Present: Dr. Stavros Anthony, Chair

Ms. Marcia Bandera
Dr. Jill Derby
Mrs. Thalia Dondero
Mr. Douglas Roman Hill
Mrs. Linda Howard
Mr. Howard Rosenberg
Dr. Jack Lund Schofield
Mr. Douglas Seastrand
Mr. Steve Sisolak
Mr. Bret Whipple

Members Absent: Mr. Mark Alden

Dr. Tom Kirkpatrick

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 Dr. Terry Jones, CCSN; Dr. Vic Etyemezian, DRI; Ms. Kathy Schwandt, GBC; Mr. Edward Baldwin, NSC; Ms. Bridgett Boulton, TMCC; Dr. Jane McCarthy, UNLV; Dr. Leah Wilds, UNR; Mr. Richard Kloes, WNCC; and Ms. Rebecca Hayhurst, System Administration. Student government leaders present included Ms. Michelle Hammond Urain, GBC; Ms. Nichole Shaffer, NSC; Mr. Joel Gutierrez, TMCC; Mr. Henry Schuck, UNLV; Mr. Erin Lankowsky, UNR; Mr. George Ambriz, UNLV-GPSA; Ms. Jessica Muehlberg, UNR-GSA; and Ms. Jenny Gentine, WNCC.

Chair Stavros Anthony called the meeting to order at 1:03 p.m., on Thursday, October 14, 2004 with all members present except Regents Alden, Hill, Kirkpatrick, and Seastrand.

Regents Hill and Seastrand entered the meeting.

Pastor Palmer from the Seventh Day Adventist Church in Sparks offered the invocation.

1. **Introductions** – Chancellor Rogers introduced Mr. Daniel Klaich, the new Chief Counsel for the Board. Mr. Klaich expressed his excitement in being back with the University System.

President Ringle introduced TMCC's new Chief Advancement Officer, Ms. B.J. North.

President Harter introduced UNLV's new Vice President for Finance, Mr. Gerry Bomotti.

Regent Hill introduced Ms. Lauralei Ezra, Senator, College of Liberal Arts-UNR, and Mr. Jeff Champagne, Vice President, Programming, ASUN-UNR. He related that Mr. Champagne had exhibited great courage and integrity while dealing with the complaints that were received regarding Michael Moore's appearance on the UNR campus. Regent Hill recalled that in the 1970's the person that was in Mr. Champagne's position was Ms. Mary-Ellen McMullen, UNR's current Foundation president. She brought an obscure, anti-Vietnam War speaker to UNR to speak – the current Senator John Kerry.

Regent Derby acknowledged the students and President Lilley for standing up for freedom of speech in the face of considerable controversy over Michael Moore's campus visit.

Regent Schofield also expressed his pleasure with those who stood firm in the face of controversy.

President Lilley acknowledged UNR's Vice President, Student Services, Dr. Shannon Ellis, and Ms. Sandy Rodriguez, Director, Associated Students-UNR, adding that they had devoted many hours and had been under tremendous pressure.

President Carpenter introduced Dr. Terry Jones, CCSN's new Faculty Senate Chair.

2. Chair's Report - Board Chair Stavros Anthony thanked President Lilley and UNR for hosting the Board's meeting.

3. Public Comment – UNR Student Body President, Mr. Erin Lankowsky, discussed a problem common to both universities in the state. He said that advising, class scheduling, and class offerings were negatively impacting the graduation rate of students. He requested the Board's help in passing a resolution or forming a committee to address the problem.

Regent Sisolak said the major concern was that seniors nearing graduation are unable to get into their final required classes. He said the students were greatly frustrated with the lack of availability. He observed that some courses are not offered every semester or

3. Public Comment – (Cont'd.)

every year. He noted the Board was doing a lot to add new programs at the research, doctorate, and master's levels. However, students are stuck at the undergraduate level and are unable to graduate and become employed. He felt the Board should facilitate whatever was necessary to help these students graduate. He said this problem had never been adequately addressed because the student body presidents change so frequently. He felt it was similar to the textbook issue, which was very important to the students, as well as to the parents of those students in this situation.

Regent Bandera asked whether Mr. Lankowsky would bring forward the results of his conversations with student services and other portions of the universities that he has already undertaken that led him to believe they were not being responsive. Mr. Lankowsky said it was not a matter of non-responsiveness. He said they did not know what the problem was. There is no hard data or evidence for how many students this actually affects. He said that he heard from friends and his own experiences about students being given bad advice by their advisors. He felt it was a complex issue with many problems. Regent Bandera established that Mr. Lankowsky was asking the Regents to spearhead a study. Chair Anthony asked Assistant Chancellor Larson to set up a process to review the matter. He acknowledged that it was an issue for those students who get off track because a class is not available.

Regent Rosenberg said that this applied mostly to seniors. Seniors are permitted to register first and have first choice on classes. If the classes are offered, they have a very good chance of getting in. If the classes are not offered, the only one who can help them is a departmental advisor in the content area. He related that general advisement would be unable to help them. He suggested that was an area to begin their review.

4. Approved-Consent Agenda – The Board approved the Consent Agenda with the exception of items (2) (*Tenure Upon Hire, UNLV*), (3) (*Tenure Upon Hire, UNLV*), and (4) (*Tenure Upon Hire, UNLV*):

(1) Approved-Minutes – The Board approved the minutes from the special meeting held June 28, 2004 and the regular meeting held August 19-20, 2004.

(5) Approved-Rehire of PERS Retiree, TMCC – The Board approved President Philip M. Ringle's requests for rehiring a PERS retiree, Ms. Cynthia Tedford, due to a critical labor shortage. Such hires are permitted, with Board approval, under legislation passed during the 2001 Legislature (Ref. C-5 on file in the Board office).

(6) Approved-Handbook Revision, Organization of UNLV - The Board approved President Harter's and Provost Ray Alden's proposal for updating the *Board of Regents Handbook (Title V, Chapter 6, Chapter I, Sections 2.3.3 and 3)* to reflect UNLV's current campus organization. As noted in Section 2.3.3, these changes are not considered amendments to the Handbook, but do require ratification by the Board of Regents (Ref. C-6 on file in the Board office).

4. Approved-Consent Agenda – (Cont'd.)

(7) Approved-Handbook Revision, GSA Constitution, UNR - The Board approved President John M. Lilley's request for amendments to the Graduate Student Association of the University of Nevada, Reno constitution (*Title V, Chapter 18*) to update and revise as the result of a recent audit (Ref. C-7 on file in the Board office).

(8) Approved-Capital Improvement Fee, NSC - The Board approved Interim President Pat Miltenberger's request for: (1) a previously approved request to use capital improvement fees to purchase one modular building adding 1,400 sq. ft. to the campus, and (2) to use capital improvement fees and other available resources to add 2-3 additional modular spaces for classrooms and support spaces as funds become available (Ref. C-8 on file in the Board office).

Regent Derby moved approval of the Consent Agenda with the exception of items (2) (*Tenure Upon Hire, UNLV*), (3) (*Tenure Upon Hire, UNLV*), and (4) (*Tenure Upon Hire, UNLV*). Regent Hill seconded. Motion carried. Regents Alden and Kirkpatrick were absent. Regent Rosenberg abstained.

(2) Approved-Tenure Upon Hire, UNLV – The Board approved President Carol C. Harter's recommendation for tenure upon hire for Dr. Jesus Garcia, effective August 1, 2004. Dr. Garcia accepted UNLV's offer as Full Professor with tenure in the Department of Curriculum and Instruction within the College of Education. Additionally, the tenured faculty in the Department of Curriculum and Instruction unanimously support Dr. Garcia's tenure with hire. Of course, his offer letter stipulated that his hire with tenure was pending formal approval by the Board of Regents (Ref. C-2 on file in the Board office).

(3) Approved-Tenure Upon Hire, UNLV – The Board approved President Carol C. Harter's recommendation for tenure upon hire for Dr. Edith A. Rusch, effective August 1, 2004. Dr. Rusch accepted UNLV's offer as Associate Professor with tenure in the Department of Educational Leadership within the College of Education. Additionally, the tenured faculty in the Department of Educational Leadership enthusiastically support Dr. Rusch's tenure with hire. Of course, her offer letter stipulated that her hire with tenure was pending formal approval by the Board of Regents (Ref. C-3 on file in the Board office).

(4) Approved-Tenure Upon Hire, UNLV – The Board approved President Carol C. Harter's recommendation for tenure upon hire for Dr. Mary Elizabeth Spalding, effective August 1, 2004. Dr. Spalding accepted UNLV's offer as Associate Professor with tenure in the Department of Curriculum and Instruction within the College of Education. Additionally, the tenured faculty in the Department of Curriculum and Instruction enthusiastically support Dr. Spalding's tenure with hire. Of course, her offer letter stipulated that her hire with tenure was pending formal approval by the Board of Regents (Ref. C-4 on file in the Board office).

Regent Sisolak suggested the Board consider all three items simultaneously since he had the same concern about each item. Regent Sisolak said he disliked approving such

(2) Approved-Tenure Upon Hire, UNLV – (Cont'd.)

(3) Approved-Tenure Upon Hire, UNLV – (Cont'd.)

(4) Approved-Tenure Upon Hire, UNLV – (Cont'd.)

requests subsequent to the hiring of these individuals. President Harter explained that these employees were already working, but knew that their tenure was contingent upon Board approval. Provost Ray Alden related that UNLV's letter of offer stipulated that the employees were hired with tenure conditional upon Board approval.

Regent Sisolak felt that such requests should not come before the Board. He asked about the outcome if the Board were to deny tenure upon hire for someone who had already been hired. President Harter replied that they would then not have tenure. Assistant Chief Counsel Brooke Nielsen explained that the granting of tenure was subject to the approval of the Board of Regents. If the Board did not approve a recommendation for tenure upon hire, the individual would not receive tenure. They could choose to continue teaching on a tenure track with mutual agreement. She said that it was solely the Board's prerogative to grant tenure under the Code. Regent Sisolak asked why the Board couldn't approve tenure upon hire before the individuals were hired. President Harter replied that they could not always hire people in line with Regents' meetings. She said they tried to get it as close as possible. Provost Alden explained that for the typical academic year hiring cycle letters of offer are sent in the April-May timeframe, which coincided with the Board's time for fewer meetings during the summer. He said it was difficult to obtain prior approval before issuing letters of offer. Regent Sisolak asked when these three individuals accepted their offers. He asked why the request had not come forward at the previous Board meeting. Provost Alden replied that the biggest issue was obtaining faculty approval prior to bringing the request to the Board. He explained that they had to wait until Fall to obtain faculty approval for those individuals who were sent offers after the Spring semester. He said it was a multi-step process.

Regent Rosenberg asked whether the letter of offer was sent before the faculty voted. Provost Alden replied that it depends upon the situation. If an academic person comes into a senior faculty position, generally, the faculty vote upon it as part of the search process. All of these recommendations are in that category. For deans and vice presidents, UNLV often has to make those hires off of the

academic year cycle.

Regent Sisolak moved approval of the tenure upon hire for UNLV's recommendations. Regent Derby seconded. Motion carried. Regents Alden and Kirkpatrick were absent. Regent Rosenberg abstained.

5. Approved-Supplemental Presidential Compensation, UNLV – The Board approved the UNLV Foundation's request for a proposal to provide funds to the Board of Regents to be used to provide supplementary compensation to the President of UNLV (*Ref. B on file in the Board office*).

Mr. Ted Quirk, Treasurer, UNLV Foundation, reported that the proposed compensation increase originated from the Foundation's development committee that will be

5. Approved-Supplemental Presidential Compensation, UNLV – (*Cont'd.*)

responsible for the capital campaign, and had been approved at every level of the Foundation (*through the finance and investment committee, the executive committee, and the full board of trustees*). He said the Foundation very much wanted the compensation package approved that day. The Foundation is currently in the quiet phase of a major capital campaign. They hope to raise \$400-\$500 million. The goals of the campaign have not yet been finalized. President Harter will lead that campaign. Mr. Quirk observed that President Harter had been a proven fundraiser during her nine years of service and had established a very strong base from which they expected to raise those funds. Other universities have consistently advised UNLV not to change presidents in the middle of a capital campaign. The Foundation knows that President Harter is very much in demand and that she has received numerous offers from other institutions to leave. The Foundation reviewed President Harter's previous performance evaluation, which indicated her to be the equal of any of her peers at any university in the country. He felt it was the most positive performance evaluation he had ever seen. The Foundation knows that she is substantially underpaid. The development committee concluded that she is underpaid by at least \$100,000/year and is in the lowest 25% of her peers. The supplemental compensation package proposal would move her closer to the midpoint. The Foundation needs her presence for the duration of her contract to help with the capital campaign. The Foundation also felt the proposal would be a reward for the nine year of excellence service that she has provided. Mr. Quirk felt it would also set a precedent in case they had to replace her at the end of her contract so they would more easily find a suitable salary for her successor.

Mr. Quirk reported that all of the payments to be made to the president would be made by the Foundation to the Board of Regents, adding that nothing would go directly from the Foundation to the president. The compensation package includes:

1. A \$50,000/year (*gross*) increase in pay to be paid on a monthly or quarterly basis to the Board for distribution to the president. The cost of benefits would be deducted from that number so as not to impose any additional burden on the state.
2. A \$40,000/year deferred compensation to be paid upon retirement. Two sources of funds for this payment will be retained in the Foundation for tax purposes using a combination of existing reserves and funds from an existing presidential chair established in the mid-1980's specifically for the purpose of providing deferred compensation for UNLV presidents.
3. An incentive payment conditioned upon the Foundation completing its successful capital campaign. The Foundation will need to determine whether or not the campaign was successful at the end of the campaign. This decision is completely within the discretion of the Foundation.

The Foundation believes that this can be implemented by a three-party contract between the university, the president, and the Foundation. The contract is a fairly complex document due to the tax implications, particularly on the deferred portion of the payment.

5. Approved-Supplemental Presidential Compensation, UNLV – (*Cont'd.*)

Mr. Quirk then discussed the performance criteria included in an existing contract draft. He said it included provisions for which the president can be terminated that are different from the provision in her existing contract. From the Foundation's perspective, the main reason for the contribution is to keep President Harter at UNLV. He hoped their contribution would be sufficient incentive for her to remain at UNLV through the capital campaign. The Foundation hopes the Regents do not put conditions upon her accepting this gift that would be inconsistent with keeping her at UNLV. Particularly, they hope there will not be any major "give ups". He felt that the original draft was quite harsh with no rights of appeal or hearing and dismissal for rather petty issues. He was aware there had been some renegotiations on this issue and was hopeful that they were close and that the Board would be able to pass the recommendation that day in spite of the fact that, perhaps, some of the details had not been quite worked out. He said the Foundation hoped there were no major concessions that the president would have to endure as a result of taking the additional compensation.

Chancellor Rogers reported that he had been involved in four major capital campaigns in the country. The president is very important in this process and is essential to the success of the campaign. He felt that President Harter had been substantially underpaid for her nine years of service, adding that it is a very tough and stressful job. He estimated that this type of job in the private sector would cost \$500,000. He estimated the presidential salaries at Arizona State and the University of Arizona in the \$600,000 range. He said that the president's deferred compensation at Arizona State is \$165,000. He said that President Harter had been underpaid. He said that he had

been insisting on the changes to her contract and felt they were 95% complete. He felt it was close to a done deal if the wording was alright. He said the Board did not want to be known as a university system in the bottom 10% or 20% of pay scales in the country. More than half of public universities now supplement presidential pay through their foundations. He felt it was essential for the Board to do so. At Idaho, Idaho State, and Boise State a formula is used to supplement the president's pay by 50%. He recalled a problem in Georgia where the foundation became involved in the politics of the university, which came about because the foundations were paying money directly to the president and had the right to withdraw it under certain circumstances. That created a conflict between the two systems. In this System, all of the money by contract has to go from the Foundation to the university. Once the agreement is made, they have to fund it. So the Foundation cannot withdraw the money if the president does not act in a certain matter. He said the contract was binding on all parties. He strongly suggested that the Board approve the request, adding that the president is very much underpaid.

Chair Anthony stated that the Board was considering a recommendation by the UNLV Foundation. The chancellor crafted the recommendation into a contract (*on file in the Board office*). He related that Ms. Nielsen had reviewed the contract. Ms. Nielsen related that the draft was now subject to some additional discussions and changes to the proposal that could be addressed. Chair Anthony stated that the Board had a draft of an addendum to an employment agreement.

5. Approved-Supplemental Presidential Compensation, UNLV – (Cont'd.)

Regent Rosenberg moved approval of separating the two issues (*compensation vs. addendum to contract*). Regent Bandera seconded.

Regent Sisolak noted a point of order, stating that when the agenda was posted Board members did not have the contract. He said that the material had come subsequent to the mailing and wondered whether it complied with noticing. He said he did not receive it until it was faxed to him a few days earlier. Assistant Chief Counsel Nielsen replied that the draft had not been written until the day it was sent to the Regents as an addendum and a draft. It has been available ever since it was given to the Regents as agenda support material if anyone requested it. She said it was in compliance with the Open Meeting Law. Regent Sisolak asked whether Ms. Nielsen felt this was skirting the edges of the Open Meeting Law. He said that this agenda item was not posted as such that the Board is dealing with adjusting contracts for performance indicators and the material in the contract. Assistant Chief Counsel Nielsen replied that the item/proposed addendum to the contract could be discussed under this agenda item because it could be a condition of approval of the additional compensation if the Regents desired. The additional compensation requires an addendum to President Harter's contract to be written simply to approve that portion of it. The Board was presented with additional conditions to that approval, which the Board could consider, accept, reject, or modify. Regent Sisolak observed that the item said nothing about changing the contract. This is an entirely new addendum and has nothing to do with the agenda item. He said he would not participate in the discussion if they were trying to make it a backdoor kind of thing.

Regent Derby noted a point of clarification, asking whether Assistant Chief Counsel Nielsen was saying that to separate them would create an issue around the notification. Assistant Chief Counsel Nielsen replied she was not. She said the Board could separate them and proceed without considering the language in the addendum. But if the Board wishes to place additional conditions on it, this would be the type of language that would be required in the contract.

Chair Anthony clarified the motion, observing that the motion did not include the contract. Regent Rosenberg explained that the motion separated the contract from the compensation. He said they were not voting on approving the compensation, but that he wanted to separate the two issues because they had nothing to do with one another.

Regent Hill noted a point of order, stating that he thought that the motion was meaningless and should be ruled out of order because there was no motion to combine them. A motion to separate is therefore irrelevant. Assistant Chief Counsel Nielsen said that she understood the motion to approve this item without reference. The Board disagreed. Assistant Chief Counsel Nielsen established that Regent Rosenberg was actually suggesting two separate motions. Regent Rosenberg clarified that he wanted to separate the two issues. He said the Board was considering supplemental presidential compensation. The presidential compensation had been presented to the Board. There is another issue that has been brought into the discussion that he did not feel applied to this

5. Approved-Supplemental Presidential Compensation, UNLV – (Cont'd.)

item. He observed that Regent Sisolak had noted that it was not on the agenda. Assistant Chief Counsel Nielsen said that she had understood the motion to be moving to approve the item as written without the conditions. She said that if the Board did that they would be done with this agenda item unless it was taken up again during the meeting. If the Board is going to place additional conditions on the approval of the additional compensation package, that has to be done as part of the approval of this agenda item. She said that, if the Board approved the additional compensation, they could condition it. If they simply move to approve it, then the agenda item is complete.

Regent Rosenberg asked where in the item there was any mention of contract or any additional items within the contract. He felt they were dealing with the compensation package; i.e. the Foundation giving President Harter additional money. Assistant Chief Counsel Nielsen explained that by approving an additional amount of money the Board was approving an amendment to her contract. So the

Board had opened up her contract. By that act, the Board must necessarily amend her contract. Regent Rosenberg asked whether they would be two separate contracts since it was an additional amount of money. Assistant Chief Counsel Nielsen replied it was one contract with the Board of Regents.

Regent Hill noted a point of order, stating that he felt that the motion was out of order in that there was nothing to decide upon. He said the Board did not have a valid motion to consider. Assistant Chief Counsel Nielsen agreed.

The motion was ruled out of order.

Regent Hill agreed that the presidents are under compensated. He also felt this was a reasonable package and proposal as presented within the terms of the contract presented. He observed that the Board could not separate the two issues and vote upon them separately because to do so would make any amendment to the contract at a future date invalid for lack of consideration. If the Board decides to incorporate these provisions in the contract, the only way they can incorporate them is by part of a motion conditional on acceptance of the money that the contract be signed. He said the Board could not unilaterally amend a contract at a later date. The only motion that the Board could act on that would contain the conditions in the proposal would be one conditioned upon signing the contract. Regent Hill said that if they voted for the compensation and not on the contract they would end it there and the contract could never be amended again without additional consideration because it would be a unilateral amendment. He did not agree with the Board approving a contract or moving forward on something without all of the details determined.

Regent Hill moved approval of the compensation package conditional upon the signing of the addendum to the employment agreement. Regent Schofield seconded.

Chair Anthony asked who would sign off on the contract. Regent Hill replied there were three parties: the Foundation and the System (*making a commitment to the System for the funds*)

5. Approved-Supplemental Presidential Compensation, UNLV – (Cont'd.)

for which they will be contractually bound and cannot renege upon with the exception of the creditor provision) and the System and President Harter (*the contract presented to the Board*). Chair Anthony clarified that if the Board passed the motion this would become a contract negotiation between the chancellor and Dr. Harter and the Board will never see it again. Chancellor Rogers stated that, other than the one sentence that they had worked out (*i.e., what she would do to breach the contract that would cause her to lose her pay going forward*) there is weasel word “dishonesty”. That is a rather broad term. Chancellor Rogers said they had changed “dishonesty” to “intentional misrepresentation of a material fact that substantially impacts the System.” Regent Hill said he would have simply used “material dishonesty.” However, he found the language acceptable and offered to amend the motion. He said that would be the contract that he would conditionally approve the salary increase on based upon signature of the contract by all parties. Chair Anthony clarified that if the Board passed the motion, the chancellor and President Harter would sign the contract and it would not come before the Board again. Regent Hill agreed.

Regent Hill amended the motion to include the language suggested by Chancellor Rogers. Regent Schofield agreed.

Regent Bandera found it interesting that the description for this item spoke about the UNLV Foundation request for approval of a proposal. She did not hear that the Foundation was bringing forward an addendum to the contract. She said the Board seemed to be moving rather quickly on something that had been modified multiple times. She was unsure whether all Board members were specifically clear on the details. She felt it was an interesting process.

Regent Howard said that she shared Regent Bandera’s concerns. She was concerned that this whole new idea that the Board was implementing did not go through a committee so the Board could set a standard for it. She mentioned the Board’s Executive Evaluation and Compensation Committee. If this was an issue that needed to be raised, she felt it should have gone through that committee. She thought there should be some type of evaluation or personnel session when a president gets a raise or a contract is amended so that if there are issues to be raised they can be addressed at that time. She observed that the Board had recently given the president a raise. Even though this does not come directly out of the UCCSN budget, it still raises those concerns. She asked how she could raise her concerns if the Board was not in a personnel session.

Chancellor Rogers stated that Dr. Harter presently has a binding contract lasting through June 2008. The Board cannot unilaterally change that contract in any way. It is a binding contract. The contract stipulates that if she performs certain services she gets paid. UNLV’s Foundation has requested that the contract be amended. The new contract will not be between the Foundation and Dr. Harter. The Board has prohibited the foundations from having contracts with the presidents. UNLV’s Foundation will provide the funds. At the moment, the Board has no legal capacity to review the present status of her contract. Chancellor Rogers told the Foundation that he felt there should be some performance standards in the contract for additional compensation. Legally he can only

5. Approved-Supplemental Presidential Compensation, UNLV – (Cont'd.)

do that when renegotiating her contract to provide her with additional compensation. He proposed to Dr. Harter that he would be more

than willing to support the proposal if the Foundation will provide the funds for additional compensation and the System gets something for that. If this is not done at this point and the Board increases her compensation it will create a new contract which cannot be modified during the remainder of the contract which will expire in 2008. He related that he and Dr. Harter had agreed that these terms are all reasonable. He said that Dr. Harter agreed with the modifications. He felt the Board should accept President Harter's willingness to sign the amended agreement. He felt it was fair to offer her more money with a requirement for certain performance standards. He related that the problems that he and Mr. Quirk had previously encountered had been resolved. He did not see any problem with the request.

Regent Howard stated that the Board was discussing introducing something new into the System; something never done before. She felt it was critical for the Board to understand what is going on. She noted that this is a system and what is done with one president affects the others. She was concerned about the process and the manner in which it was being done. Regent Howard said she was very concerned about the whole process because by saying that one president is underpaid it means that all of the presidents are underpaid. If President Harter gets a substantial raise and the others do not, she asked whether the other foundations would come forward in a similar manner. She said the Board had to review the issue as a system. Chancellor Rogers said that different schools in a state could not be run under a theory based upon the lowest common denominator (*i.e., if every school does not do it then no school will do it*). He said that he had strongly suggested to UNR's Foundation that they need to consider a compensation package for their president. He did not believe that UNR's actions should influence what will or will not be done at UNLV. He agreed that the presidents are all underpaid, but felt they had to start somewhere. If UNLV's Foundation wants to supplement President Harter's pay, then UNR's Foundation will need to consider something similar for President Lilley. He felt that if the Board did not approve the proposal they would be perceived as a state that does not have any serious interest in its education system. He felt that Nevada would never be able to compete, recruit, and find presidents as the System moves forward. He said this was occurring in every major public and private university in the country. He related that Nevada's schools had bigger problems that needed better solutions that take more talent than a lot of the older, well-established schools that pay their presidents better.

Regent Howard asked how she should explain to people that Nevada has an "F" in affordability and completion rate if the presidents are paid between \$300,000 and \$400,000/year. Chancellor Rogers replied that in order to advance those things, we need the best leadership we can get. He said he wanted to pay the presidents top wages in order to get the top presidents. In this particular issue, the state is not putting up the money. It is all private money used to supplement her income. He was hopeful this will also happen at the other institutions. He related that Idaho State's Foundation was considering supplementing the president's pay as well as that of the professors. He said the System was moving towards getting more private money. He felt it was important that the Foundation had stepped forward to supplement the president's pay and to retain a

5. Approved-Supplemental Presidential Compensation, UNLV – (*Cont'd.*)

good president. He advised Regent Howard to say that they are going to build a great university system with private/public partnerships and that this was a starting point.

Regent Howard observed that 20% of the money had to go towards her retirement. She asked who was responsible for that. Chancellor Rogers replied that the Foundation money was responsible for that. Regent Howard asked whether they would pay into the retirement. Chancellor Rogers explained that they began with a gross figure and deducted enough from that to put into the retirement. Regent Howard established that the increased compensation would not be a burden on the System. Chancellor Rogers agreed.

Chair Anthony asked President Harter whether she was accepting this addendum to her employment agreement. President Harter replied that she was, adding that she believed they had worked out all of the details, though she had not seen it in final form. She said they agreed in principle to all of the details.

Ms. Mary-Ellen McMullen, Chair, UNR Foundation, related that UNR's Foundation executive committee and the full board of trustees had not had the opportunity to discuss this. They only recently became aware of this issue. She asked the Board for an opportunity to study the matter more closely. She hoped the Board would allow the other institution foundations time to review the proposal to supplement the president's salary from philanthropic funds. UNR's Foundation felt they needed to understand the ramifications and long-term consequences. The biggest issue for her was the question of parity. She hoped that part of the process would include discussion regarding how to uniformly adopt such a policy to ensure that all System foundations are considered without one foundation dictating the process. Of particular interest would be how widespread the practice of salary supplementation has been and the experiences of peer institutions. She related there were questions about performance standards and benchmarks for achievement in addition to questions about the ethical line that must be drawn. Part of the discussion will be how to pay for this if it is adopted. All of the UCCSN foundations need time to understand and resolve these issues. She said that everyone shared the same concern about retaining and attracting the best presidents to the System. She related that the Board's decision would have long lasting consequences and should be given careful consideration.

Regent Dondero requested clarification to the addendum of the employment, adding that she favored the additional funds for the president. She asked about item #4 in the employment agreement and whether the Board of Regents still had the authority to hire and dismiss a president. Chancellor Rogers replied that they did. He explained that he wanted to ensure that the agreement contemplated

the case if the Board should ever decide to allow the chancellor the right to terminate or hire presidents. Otherwise, they would only have an agreement between the Board and the president and the president would not be bound by the new policy. A statement was included indicating that the Board has this right until they expand it or withdraw it. Dr. Harter would be agreeing that the Board has the right to hire or fire her. If the Board ever changes its policy and extends that authority to the chancellor, she would be bound by that contract through the

5. Approved-Supplemental Presidential Compensation, UNLV – (Cont'd.)

existing contract. He said there was nothing in the document that relinquished the Board's authority to hire or fire the president.

Regent Rosenberg said he did not want to lose sight that it was a marvelous vote of confidence that the Foundation had given Dr. Harter, adding that she should be congratulated. He said he was very concerned about the ramifications to the System. He noted a policy that the Chancellor must be paid more than the presidents. He was unsure how UNR's president would feel about the disparity in salaries. He observed that other foundations might not be able to do the same, which he felt should be taken into consideration. He was also very concerned about the split loyalty faculty. He stated that the Foundation would be contributing to a president's salary and asked to whom that president would owe major allegiance. He wondered whether the Board would be putting that president into a difficult position. His first reaction to the first contract addendum was that it constituted extortion and he was really annoyed. He recognized that the chancellor and President Harter had since arrived at an agreement. He was really bothered that it happened in the first place. He questioned whether this was the best way to spend the Foundation's money. He suggested that if the presidents were indeed underpaid that the Board should vote for higher salaries, pay them in the proper manner, and not put the Foundation in this kind of situation.

Regent Whipple thanked Mr. Quirk and the UNLV Foundation members for the proposal and congratulated President Harter on the vote of confidence. He said he was concerned about the precedent the Board might be setting. He thanked Ms. McMullen for expressing the concerns that she felt were necessary to be addressed before they implement any policies. He recognized the concerns expressed by Ms. McMullen and Regent Rosenberg. He said the time had come for private monies and agreed that UCCSN presidents are underpaid. Rather than a rush to judgment, he would vote against the motion and ask that it be tabled until the next meeting. He asked Mr. Quirk if it would create a problem for the Foundation to delay this for two months until the Board's next meeting. Mr. Quirk replied that they would very much like to get this approved that day. He said they had been working on it for a long time, they were in the middle of a capital campaign that they would like not to disrupt, and would very much like to have it approved that day. Mr. Quirk said they could live with a delay. Regent Whipple asked how long they anticipated the capital campaign to run. Mr. Quirk replied that it would typically be 5-7 years. Regent Whipple asked how long they had been working on the capital campaign. Mr. Quirk replied they had been working on it for nearly two years. Regent Whipple asked about the goals for the capital campaign. Mr. Quirk replied they were in the quiet phase of the campaign and the goals had not been completely determined. They expect the goal to be between \$400-\$500 million. Regent Whipple thanked Mr. Quirk, adding that he was very supportive of the Foundation's support of UNLV's president. He felt she was entitled to it. The issues raised today caused him some concerns about how it affects the other foundations and presidents, as well as how it would affect the search for a permanent chancellor. He said he was in support of the issue but wanted to take two months and return at the December meeting to prepare a complete policy that addresses different issues. He noted that it would still occur in the 2004 year. He said that the issue of performance standards coming up for the first time

5. Approved-Supplemental Presidential Compensation, UNLV – (Cont'd.)

and the issue of outside pay deserved further study. He suggested tabling the matter until the next meeting if the motion does not pass. He suggested the matter be considered by either the Board Development Committee or a new committee to study executive pay.

Regent Derby was glad the Board was not rehashing its previous discussion about the wisdom of allowing foundations the opportunity to supplement pay. She had originally felt cautious about the split loyalty issue. She felt comfortable with the way the policy was structured to have the pay come through the Board of Regents, which made it clear to whom the president reports. She no longer considers that an issue. She was pleased with the Foundation's generosity to make these funds available. She expressed her appreciation, adding that it was clearly deserved. She noted that President Harter had a sterling evaluation earlier this year. She noted an increasing dependency on what the foundations can do for the System. She felt that to honor the work they have been doing and the proposal presented it was important to review the matter carefully. She expressed her support for the motion. She did not feel there was a mandate for the other institution foundations to respond in like fashion. She agreed with the chancellor about salary levels. She felt it was important to realize that compensation levels are initially set when recruiting a president. When recruiting a president, the Board considers a range of factors as well as the existing salary ranges which are based on many factors (*i.e., complexity of the institution, size of institution, number of campuses*). They also consider the individual and the number of years served as president. A salary is set during those negotiations to bring a particular individual in. She acknowledged that, in the future, they would likely be looking to the foundations to help. She felt it was a decision to be made by each institution separately. There was no suggestion that this be mandated across the System. This comes forward out of particular circumstances at UNLV with their capital campaign and the continuity of the presidency is very important. She felt it was important to clarify there is no mandate and that other institutions are not expected to respond in similar fashion. She acknowledged that disparities in salaries do exist. Salaries are based upon size and complexity of institution. In the past, the Board felt that the chancellor should be paid more than the presidents. She felt the Board might want to revisit that decision. The authority of a chancellor can be clearly defined in the Code, Bylaws, and Handbook and does

not need to be determined solely by salary. She observed that coaches and athletic directors earn more than their presidents. She felt there was not necessarily a connection between what someone is paid and whether or not they have authority. She suggested the Board may need to reconsider its policy because the chancellor's salary comes from state funds. Regent Derby noted that the performance standards have been placed in the presidential evaluations. In this instance the Board is considering conditions of employment or non-employment. There are important changes that should be made to the presidential contracts with consultation. She indicated her support for the motion given that the chancellor and President Harter were in agreement with the terms.

Mr. Don Snyder, UNLV Foundation member, reported that he had served on the Executive Evaluation and Compensation Committee and thought that committee had already addressed these issues. He related that he had also participated in and understood the evaluation process. He has agreed to co-chair the capital campaign. He observed that

5. Approved-Supplemental Presidential Compensation, UNLV – (Cont'd.)

President Harter had been behind the success they had in raising money for UNLV and was fundamental to the success of raising \$400-\$500 million. He felt that to continue to discuss these same issues did not do proper service to the Board or the System, and that it was time to move on. He said that the lowest common denominator could not drive the dialog for this System and that it would drive many away from the process.

Mr. Dan Van Epp, Vice Chair, UNLV Foundation, observed that he, Mr. Gallagher, and Mr. Quirk were representing the unanimous belief of both the UNLV Foundation executive committee and the board of trustees that this was an appropriate action. He said it was a statement of their belief in Dr. Harter's ability. The importance of doing this that day related to the \$120 million that are currently out "in asks". He said that leadership is everything regarding this campaign. He felt it was very important to deliver a very clear message to the Las Vegas community and the state that they are behind the president and that they want to raise these funds in a very serious way.

Mr. Sam Connally, Associate Vice President, Human Resources-UNLV, reported that President Harter's salary, and possibly other presidents' salaries, had fallen behind labor market value. There are two primary labor market surveys conducted annually. The College and University Professional Association for Human Resources conducts the largest annual survey of executive and faculty compensation nationwide. Among doctoral/research-intensive institutions, it is notable that the 2003-04 average base salary for a president was \$297,769. Dr. Harter's salary during this time period represented only 70% of the average national value for her peers and contemporaries. A proprietary survey conducted by the University of Texas System documented the national average salary paid to doctoral/research presidents as \$302,000. The Mellon Survey surveyed supplemental compensation or deferred compensation packages paid to presidents. 58% of doctoral/research intensive institutions nationwide currently have foundation-supported deferred compensated or supplemental compensation packages for their presidents averaging \$74,500/year. Total compensation for a president that would be a peer to President Harter would be \$376,500. Her current salary is just under \$220,000.

Regent Sisolak agreed that the UCCSN presidents are underpaid. He had a problem with the addendum. He said he received it last minute and knew that it would become the boilerplate for future presidential contracts. Chancellor Rogers said it may be the beginning, but if they did not approve it now his boilerplate would be a blank sheet of paper. Regent Sisolak said he was concerned about waiving any right to a hearing. Chair Anthony reminded the Board that the UNLV coach's contract also came at the last minute and was approved. Regent Sisolak said that his concern was that the president was waiving rights to a hearing. He noted that the reporting line was from the president to the Board of Regents, yet the recommendation for the money came from the Foundation. Chair Anthony clarified that the Foundation would need to bring a recommendation to the Board. Regent Sisolak asked whether that clouded the lines and why it shouldn't be just the Board making the determination. Chair Anthony replied that they would be making a recommendation to the Board. They are handling the capital campaign. Regent Sisolak felt this fed into the divided loyalty issue. Chancellor Rogers disagreed.

5. Approved-Supplemental Presidential Compensation, UNLV – (Cont'd.)

Regent Sisolak then discussed conduct constituting cause for termination. He noted the inclusion of insubordination. He said he wanted to protect the president. He questioned the inclusion of being under the influence of alcohol as cause for discipline when at an official event. Chancellor Rogers noted that these were the Board's present regulations. Regent Sisolak asked whether it would prevent her from having a glass of wine. Chancellor Rogers said the wording had been taken from existing policy. Regent Sisolak questioned whether she could have a glass of wine. Chancellor Rogers related that dismissing the president for insubordination could be appealed to the Board. At the moment the chancellor does not have the authority to fire her. Only the Board could determine insubordination. If the Board gave that authority to the chancellor and the chancellor determined she was insubordinate, she would still receive her pay for the remainder of the contract and had the right of immediate appeal to the Board. He said they had spent a lot of time making sure that she was protected. Regent Sisolak asked about the protection provided regarding being under the influence of intoxicants. Chancellor Rogers said he would assume she would not get loaded on duty. He said there had to be some reasonableness, common sense, and good faith. He said they had worked through every one of the terms and Dr. Harter did not have any problem with them. He observed that everyone loved the proposal except Regent Sisolak. Regent Sisolak agreed to let it go.

Regent Bandera stated that she also served on the Executive Evaluation and Compensation Committee and had no issue with the UNLV Foundation's proposal. Because of messy, ragged procedures, the Board has taken a wonderful idea and shoehorn something else into it. The idea for an addendum was done at the last minute. They knew the proposal was coming from UNLV. At the last minute, an addendum was slapped on it with parts that are of concern to a lot of people. She was glad that Dr. Harter and Chancellor Rogers had reached an agreement. She said she would support the motion. She said she has a problem that this will be a boilerplate for all of the other contracts. She asked how the conversation and negotiations on each of these issues go with the rest of the presidents. She asked whether they had been part of these meaningful discussions. She felt the procedure was wrong, ragged, and should have been done in a fashion that allowed input. She felt it was unfortunate and sad that it happened this way. She said she would support the proposal because she does not believe in destroying a good concept simply because they can't get their act together.

Regent Rosenberg agreed with Regent Bandera. He said that his problem was process and had nothing to do with Dr. Harter, who has done an exemplary job as a president. He said that he admires and respects her tremendously.

Regent Schofield said that he loves win-win-win contracts and situations. He noted this provided the opportunity to amend an agreement in the middle of a contract in a positive manner, plus provided the president a raise that would help retain the leader through the capital campaign. He felt this furthered the strength of the chancellor by strengthening Dr. Harter's responsibility to the chancellor and the Board.

5. Approved-Supplemental Presidential Compensation, UNLV – (Cont'd.)

Chair Anthony noted that the Board had previously approved the foundations supplementing presidential salaries. He noted the Board was considering a motion for approval of an Addendum to an employment agreement with President Harter that had been developed by the UNLV Foundation and agreed to by President Harter and Interim Chancellor Rogers. He agreed with Regent Bandera that some things were done at the last minute. He felt it was a good idea and there was no reason to throw the item out just because it was not a perfect document. He felt it was a good place to start. Chair Anthony requested a role call vote.

Regent Sisolak noted a point of order, asking legal counsel whether they still felt the discussion complied with the way the agenda item was written. Assistant Legal Counsel Brooke Nielsen replied that she did. The Board is merely conditioning the approval. Her contract must be amended if the compensation package is approved. As part of that amendment the Board is putting additional items in the contract, to which President Harter has agreed. Under the Open Meeting Law, it is within the scope of the agenda item. The Board could not approve this item without changing her employment contract.

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

The meeting recessed at 2:50 p.m. on Thursday, October 14, 2004, and reconvened at 3:12 p.m. with all members present except Regents Alden and Kirkpatrick.

6. Approved-Principles and Targets for New UCCSN Master Plan Goals – The Board approved Interim Vice Chancellor Chris Chairsell's request for proposed principles and targets to accompany the two new goals for the UCCSN Master Plan for Higher Education approved by the Board of Regents in January 2004 (Ref. A on file in the Board office).

Mr. Tyler Trevor, Assistant Vice Chancellor, Academic Affairs-System Administration, requested approval of the principles and targets for the newest UCCSN master plan goals:

Student-Focused System – *The higher education system in Nevada will create a welcoming, respectful, and friendly environment where all students have the opportunity to participate and succeed at every level of higher education.*

Principles:

- ✓ • Nevada students should see a clear path to their educational goals through the institutions of public higher education.
- ✓ • All students should be welcomed and individually assisted to plan their educational goals and to reach their aspirations.
- ✓ • It is vital that students feel a high level of satisfaction with all elements of their higher education experience.

6. Approved-Principles and Targets for New UCCSN Master Plan Goals – (Cont'd.)

Targets:

- ✓ • Increase the percentage of Nevada's general population who participate in some form of higher education, whether through coursework, workforce training, certificate programs, lifelong learning, or degree programs.
- ✓ • Strive to continually increase the percentage of students that express a high level of satisfaction with teaching, advising, and overall educational experiences at UCCSN institutions.
- ✓ • Work to increase the persistence rates of first-time students that return to UCCSN institutions with each advancing semester.
- ✓ • Increase opportunities for students to co-enroll and transfer to institutions throughout the State of Nevada.

Reputation for Excellence - Nevada's institutions of higher education will increase their national, regional, and statewide reputation based on targeted, outstanding, innovative programs and other accomplishments.

Principle - Excellence in all we do is a guiding principle in the planning, development, and implementation of academic programs, research and scholarly activity, and contributions made to the state through public service.

Targets:

- ✓ • Continue to develop and maintain programs, centers, and institutes that elicit national, regional, or statewide recognition for excellence.
- ✓ • Increase the number of degree and certificate programs that receive national, regional, or statewide accreditation.
- ✓ • Continue to expand opportunities for UCCSN faculty to engage in innovative teaching and research.
- ✓ • Contribute to Nevada's quality of life and the efficiency and productivity of the state's enterprises through public service rendered by Nevada's faculty, staff, and students.

Regent Derby asked about an instrument for measuring students' experience beyond the student satisfaction survey. Mr. Trevor replied that there was. Each institution individually has their own student satisfaction surveys which measure a variety of different issues. Northwest Association requires that each institution utilize instruments for measuring the planning and overall assessment process. While this is not a System-level measurement, it is an institutional-level measurement. Regent Derby asked whether it was tracked over time. Mr. Trevor replied that it was. Regent Derby asked whether the Board would have the opportunity to see the results. Mr. Trevor replied that the presidents could produce that information or individual institutional reports could be requested. Regent Derby said it would be great to know.

Regent Bandera noted that the second target under Student-Focused System was applicable to the ASUN's president's request made during Public Comment. She suggested that such a study might need to include all institutions to be responsive to this target. Mr. Trevor agreed. A System-wide student satisfaction survey was conducted by ACT in 1999. Other surveys have been used since then. So long as the institutions are using a similar instrument over time and can show a degree of improvement within a

6. **Approved-Principles and Targets for New UCCSN Master Plan Goals – (Cont'd.)**

given area (*i.e., advising*), System Administration has allowed institutions to create their own surveys or use their own vendor. He did not believe it would be a stretch to ask the institutions for this type of student satisfaction information. Regent Bandera noted the concern expressed by ASUN president that all might not be well in that realm.

Regent Derby moved approval of the principles and targets for new UCCSN master plan goals. Regent Dondero seconded. Motion carried. Regents Alden and Kirkpatrick were absent.

7. **Denied-Handbook Revision, Executive Evaluation Procedures** – The Board denied Assistant Chancellor Trudy Larson's request for proposed revisions to the current executive evaluation procedures and the Board Bylaws (*Title I, Article VII, Sections 3 and 4*) providing that an external consultant conduct the mandated periodic reviews. This item was presented for information and discussion at the August 2004 Board meeting (*Ref. C on file in the Board office*).

Assistant Chancellor Larson noted this was the second reading of proposed changes to the evaluation procedures for the chancellor and institution presidents. The revision provides for the evaluations to be conducted and prepared by a consultant and removes the Regents' committee from the process. No change was proposed to the evaluation itself (*i.e., information required, people contacted, performance indicators used*). It was felt use of an external evaluator would enhance a confidential and more unbiased interview. Some concern was also expressed that honest comments would be inhibited given that the Regents govern the entire System and to reduce any concerns about Open Meeting violations associated with conducting closed sessions and Regents meeting with individuals or small groups. The process would be changed to have an external evaluator perform the same evaluation as the Board had approved in the past.

Regent Anthony asked what would transpire after the external evaluation had been conducted. Assistant Chancellor Larson replied that the information would be reported to the Board in a closed personnel session. The Board would have an opportunity to clarify any statements made by the evaluator. The Board would receive the report in advance of the closed session (*confidential personnel file material*). Following clarification provided by the evaluator, the Board would then move into open session where votes would be tallied.

Regent Rosenberg said he did not like it because it further removed the Board from its major responsibility of evaluating its presidents. The Board has conducted a number of presidential evaluations with Regent participation that have worked beautifully in the past. He did not understand the need to change something that was working.

Regent Sisolak asked whether the change applied solely to presidents. Assistant Chancellor Larson replied that it applied to both presidents and the chancellor. Regent Sisolak was very concerned about the statement made about violating the Open Meeting Law. He did not want to approve the request because it seemed they were taking the matter behind closed doors by using a consultant, which conflicted with the spirit

7. Denied-Handbook Revision, Executive Evaluation Procedures – (Cont'd.)

of openness espoused by Interim Chancellor Rogers. He felt this was a way of making it non-public. Assistant Chancellor Larson replied that she felt the interviewing process and the gathering of information should be done on a one-to-one basis with no public present. Under current law, the consultant brings the report to the Board in a closed personnel session. Regent Sisolak recalled the public had been allowed to attend previous interviewing sessions. He felt the revision would deny the public's ability to listen. Assistant Chancellor Larson stated that the process envisioned would include a series of one-on-one conversations, as well as group conversations and gatherings for people to come and speak with the consultant. She said there would be plenty of opportunity for many to be a part of the process and to listen in. Regent Sisolak asked whether the public would be allowed to listen to other interviewees. Assistant Chancellor Larson replied there had always been sections of the evaluation that were one-on-one, which she felt should continue. She said it required an environment where people felt comfortable being honest. Because personnel records are confidential, the evaluation process includes aspects that need to be confidential to allow the information to be exchanged very honestly. Regent Sisolak stated that previous evaluations had also utilized an external evaluator and asked how the proposal differed. Assistant Chancellor Larson replied there would no longer be a committee. The evaluation will be conducted solely by an external consultant. Regent Sisolak observed that people hear things differently and that the Board would no longer have that opportunity. Assistant Chancellor Larson replied that the proposal involved just the consultant gathering information, with the Board having input to the same evaluation process taking place. She explained they would attempt to retain highly-regarded people who could also assist the presidents in reviewing their goals. It was hoped to make the process meaningful for the Board as well as for the presidents. Regent Sisolak asked whether one of the Board's functions was being eliminated. Assistant Chancellor Larson replied it was not because the Board is responsible for reviewing the report, which they would receive in advance of the personnel session. The Board would still meet with the evaluator and the president during the personnel session. Regent input will also be considered during the information gathering.

Chair Anthony clarified that the evaluator would meet with people one-on-one, as well as with groups of people where anyone could attend. Assistant Chancellor Larson agreed.

Regent Derby spoke in favor of the proposal, adding that she was one of the Regents who enthusiastically developed the previous model, which included the Regents' committee because Regents wanted to participate. It became clear to her from a recent presidential evaluation that people do not feel comfortable being straightforward because they do not sense confidentiality in the process. Consequently, the positive feedback easily comes forward, but those that feel that they could provide something that is not positive are afraid to speak up. By having one professional, peer of a president who clearly understands the responsibilities and challenges of the presidency, could guarantee the kind of confidentiality in the one-on-one sessions and the group sessions, and would provide the Board with the findings. The Board still has the opportunity to review and consider the findings knowing that it was done in a cleaner and more professional manner

7. Denied-Handbook Revision, Executive Evaluation Procedures – (Cont'd.)

that provides for the critical confidentiality. She noted the evaluations were intended to enhance presidential leadership and provide important feedback. She felt that one professional collecting and providing the information guaranteed a better process and more complete information.

Regent Hill said he had been distressed over the Board's evaluation process. He was unsure whether the proposed process would be better than those of the past. He felt it could not be any worse and probably would be better. He acknowledged that it was difficult for Regents to conclude that they are likely less competent than most to evaluate a president. He felt this was something the Board should approve.

Regent Hill moved approval of the Handbook revision concerning executive evaluation procedures. Regent Schofield seconded.

Regent Schofield stated that the consultant would conduct the interviews. A report would be submitted to the Regents in an open or closed session and the Board would have an opportunity to vote. Assistant Chancellor Larson agreed. Regent Schofield felt the proposal made sense.

Regent Rosenberg observed that during a previous presidential evaluation, Regent Seastrand had been grateful to hear what was reported because it varied from other things he had heard. He noted there are times when multiple people listening to the same thing heard different information. He felt that faculty and everyone else had to learn that the system will not work unless they are open and truthful. He did not like the idea of putting this in one person's hands.

Regent Seastrand clarified that no committees would be formed to perform the evaluation and the Board Chair would hire the consultant who would conduct the evaluation for the chancellor and the presidents. Assistant Chancellor Larson agreed. Regent Seastrand said he had mixed feelings. He could see the wisdom in having the presidents evaluated by an external evaluator. Even past Regents' evaluation committees have included the use of an external evaluator. He said he could be convinced the proposal might be the best alternative for presidential evaluations. He still struggled with the chancellor portion. He felt the chancellor should be part of

the presidential evaluations and that the external evaluator should report to the chancellor. The Board should hold the chancellor responsible. If he were to modify the proposal, they would still have a committee of Regents for the chancellor evaluation with the encouragement to hire an external evaluator.

Regent Seastrand offered a friendly amendment to continue to have a committee of Regents to evaluate the chancellor with the encouragement to hire an external evaluator. Regent Hill accepted the friendly amendment with the requirement that there be an external evaluator for the chancellor. Regent

7. Denied-Handbook Revision, Executive Evaluation Procedures – (Cont'd.)

Seastrand agreed. Regent Schofield accepted the conditions of the friendly amendment.

Assistant Chancellor Larson clarified that the current procedure for the periodic evaluation of the chancellor includes the use of only an external evaluator. Constituents to be interviewed includes Regents.

Regent Sisolak noted a point of order, observing that this was the second reading of the item and now everything was being changed. He asked whether the Board was back to a first reading. Assistant Chief Counsel Nielsen replied that every time these procedures are presented to the Board they can be adopted, rejected or revised. She said the Board could either accept or revise the proposal.

Assistant Chancellor Larson clarified that the change involved the use of only an external consultant for the chancellor.

Regent Sisolak asked to return to the point of order. He thought that Handbook changes required two hearings with the same information provided both times. Assistant Chief Counsel Nielsen replied that Board Bylaws were required to be first presented for information and then for action at a subsequent meeting. This proposal was presented at the previous meeting in accordance with Board Bylaws. At this meeting, the Board can either adopt, reject, or revise the proposal.

Chair Anthony clarified that the amendment to the motion would change the chancellor's evaluation to a Regents' committee. Assistant Chancellor Larson agreed.

Regent Dondero asked to whom she would submit a specific question to be asked. Chair Anthony replied that she could approach the external evaluator to request that a particular issue be clarified during the evaluation period. He said the Board would be notified how to contact the evaluator.

Regent Whipple asked about the history and motivation behind this item. Assistant Chancellor Larson replied that one concern was that an external evaluator had the ability to elicit very honest and confidential responses. Whereas Regents participating in the process made it less secure for the interviewees. Another concern involved concerns with provisions of the Open Meeting Law and Regents meeting in a group. Staff considered how the process could be changed to make it useful for the Board as well as for the chancellor and presidents to enhance their performance. Regent Whipple asked whether former Chancellor Nichols had been involved with the request. Assistant Chancellor Larson replied that she was.

Regent Howard said she was confused and did not see the purpose for this item. She said she was concerned about the functions of the Board and whether the proposal would change the functions of the Board. She said that Board guidelines indicated that the Board was supposed to function in a certain way and have certain duties. She said this was part of those duties. She did not think it was that easy to recommend a Handbook

7. Denied-Handbook Revision, Executive Evaluation Procedures – (Cont'd.)

revision and that a few more Handbook revisions were required. She requested an explanation.

Dr. Terry Jones, Faculty Senate Chair-CCSN, asked whether the proposal was related to concerns about retaliation or not getting frank responses to questions asked during the evaluation. Assistant Chancellor Larson replied that it related more to confidentiality and the comfort level that an external person could provide. It was an effort to reduce barriers to provide frank and open communication. They intend to use very highly qualified consultants.

Ms. Bridgett Boulton, Faculty Senate Chair-TMCC, noted this was the second reading. She said the faculty senate chairs worked previously to ensure the faculty had a vehicle for input in the evaluations. She said they were comfortable with the idea of an external consultant. She noted it was to be used for the periodic evaluation and not the annual evaluation.

President Lilley thought that removing the committee was done solely out of concern for possible Open Meeting Law violations. Chair Anthony related that was not the only reason for the request. President Lilley established that the consultant would be a highly qualified person who would conduct the evaluation and bring the information to the Board in a private personnel session. After the Board hears the information and asks questions, they will return to open session for action.

Regent Sisolak said that he did not want to approve the proposal just to get around the Open Meeting Law. He felt the Board should comply with the law. He noted that the consultants hired were usually other presidents. Assistant Chancellor Larson agreed, adding that they could also have served as one in the past. Regent Sisolak observed that most of these people know one another. He stated that the presidents would be evaluated by one of their peers and nobody else would hear what was said. He questioned the Board basing its decision on that. He asked whether the president had input to the selection of the evaluator. Assistant Chancellor Larson replied that the presidents were asked for recommendations. The chancellor or his designee selects the evaluator. Potential evaluators are asked questions about personal friendships and reporting lines. Regent Sisolak asked whether the president's list was used. Assistant Chancellor Larson replied that it was a starting point. She clarified there would be some one-on-one conversations, as well as group conversations. Open sessions will be held for the public to speak with the evaluator. Regent Sisolak established that one person would prepare the evaluation who had also been recommended by the president being evaluated. Assistant Chancellor Larson said they would be selected after their relationship had been discussed. She felt that occasional contact did not constitute a personal or professional relationship. Regent Sisolak felt there could be a situation where someone might not be so candid. He felt that the presidents would only recommend people whom they believed would provide a good recommendation.

Regent Derby stated that the principle of evaluation by one's peers is widely imbedded in our society as the most appropriate kind of evaluation. She agreed that no one was more qualified than someone who fully understands the range, breadth, and challenges of the

7. Denied-Handbook Revision, Executive Evaluation Procedures – (Cont'd.)

position. With regard to Regent Howard's concern about the Board delegating its authority, she noted that as a lay board of citizen trustees, the Board often delegates its authority to professionals. She felt this was another form of delegation to a professional who would bring the results back to the Board for a decision.

Regent Rosenberg asked the presidents how they would feel if the chancellor disliked them and selected someone who would torpedo them. He felt that one person conducting the evaluation was dangerous and did not make any sense. He felt this was one of the Board's responsibilities.

President Killpatrick stated that he made a recommendation for Dr. Huddleston, the president of Dixie College, whom he has never met before. President Killpatrick was looking for someone from a comparable institution offering 4-year and 2-year degrees. Former President Kerry Romesburg had made the recommendation to him. He said he was not stacking the deck or looking for someone with whom he worked. Regent Sisolak said he was not implying that he was doing so. President Killpatrick related that all of the presidents tried to be professionals and look for colleagues who can provide objective information.

President Carpenter stated that a board typically has a two-stage evaluation process. Comments are solicited from the campus constituent groups and the community regarding the president's performance. An equally important aspect is that a board typically works in coordination with a president to establish the objectives to be met. He felt the proposal ignored that aspect.

Regent Seastrand suggested that it made sense for the Board to have the same process for presidents and the chancellor with a committee. He suggested the Board may need to outline how that is done. He felt it was important for the Board to have goals. He asked how the evaluator would know who to contact regarding the goals. Assistant Chancellor Larson replied that the goals, objectives, and the president's self-evaluation are provided to the evaluator so they have a clear sense of the terms.

Regent Derby noted the Board was considering the periodic evaluation and not the annual, with the focus primarily on goals. She said there was nothing to preclude the establishment of those goals during that session with the president.

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

8. Approved-Handbook Revision, UCCSN Code, Definition of Service – The Board approved the ad hoc Faculty Workload Task Force's recommendation for an amendment to the UCCSN Code (*Title II, Chapter 3, Section 3.4.2 (3)(E), Chapter 4, Section 4.4.2 (2)(F), and Chapter 7, Section 7.4.2 (3)(F)*) to revise the definition of service in the chapters that address

8. Approved-Handbook Revision, UCCSN Code, Definition of Service – (Cont'd.)
faculty tenure at the universities, community colleges, and state college. This is the final hearing of the proposed Code change (Ref. D on file in the Board office).

Regent Bandera moved approval of the Handbook revision to the UCCSN Code concerning the definition of service. Regent Rosenberg seconded. Motion carried. Regents Alden and Kirkpatrick were absent.

9. Information Only-Handbook Revision, Notice of Non-Re-Appointment for Non-Tenured Administrative Faculty, Except DRI – Assistant Chancellor, Trudy Larson, recommended a proposed amendment to the UCCSN Code, (*Title II, Chapter 5, Section 5.9*) concerning notice of non-reappointment and termination of non-tenured administrative faculty hired on or after January 1, 2005,

to shorten the period of time between notification and termination of these faculty. Because Code amendments require two hearings, final action on the proposed amendment would take place at the December 2004 Board meeting (Ref. E on file in the Board office).

Assistant Chancellor Larson reported this was the first reading for the proposal to shorten the notice of termination for non-tenured academic and administrative faculty as requested by the Board of Regents and the institution presidents. The only change: Administrative, non-tenured faculty would have a shortened period of time after their notice of non-reappointment dependent upon the number of years worked. During the first full or partial year of employment – 60 days; Second year of employment – 90 days; Third and subsequent years – 120 days after notice of non-reappointment. Currently the period can last for up to 23 months.

Regent Rosenberg asked whether employees were currently given one year with a terminal contract. Assistant Chief Counsel Nielsen agreed, adding that currently employees who have worked for the System for three years as non-tenured faculty are entitled to a full year's notice that the contract will not be renewed. Regent Rosenberg felt that non-teaching faculty/administrative faculty needed to have the same requirements/qualifications as teaching faculty in many cases, but were not allowed to earn tenure. The year was provided in lieu of tenure. He asked what this would do to the System's ability to attract people. President Harter stated that administrative faculty at most institutions now do not have lengthy notice provisions (*one year or less*). She said the current policy was inflexible when there was poor performance by an administrative staff member. Regent Rosenberg could not believe that someone would be terminated without everyone knowing well in advance that the performance was so bad that the employee should have been notified before July 1st. He felt that at least two or three meetings would have been conducted to discuss the lack of performance prior to that time. President Harter cited as an example when a fiscal officer is responsible for significant institutional dollars there could be a large error or malfeasance not discovered until a certain date over which one has no control. There are instances where major issues occur that might not have been realized and there is no flexibility on that issue.

9. Information Only-Handbook Revision, Notice of Non-Re-Appointment for Non-Tenured Administrative Faculty, Except DRI – (Cont'd.)

Regent Seastrand said it was an important policy that he would support. He asked whether there were any one-year contracts. Assistant Chancellor Larson replied there were many one-year contracts. Regent Seastrand asked about subsequent year of employment. Assistant Chancellor Larson replied that 120 days would be provided for employees with three or more years of service. Regent Seastrand asked whether it could be construed as 120 days with a one-year contract. Assistant Chief Counsel Nielsen did not believe so. If a person only has a one-year contract that would be their first contract. Subsection a would apply because it was the first full or partial fiscal year or employment.

Ms. Bridgett Boulton, Faculty Senate Chair-TMCC, stated that the faculty senate would be reviewing this between now and December. They have received considerable input from administrative faculty. They feel like they have none of the protections of the classified staff or the tenured faculty. This is another way of pulling out another benefit. She said she understood the managerial side, but hoped they could arrive at some balance so this group of employees would not feel marginalized. She asked the Board to consider the faculty senate recommendations to be presented in December.

Regent Sisolak stated that the presidents all support this because it would provide more flexibility. He felt that 23-month notice was an unbelievable benefit. He felt the Board could be tying the presidents' hands. He asked whether it was a property right. Assistant Chief Counsel Nielsen replied that it was, adding that it is a contract right. The Board cannot unilaterally make changes to the property rights of existing employees. Regent Sisolak asked why it could not be considered anew each time the contract was considered. Assistant Chief Counsel Nielsen replied that the contracts did not come up for amendment. She explained that the change would only be applied to people hired after a certain date. Employees hired prior to January 1, 2005 have a property right to the notice provision that has been part of their contract. Regent Sisolak asked why the new contract would not apply. Assistant Chief Counsel Nielsen replied that those employees were entitled to renewal of the contract as written and not subject to the change. He asked whether it was technically a renegotiation with consideration of merit, raises, and COLA. He asked whether it was a one-way, rolling contract. Assistant Chief Counsel Nielsen replied that it was not a renegotiation. The Board is merely conferring additional funds and not reopening the contract. The previous year's contract is simply renewed.

Regent Hill asked legal counsel to further review the matter between now and the next meeting to see whether another possibility exists. He thought that President Carpenter had a major impetus on this recommendation. He requested President Carpenter's input and what other institutions do.

Chair Anthony asked President Lucey to proceed.

President Lucey said that this was her first experience with this type of protection for administrators. While she understands and sympathizes with the concern, she observed that classified staff is protected by civil service law and faculty are protected by tenure,

9. Information Only-Handbook Revision, Notice of Non-Re-Appointment for Non-Tenured Administrative Faculty, Except DRI – (Cont'd.)

which she viewed as an important property right of the institutions which controls the way in which faculty and students are able to interact with one another. She did not perceive it as a benefit. Administrators are the people who implement Board policy through the president. She felt it was important for the Board to be able to have the flexibility of making changes when individual administrators do not function at the expected level. During her first year in Nevada, she asked a senior administrator to not renew someone who was not a direct report to the president. She then left on vacation. When she returned on July 7th, it had not been done. She said it resulted in having to keep the employee for 23 months and 3 weeks. She said it often caused presidents to buy out problem people. That money is then not available to add faculty or do the things the institutions require. She strongly supported Board approval of the proposal. She said it was good for every member of the community.

President Carpenter said he had worked in several parts of the country and had never seen anything quite like this. The Board has certain expectations of the president. There is only so much money available to buy people out. He questioned how the Board could hold the president accountable if they shackled the president's hands in this manner. He noted the proposal would not decrease the benefits of existing administrative staff. This would only apply to hires after January 1, 2005.

Regent Hill said he was not interested in being draconian and was open to hear what people have to say. He was tempted to provide notice to everyone prior to June 30th and let them know that this is the new contract. He felt it was time to change the procedure for new hires as well as for existing employees.

Interim Chancellor Rogers said that when trying to generate public/private partnerships he constantly heard the business community complain about this "feed the dead horse concept". He questioned keeping an incompetent employee for 23 months. He felt it was the most outrageous policy and the most difficult to defend. He knew of no employer who provides 120 days notice let alone one year and recommended the Board adopt the proposal.

President Lilley stated that three factors should be considered: 1) Most institutions do not refer to "administrative faculty", but rather "administrative staff"; 2) June 30th is a rigid requirement that must be eliminated; 3) What notice should there be?

The meeting recessed at 4:23 p.m. on Thursday, October 14, 2004, and reconvened at 4:38 p.m. with all members present except Regents Alden and Kirkpatrick.

10. Approved-Resolution 04-23, ESCO Contract, WNCC – The Board approved President Carol A. Lucey's request for a resolution approving the installment contract and related documents relating to the energy cost-saving measure project for the University and Community College System of Nevada on behalf of Western Nevada Community College (Ref. J on file in the Board office).

10. Approved-Resolution 04-23, ESCO Contract, WNCC – (Cont'd.)

Vice President, Finance-WNCC, Mr. Dane Apalategui, reported that this was the first energy retrofit project governed by NRS 333.580 providing approximately \$1.7 million in facility improvements across all WNCC campuses. The project will be funded entirely from energy cost savings of approximately \$2.6 million over the next 15 years. The debt service on this project totals approximately \$2.5 million, leaving a positive cash flow of approximately \$116,000. A summary providing responses to Regent questions was provided. Mr. Apalategui stated that APS Energy Services was selected through a competitive process and received the highest score from the evaluation committee, which included representatives of the State Public Works Board, Business Center North, and WNCC. APS is a wholly-owned subsidiary of Pinnacle West Capital Corporation, an Arizona-based company with assets totaling \$90.2 million and annual revenues of \$225.6 million. APS also owns and operates a 580 megawatt power plant in southern Nevada with over twenty employees. APS financial statements indicate a financially stable enterprise with very stable, quick, current and debt-asset ratios. Return on net worth is approximately three times industry standard. Return on sales is at or above industry standard. Many project safeguards and guarantees are in place to ensure this will be a successful project:

- • The \$2,570,154 in projected energy cost savings is guaranteed by APS.
- • WNCC has retained the services of the Nevada ERC Board to verify all aspects of this project, including the projected energy cost savings. NERCB believes APS's projected cost savings are very conservative and believes the projected savings could exceed the guaranteed savings by as much as 13%.
- • All materials and equipment will have a three to five year manufacturers' warranty.
- • A performance bond covers the project for the first year.
- • Information provided by four institutions with completed projects from APS indicates that they perform at a very high quality and deliver as agreed.

Regent Rosenberg moved approval of Resolution 04-23 concerning the ESCO contract with WNCC. Regent Howard seconded.

Regent Howard asked whether APS is a power company known as Arizona Public Service. Mr. Apalategui replied that it was a power company, though it was not the same company to which she was referring. Mr. Jay Johnson, Health Manager, APS Energy Services, replied that Pinnacle West is the main holding company which owns Arizona Public Service as well as APS Energy Services.

Regent Dondero asked whether the project would only provide service to the community college or to the surrounding areas as well. Mr. Apalategui replied that it was an energy retrofit project to replace lighting systems, some water conservation efforts, and replacement of the HVAC controls at all campuses. Regent Dondero established it would just serve the campuses.

Regent Seastrand noted that the minimum and maximum estimated project costs were identical, which indicated a fixed cost contract with no variance. Mr. Apalategui agreed,

10. Approved-Resolution 04-23, ESCO Contract, WNCC – (Cont'd.)

adding that the cost of the project was guaranteed not to exceed this amount. Regent Seastrand asked about change orders. Mr. Apalategui replied there would be none.

Regent Sisolak noted the 3-5 year manufacturer's warranty and asked how much was allowed for repairs and maintenance, as well as what would happen if there were a major problem after 5 years. Mr. Apalategui replied that those costs would come out of the normal maintenance budget. The upgraded lighting systems should last longer than what is currently used. The college should realize a savings there as well. Regent Sisolak asked about material defects after 5 years. Mr. Apalategui replied that WNCC would be responsible for repairs. To be sure that the materials are the highest quality, WNCC hired the Nevada ERC Board to review all aspects of the job, including the materials listing. WNCC feels very confident they will not experience any major failures of equipment. Regent Sisolak noted that 15 years was a long time. He asked what would occur if it was non-functional after 6 years. Mr. Apalategui replied that WNCC would have to replace it. Regent Sisolak observed that could result in a huge cost.

President Lucey noted that it was a 15-year payback due to adding acquisition of an HVAC system for the old library rehabilitation. Otherwise it would have been an 8-year payback on the energy conservation portion. The mechanical portion is largely included in the HVAC package. A lot of the other equipment is electronic and controls that do not degrade the way a mechanical system would. Regent Sisolak observed that 15 years was a long time for anything to last. He was concerned the System could be at risk if the equipment did not last as long as the time period for which the energy savings had been calculated.

Mr. Johnson said the main focus of the job is a lighting retrofit. The ballasts have a 20-year life expectancy. Lamps should last over five years. Money is included in the budget for lamp replacement, which will be avoided for the first five years due to the warranty. He related that the mechanical system (*HVAC*) has a 20-year life expectancy. He felt the equipment should far exceed the 15-year repayment period. He said that the control systems had a 15-20-year life expectancy for the hardware. Regent Sisolak asked what would occur if it did not last 15 years. Mr. Johnson estimated they would pay no more than what was currently paid for ongoing maintenance on the systems. He said the likelihood of this equipment not lasting was very remote. Regent Sisolak asked what happened at northern Arizona where it was claimed it was the university's fault. Mr. Apalategui replied that they informed WNCC that the measurements were accurate, but they added new buildings which created a load which offset some of the cost savings. Now that they have seen how APS does it, they will try to duplicate it themselves in the future.

Regent Derby felt it was an intriguing and promising proposal. President Lucey said the college had always been interested in energy conservation and had designed the new library with that in mind. The college has some very old buildings that encounter uneven temperatures within the same building. She felt this project was the right thing to do and also included the old library rehabilitation. She observed that WNCC had volunteered to be the first project of this kind for the state.

10. Approved-Resolution 04-23, ESCO Contract, WNCC – (Cont'd.)

Regent Bandera said that it was a wonderful, exciting project, noting that it had been reviewed by many entities. Even though the Board does not know much about it, it has been through a fairly thorough review process. President Lucey agreed, adding there were people present from those agencies to testify if necessary.

Regent Dondero noted that the governor's energy office and the State Public Works Board had reviewed and approved the project.

Motion carried. Regent Sisolak voted no. Regents Alden and Kirkpatrick were absent.

11. Approved-Handbook Revision, Vice Presidential Transition - The Board approved Assistant Chancellor Trudy Larson's request for a Handbook change, (*Title IV, Chapter 3, Section 28*) on vice presidential transition policy approval to allow presidents to approve the transition plan for the vice presidents that they now hire without requiring Board approval (Ref. F on file in the Board office).

Regent Bandera moved approval of the Handbook revision concerning vice presidential transition. Regent Dondero seconded.

Regent Sisolak asked whether each school would have its own plan. Assistant Chancellor Larson replied that when a vice president retires or is removed from their vice presidential position they often return to the faculty. This proposal relates to the plan for professional leave allowing the employee to prepare for returning to the faculty. Each president would negotiate the terms with their

respective vice presidents. Regent Sisolak asked who would determine the length of professional leave. Assistant Chancellor Larson replied that the president would decide. Regent Sisolak established this would be done without the need for Board approval. Assistant Chancellor Larson agreed, adding that the presidents now have the ability to hire the vice presidents.

Motion carried. Regents Howard, Rosenberg, and Sisolak voted no. Regents Alden and Kirkpatrick were absent.

12. Approved-Handbook Reorganization, Chapters 1-7 – The Board approved Assistant Chancellor Trudy Larson’s presentation of a reorganization of the *Board of Regents Handbook (Title IV, Chapters 1 through 7)*. The proposed revisions remove certain provisions from the Handbook and place them into a newly created *Procedures and Guidelines Manual*. This revision edits each chapter making clarifying corrections where necessary and policy changes previously approved by the Board. In addition, any procedures removed from the Handbook and placed in the *Procedures and Guidelines Manual* are done so under the Board’s delegation of such authority to the chancellor. A similar revision of later chapters will be brought before the Board at the December 2004 and February 2005 Board meetings (Ref. G on file in the Board office).

12. Approved-Handbook Reorganization, Chapters 1-7 – (Cont’d.)

Assistant Chancellor Larson credited the fine work of staff from the Vice Chancellor of Academic Affairs’ office. She related that the *Handbook* is very large. As revisions have been added over the years, it has become more and more complicated. The proposal creates a more user-friendly *Handbook*, removes procedures from the policy manual, and frees the Board from overseeing certain tasks, thereby delegating oversight of such tasks to the chancellor’s office. The reorganization of Title IV will occur in phases:

- • Chapters 1-7 – October 2004 Board meeting.
- • Chapters 8-14 – December 2004 Board meeting.
- • Chapters 15-20 – February 2005 Board meeting.

The revision/reorganization corrects obvious errors; chapter and section references; removes procedural provisions from the *Handbook* and places them in the parallel chapter and section of the new *Procedures and Guidelines Manual*. Sections within the Handbook have not been moved, as numerous campus forms reference specific *Handbook* provisions by chapter and section. Procedures that do not appear in the *Handbook* or in *Chancellor’s Memoranda* have been added to the *Procedures and Guidelines Manual*. A draft of the revisions was provided to various stakeholders requesting feedback (*Academic Affairs Council, Student Affairs Council, Chancellor’s Cabinet; and Legal Counsel*). The reorganization provides an opportunity for a needed cleanup of the Handbook and provides a more manageable Handbook. Procedures have been consolidated into one document alleviating the Board from the oversight of certain tasks. Assistant Chancellor Larson requested Board approval of the revisions to Title IV, Chapter 1-7 and authorization for staff to continue revising the remaining thirteen chapters for presentation at the December 2004 and February 2005 meetings.

Regent Bandera moved approval of the Handbook reorganization of Title IV, Chapters 1-7 and authorization for staff to continue revising the remaining thirteen chapters. Regent Seastrand seconded.

Regent Seastrand observed that it was a large job. Assistant Chancellor Larson recognized Dr. Chris Chairsell, Interim Vice Chancellor, Academic Affairs, and Senior Research Analyst, Ms. Crystal McGee, who have been diligently pursuing the reorganization.

Motion carried. Regents Alden and Kirkpatrick were absent.

Chair Anthony announced that it was highly likely that the closed personnel session scheduled for 8:00 a.m. the following day would not be held. He asked everyone to be at the meeting at 8:00 a.m. the following day so as not to delay the meeting.

The meeting recessed at 5:05 p.m. on Thursday, October 14, 2004, and reconvened at 8:23 a.m. on Friday, October 15, 2004, with all members present except Regents Alden, Bandera, Howard, and Kirkpatrick.

13. Information Only-Notice of Intent to Repeal or Rescind Prior Board Item - At the August Board meeting, it was requested that the Board meeting calendar for 2005, as voted on at the June 2004 meeting, be reconsidered at the October 14-15, 2004 Board meeting. Notice that the Board action approving a calendar for 2005 may be the subject of a motion to repeal or rescind at the October Board meeting was given in accordance with the Board Bylaws (*Title I, Article V, Section 21*). The Board took no action regarding its calendar for 2005 (Ref. H on file in the Board office).

- • Friday, February 4, 2005.
- • Friday, April 15, 2005.
- • Friday, June 24, 2005.
- • Friday, September 23, 2005.

➤ • Friday, December 2, 2005.

Chair Anthony recalled the Board had approved holding one-day meetings in 2005. Committees could either meet the day before the Board meeting or at another time. Chair Anthony said he had no preference.

Regent Rosenberg asked whether the Board could continue on the following day if they did not finish its business in one day. Assistant Chief Counsel Nielsen replied that they could if it was noted on the meeting agenda so that the public was on notice that the meeting could continue from one day to another until concluded. Regent Rosenberg asked what happens to business the Board fails to address. Chair Anthony replied that items not considered by the Board prior to adjournment would be put off until the next meeting. Regent Rosenberg asked whether the Board could schedule Thursday and Friday meetings and adjourn on Thursday if the business was completed. He observed that some items take more time than others. The only way to shorten the agenda is to put more items on the Consent Agenda, which further erodes the power of the Board and its responsibility. He was greatly disturbed by this. He suggested the Board think this over carefully. If the majority of the Board felt that one day was sufficient, they could reaffirm their decision. If not, he suggested they leave things the way they are.

Regent Derby observed that the Academic, Research, and Student Affairs Committee had decided to schedule meetings the afternoon before the Board meeting. She agreed that the timing required some consideration. She observed the Board was scheduling only five meetings in 2005. The concern is that the time between meetings could create problems and could mean more special meetings.

Regent Rosenberg felt the Board was allowing itself to be run as if it were a private business. While he did not object to good business practices, he felt that playing as though they were a private business was wrong. He felt the Board owed it to their constituents (*largely students, staff, and faculty*) to take the necessary time to discuss the issues. He said it was dangerous to shorten the time allotted for meetings and that he would vote against the proposed schedule. He felt the Board should at least leave things the way they are and possibly even expand them.

13. Information Only-Notice of Intent to Repeal or Rescind Prior Board Item – (Cont'd.)

Regent Sisolak said his only concern was that he personally would have trouble with possible two-day meetings causing difficulty with family issues.

Regent Hill expanded on Regent Rosenberg's comments, observing that the people of the state were also a constituency the Board should remember.

Regent Rosenberg moved approval of reconsidering the vote. Regent Sisolak seconded.

Regent Derby said it was not something that could not be reconsidered as the Board went forward with an opportunity to see how the proposed schedule works. She observed the Board had not tried one-day meetings yet and that it would be obvious if it was not working next year. Assistant Chief Counsel Nielsen agreed that the item could be brought forward on a future agenda.

Chair Anthony asked whether the Board Chair could add a Thursday meeting after meeting on February 4th and discovering that one-day meetings do not work. Assistant Chief Counsel Nielsen replied that he would need to provide notice of Intent to Repeal and the item could be added to the April agenda.

Regent Seastrand suggested including such an item on the February agenda in case such a determination was made. It was agreed to do so.

Regent Rosenberg withdrew his motion.

Regent Rosenberg noted that the students, staff, and faculty of the University System are taxpayers of the state whom he would never forget.

Chair Anthony stated that the Board would keep the schedule as is. He noted that the committee chairs would need to decide when they would meet. The full Board meeting will likely begin between 8:00-9:00 a.m. on Friday morning.

Regent Seastrand asked whether the committee meetings could be held via teleconference. Chair Anthony replied that the committee chairs could decide to do so. Regent Seastrand observed that the one-day meeting schedule was an attempt to eliminate staying overnight. More teleconferencing would help prevent having to stay overnight on a Friday.

Regent Derby observed that Regents would need to arrive the day before the meeting if the meeting were to start at 8:00 a.m. Chair Anthony said the meeting would likely start at 9:00 a.m. and could continue until 7:00 p.m.

Regent Sisolak withdrew his second. No action taken.

14. Approved-Strategic Plan, TMCC – The Board approved President Philip M. Ringle’s request for approval of TMCC’s Strategic Plan (*Ref. 1 on file in the Board office*).

14. Approved-Strategic Plan, TMCC – (*Cont’d.*)

President Ringle reported that TMCC embarked on a large planning effort that will guide the development of the college over the next decade. A continuous effort requiring the involvement of the campus community in the process, it must be shared by each constituency. Each planning effort will be informed by and will inform all of the planning efforts. Over 200 campus members volunteered to be part of the process, President Ringle felt it was testimony to the campus’ desire to own the process and guide the college’s direction in the future. Five major planning initiatives are now taking place: Academic Master Plan, Enrollment Management Plan, Facilities Master Plan, Institutional Self-Study, and a Marketing Plan. Northwest accreditation will occur next October. A recent marketing and branding study resulted in a new logo for TMCC, as well as a new advertising and marketing campaign.

TMCC’s Mission – TMCC creates a supportive intellectually and culturally dynamic environment by offering the following:

- • General education programs.
- • Transfer degree programs.
- • Developmental education programs.
- • Occupational/technical degrees and programs.
- • Customized job training.
- • Continuing education and recreational programs.
- • Student and academic support services.

The college anticipates and responds to educational needs of individuals to achieve their goals, aspirations, and dreams.

Strategic Goals:

- • Academic Excellence – To foster an institutional culture that values, demands, and supports excellence in teaching and learning.

Sample activities:

- ✓ • Implement a comprehensive, ongoing, college-wide assessment and validation of academic integrity and effectiveness in all programs.
- ✓ • Develop and implement a college-wide mandatory program for assessment, advisement, and placement for new and continuing students consistent with their course of study.
- ✓ • Develop and implement an Academic Master Plan.

- • Diversity – To foster an academic community that welcomes the opportunity to experience, examine, and learn from diverse physical, cultural, and ideological backgrounds while nurturing mutual respect.

Sample activities:

- ✓ • Expand on current recruitment and retention practices for underrepresented students.
- ✓ • Expand on current recruitment and retention practices for underrepresented faculty and staff.

14. Approved-Strategic Plan, TMCC – (*Cont’d.*)

- ✓ • Create curricula to help prepare students to live, work, and interact in a culturally pluralistic society.
- ✓ • Establish an office of Equity and Diversity to handle affirmative action, mentoring, orientation, and curricular integration projects.

- • Facilities – To provide effective and efficient development and use of facilities that is aesthetically pleasing, safe, environmentally friendly, and enhances the learning experience.

Sample activities:

- ✓ • Develop and implement a Space Utilization Plan, maximizing efficiency.
- ✓ • Implementation of System Space Study recommendations.
- ✓ • Develop and Implement a TMCC Emergency Response Plan.
- ✓ • Develop a Facilities Master Plan.

- • Finance and Institutional Effectiveness – To achieve college goals through responsible human and fiscal resource development and management.

Sample activities:

- ✓ • Improve institutional finance management practices.
 - Develop a comprehensive budget development system to ensure fiscal health of the institution.
 - ✓ • Improve institutional management practices.
 - Develop a management system to facilitate decision-making.
 - Ensure workload policies are fiscally sound and effective.
 - ✓ • Raise increased levels of alternative funding.
 - Increase efforts to obtain alternative funding (*i.e., federal, private, Foundations, corporate, advisory boards, alumni, etc.*).
- • Strategic Partnerships – To expand and to forge new, mutually beneficial partnerships, ensuring the vitality and relevance of or curriculum and programs, distinguishing TMCC as an integral and influential member of the community.

Sample activities:

- ✓ • Establish a process that measures, reviews, and maximizes the impact of college partnerships.
 - ✓ • Create a clearinghouse function to coordinate and focus current college resources into activities with community and educational partners that have a major influence on college courses (*credit and non-credit*) and programs.
 - ✓ • Develop articulation agreements to ensure effective P-16 education.
- • Technology – To develop technology infrastructure to provide faculty, staff, and students with the best practices of the industry.

Sample activities:

- ✓ • Maintain the existing and develop new information technology infrastructure.
- Acquire higher capacity network connectivity.

14. Approved-Strategic Plan, TMCC – (Cont'd.)

- Create a Web Portal.
 - ✓ • Ensure access to information technology.
 - Increase general access computer labs and computer stations.
 - Expand web based instructional offerings.
 - ✓ • Ensure compliance and improve efficiency.
 - Identify state-of-the-art uses of technology in the classrooms.
 - Ensure IT infrastructure in all TMCC locations.
 - Explore feasibility of leasing instructional technology.
 - Develop and validate a technology recovery and disaster plan.
 - ✓ • Maintain existing and develop new applications.
 - Develop a dynamic enrollment and modeling system.
 - Implement new student information system, advantage information system, and human resource system.
- • Welcoming and Supportive Environment – To enhance and foster a welcoming intellectual, cultural, and physical environment that is open, supportive, and sensitive.

Sample activities:

- ✓ • Create an environment that allows students to achieve goals.
- Develop and implement a student leadership program.
- Develop and implement learning communities where appropriate.
- ✓ • Develop and implement a leadership development program.
- ✓ • Maintain an effective governance system.
- ✓ • Maintain a welcoming physical environment.

Next Steps:

- • August 2004 – Marketing/Branding Campaign.
- • December 2004– Facilities Master Plan.
- • June 2005 – Academic Master Plan.
- • July 2005 – Enrollment Management Plan.
- • October 2005 – Affirmation of Accreditation.

Regent Whipple said he was very impressed. He said that the majority of concerns expressed to him regarded concerns about transferring credits from the community college to a four-year school. He acknowledged they had attempted to address that with a common course numbering system. He asked whether common course numbering had assisted him with his P-16 efforts. He also asked

about existing articulation agreements. President Ringle replied that TMCC has an articulation agreement with UNR. He said there had been a real change in the last few years since President Lilley had come to the university. Faculty are working better with one another in different areas. TMCC students transfer to other institutions besides those in Nevada. TMCC works out articulation programs with those institutions as well. Work is also done with the public schools and a nursing pipeline project was recently developed which accepts 11th grade students. Regent Whipple asked whether common course numbering uniformity had

14. Approved-Strategic Plan, TMCC – (Cont'd.)

assisted these efforts. He also asked about articulation agreements outside the state. President Ringle replied that TMCC tries to work out articulation agreements with any university to which TMCC students may transfer. Regent Whipple asked whether the common course numbering had been of assistance. President Ringle replied that it had. He observed there were still areas where a department could skirt common course numbering by renumbering courses, though there were less examples of that.

Ms. Bridgett Boulton, Faculty Senate Chair-TMCC, stated that common course numbering had helped a lot. It has enabled faculty from different disciplines at the institutions to talk to one another. Issues still exist regarding how degree requirements are configured. Few 200-level requirements apply to the degree and are mainly elective. Community college faculty senses they are pushed out of a complete transfer. She said they were addressing it on a discipline-by-discipline and course-by-course basis. She felt the students benefited from a smoother transition process. Regent Whipple asked her to quantify the increase. Ms. Boulton replied that it had increased a lot

Dr. Jowel Laguerre, Vice President, Academic Affairs-TMCC, replied that discussion and cooperation between the institutional counterparts had greatly helped this effort. As new programs have been developed at NSC and GBC, TMCC now has greater access to offer its students. He said there was a new environment for cooperation. Regent Whipple asked how the new environment developed. Dr. Laguerre replied that it was a team effort between the Academic Affairs Council, the Board's ARSA Committee, and the willingness of the chief academic officers, the student affairs officers, and the presidents. He recently worked easily with UNLV's Provost to arrange assistance in preparation for TMCC's accreditation site visit. TMCC's faculty became more responsive to the changes that are necessary due to the UNLV faculty member's involvement. He attributed it to an overall System outlook and everyone accepting accountability for what is necessary. Regent Whipple asked whether TMCC had articulation agreements with UNLV. Dr. Laguerre replied that they do (*i.e., architecture, culinary*). He related that access had become much easier for both faculty and students. Regent Whipple asked about articulation agreements with institutions from outside of Nevada. Dr. Laguerre cited an articulation agreement with a California university in environmental science. He said they usually became aware of such issues when students have difficulty transferring credits elsewhere. He reported that TMCC had not experienced any issues with its credits being denied.

Regent Whipple thanked President Ringle and stressed the importance for articulation agreements. He expressed appreciation for all of the presidents working together. President Ringle said that all of the presidents are committed to making this an easy System for students to move within. He acknowledged the Board's and ARSA Committee's urging for common course numbering.

Interim Vice Chancellor Chairsell reported that communication between the institutions had been positive. They meet prior to each Board meeting. Next steps in common course numbering are under discussion. Accreditation is forcing four-year institutions to reduce their general education core. These articulation agreements have a severe impact on the community colleges.

14. Approved-Strategic Plan, TMCC – (Cont'd.)

She said that having one System over all institutions was a real asset. She felt that the articulation agreements would never exist if the institutions were not part of one System. Regent Whipple agreed, adding that having all institutions under one System was a real competitive advantage. Vice Chancellor Chairsell stated that the goal in academics was for a student to be able to attend three institutions simultaneously. She said that NSC could provide an alternative for students unable to get all of their classes in their senior year.

Regent Derby moved approval of TMCC's strategic plan. Regent Hill seconded.

Regent Derby was pleased that TMCC's plan reflects the Board's priorities. She acknowledged TMCC's Office of Equity and Diversity. President Ringle related that they began by looking at the Board's plan and the master plan for the state. He noted that faculty and staff were doing the work. Regent Derby also acknowledged the use of an inclusive process.

Motion carried. Regents Alden, Bandera, Howard, and Kirkpatrick were absent.

15. Approved-Cash Management Services Contract Extension – The Board approved an exception to the *Board of Regents Handbook (Title IV, Chapter 10, Section 1.8)* to extend the current contract with Wells Fargo Bank for one additional year (Ref. K on file in the Board office).

Vice Chancellor, Finance & Administration Buster Neel reported that enhancements were desired in the area of banking. UCCSN currently has a contract with Wells Fargo, who has performed excellently. The scope of services provided is very limited. It is felt that an RFP could be developed for a more comprehensive program from the System's banking and financial representatives. A meeting is planned with the business officers to define and identify what services are desired. Staff will return in one year with a better plan. UCCSN is in the final year of a contract with Wells Fargo. Under Board policy, services must be re-bid. He requested Board approval to extend the contract for one year, providing staff an opportunity to identify a better product providing better service at a lower price.

Regent Whipple recalled that when the Investment Committee released an RFP, a number of respondents offered to provide the consulting (\$100,000/year) at no charge if they were also the holder/broker of those securities. This created a potential conflict for the Committee. He observed there is an inherent value for an organization to hold System securities. He encouraged the use of an RFP to determine the best benefits. Vice Chancellor Neel stated that the System has an outstanding group of business officers. He felt they could develop an outstanding package.

Regent Sisolak said he had a problem with the request. He noted that it was a 5-year contract and a 2-year extension. He questioned the lateness of the request and how it

15. Approved-Cash Management Services Contract Extension – (Cont'd.)

happened. Vice Chancellor Neel replied that he asked his staff to perform other tasks upon his arrival. Had business continued to be conducted as usual, an RFP process would have been initiated for banking services. He explained that he had asked staff to look at things differently. Regent Sisolak objected to waiting so long before taking action. He related that only two months remained on the extension. Vice Chancellor Neel agreed that it should have been done, but was not.

Regent Rosenberg asked whether Wells Fargo would be able to respond to this process. Vice Chancellor Neel replied that they would. Regent Rosenberg asked whether they were capable of providing the services desired. Vice Chancellor Neel replied that they were.

Regent Schofield moved approval of extending the cash management services contract. Regent Hill seconded. Motion carried. Regents Alden, Bandera, Howard, and Kirkpatrick were absent.

16. Approved-2005-07 UCCSN CIP Budget Revision Request, Knowledge Center, UNR – The Board approved President John M. Lilley's request for increasing the project budget by \$20 million for the Knowledge Center (Ref. L on file in the Board office).

Mr. Ron Zurek, Vice President, Administration and Finance-UNR, asked the Board to revise an item included in the already approved CIP budget. UNR's new Knowledge Center sustained a 30% increase in project costs (*as estimated by the State Public Works Board*) from \$66 million to \$86 million. The proposed solution is a two-part plan. UNR would move \$11.2 million from its approved CIP budget item (*\$16 million-FF & E*) in the current budget into the next biennium and use the \$11.2 million in freed-up funds to address the cost inflation. Secondly, UNR would provide an additional \$8.8 million in institutional funds to contribute to the cost situation by increasing the fundraising beyond the \$22 million statutory commitment and/or bonding capacity using student CIP monies. The risk is that the Legislature in the next biennium is not obligated to fund the \$11.2 million requested to be transferred. A contingency plan was developed should that funding not be available. A series of material cutbacks and space reduction would take place. On September 15, 2004, the State Public Works Board, UNR, the chancellor and his staff met with the Interim Finance Committee and presented this plan. The IFC approved the plan conditioned upon Board approval at this meeting. He related that UNR and the SPWB engaged an outside, independent cost estimator to provide the updated figure.

Regent Hill moved approval of increasing the UCCSN CIP budget request by \$20 million to accommodate UNR's Knowledge Center. Regent Rosenberg seconded.

Regent Rosenberg asked whether UNR was still trying to raise the money for the required match. He asked how much had been raised. Mr. Zurek replied that they were at the \$19 million level (*for the \$22 million match*).

16. Approved-2005-07 UCCSN CIP Budget Revision Request, Knowledge Center, UNR –(Cont'd.)

Regent Sisolak asked how much more was required. Mr. Zurek replied they needed \$3 million more to meet the statutory \$22 million. He said they would like to raise more to help offset some of the cost increases. Regent Sisolak asked how much more. Mr. Zurek said they would like to raise an additional \$8.8 million. Regent Sisolak asked whether the Legislature could mandate one-third portions. Mr. Zurek replied they would probably need to revise the existing legislation that calls for three installments of one-third based upon the \$66 million figure.

Regent Rosenberg established that the Legislature wants the Board to build the building and that they would not put up a roadblock. Interim Chancellor Rogers agreed. He felt the Board had to go forward with this plan. Otherwise, the building will continue to get smaller. He acknowledged there were some risks.

Motion carried. Regents Alden, Bandera, Howard, and Kirkpatrick were absent.

17. Information Only-Enrollments for Fall 2004 Semester - The presidents each provided a very brief review of the enrollments for this semester at their campuses.

President Richard Carpenter, CCSN – The upward spiral of enrollment has stopped. CCSN realized a 200 FTE decrease in Fall enrollment, most notably at the Henderson campus. More concerning, the college turned away 2,200 students/1,000 FTE due to insufficient space. The Board's Space Utilization Report identifies CCSN as the institution with the greatest unmet need. Over 300 students were turned away from the automotive technology program and general education (*biology, English, math*) simply due to the lack of general classroom space. Leased space is being considered. The institution does not have a sophisticated enrollment management system, which will be a high priority in the future.

Regent Derby asked which campus was most affected by the space shortage. President Carpenter replied it was the Charleston campus.

Regent Derby asked about space for faculty. President Carpenter related that a number of faculty did not have office space until 3-4 weeks into the semester as efforts to complete a building were behind schedule.

Regent Whipple asked about an enrollment management program. He also requested feedback on the use of high schools for classroom space. President Carpenter replied that high school classrooms were not typically set up to accommodate a college environment. It could be an option for general education courses. CCSN does not have the technology in place to track early warning signs associated with student enrollment and behavior. An enrollment management program represents a combination of strategy and hardware and software working together. Regent Whipple asked whether CCSN currently has sufficient infrastructure to implement this system. President Carpenter replied they did not. He likened the System's technology to 1970's models. He said that an enrollment

17. Information Only-Enrollments for Fall 2004 Semester – (*Cont'd.*)

management was a critical component of an enterprise management system, and could be integrated to other data elements. Regent Whipple asked about his plan. President Carpenter replied that all of the presidents were keenly interested in Enterprise Management's computing system. Regent Whipple asked whether high schools were currently used in some situations. President Carpenter replied that he met with the superintendent for preliminary discussions about what might be helpful. He did not believe that use of high school space would be a long-term solution, but rather a stop-gap measure.

President Philip Ringle, TMCC – The projected FTE increase for TMCC was 5% this year. The total number of students enrolled is over 12,000 for the first time in TMCC's history, exceeding the previous year by 6%. This included offering 119 more sections of credit classes and nearly an 11% increase in the number of new students for Fall 2003. Ages range from 13-84; 60% are in the 18-24 year age group; 27% are recent high school graduates. TMCC's students are getting younger and taking more credits; 85% are Nevada residents; 108 international students this Fall; 24% are minorities. There was a decrease in the number of undecided students. President Ringle noted that it takes a college effort to accommodate that growth. Departments assisted by increasing the maximum class size they would allow and adding sections when needed. Enrollment was improved in nursing. Education added a new reading program, creating new space for art and allowing more sections to be taught. Students were still turned away in developmental education, which continues to be a problem. Student Services staff worked very hard to improve the capture rate of new students by making personal phone calls, sending post cards and letters, and conducting registration assistance days on Saturdays.

Regent Hill asked about TMCC's FTE. President Ringle replied that the projection was 5,798 and they were estimating just under 5,900.

President Carol Lucey, WNCC – WNCC projected a 1% enrollment increase. Currently they are 4.2% over last year's enrollments, attributed mainly to the college's focus on students right out of high school, and first-time, first-generation degree seekers. The continuation rate has improved 3%. The Millennium Scholarship is up 20% over last year. Full time students increased 3%; students taking 9-11 hours increased 5%; allied health enrollment increased 20%.

President Paul Killpatrick, GBC – Last year, GBC's FTE enrollments increased 15%. A slight decrease of 31 FTE (2.2%) was realized in Fall 2004 (*Fall 2003 FTE=1,394; Fall 2004 FTE=1,363*). Unduplicated headcount in Fall 2003 was 2,571, while it fell to 2,488 in Fall 2004. The most significant decreases were experienced by students between 30-50 years of age. Since the introduction of dormitories and residence halls, more traditional-aged students are enrolling. Decreases were also realized in part-time students aged 30-39. The college is investigating special programs that can be offered to reach non-traditional students.

Regent Sisolak asked about the decrease. President Killpatrick replied the decrease was 2.2%, 31 FTE.

17. Information Only-Enrollments for Fall 2004 Semester – (Cont'd.)

Interim President Patricia Miltenberger, NSC – The college realized a significant increase in headcount with 1,121 in Fall 2004 as compared with 541 in Fall 2003. Fall 2004 FTE was 754 as compared with the 500 FTE projection. Space is also a concern. She noted that the Board's recent approval of portable space will allow a few more classrooms to be opened. NSC currently uses some high school space, as well as space from CCSN. Courses are also televised to WNCC. Trends: 41% of NSC students are traditional aged; 116 Millennium Scholars were enrolled; 32% of students are ethnic minorities; 71% of freshmen identified themselves as first-generation. Demographically, 33% of the students came from Henderson/Boulder City; 59% from the remainder of the Las Vegas Valley; 8% from outside the valley.

President Stephen Wells, DRI – Though it has no enrollments, DRI provides value to the universities and Nevada State College. DRI graduate programs now house over 68 graduate students supported through research grants or fellowships. DRI faculty teach the entire atmospheric sciences program at UNR. Additionally, DRI faculty teach half of the hydrological sciences program at UNR and teach in geology, biology, and other programs as well. At UNLV, a DRI faculty member is leading their Water Resources Management program. Two graduate fellowships were provided to UNLV for the Water Resources program. DRI participates in NSC by providing four faculty members sharing an FTE to teach in the physical sciences.

President John Lilley, UNR – UNR's Fall enrollment totaled 15,950, the largest in the university's history (*approximately 12,500 undergraduates and 3,500 graduate/professional students*). The number of students of color is also at the highest point in the university's history comprising 16% of total enrollment. Latino/Hispanic and Asian Pacific Islanders comprised the largest proportion of students of color, followed by Black, non-Hispanic students, and Native Americans. The number of students with documented disabilities is also at its highest point since the university began keeping records in the 1970's. The growth in enrollment placed heightened demands on the support services for all students, including academic advising, career counseling, housing, and mental health. A larger class size has occurred in most academic departments, most notably in foreign languages, math, capstone classes, and the core curriculum. Summer school offerings have increased to include more core classes and other high-demand courses. Enrollment growth impacts demands for space. It is not possible to add faculty in the disciplines of math, science, and the arts without additional space.

Regent Hill asked about the FTE. President Lilley replied that FTE was 11,931.

Regent Sisolak asked about the percentage increase. President Lilley replied headcount increased 2.68% and FTE increased 2.76%.

President Carol Harter, UNLV – UNLV's headcount increased 6.2% from 25,749 to 27,333. UNLV is among 70 of the largest universities in the country. The growth equated to 1,500 new students. FTE increased 7.8% from 18,639 to 20,094. When FTE grows at a more rapid rate than headcount students are likely doing more full-time work.

17. Information Only-Enrollments for Fall 2004 Semester – (Cont'd.)

Professional school headcount has increased 13%, largely due to fulfilling the enrollment goals of the dental school. Doctoral FTE increased 17.8% this year. Millennium Scholars increased from 5,198 to 6,138. She thanked UNLV's faculty and staff for their efforts. Minority students comprise 30.3% of all students, largely in the Hispanic and Asian cohorts.

Regent Rosenberg asked whether a low high school graduation rate was projected this year and that higher education would be hit even harder the following year. Interim Vice Chancellor Chairsell replied that was correct. A small dip in graduation was realized, though projections for 2010 indicate it will be one of the largest.

President Harter said she was grateful that Nevada State College was growing at the rate and pace that it was because it was helping UNLV deal with the enormous influx of students.

Regent Dondero asked how UNLV would take care of the students when they are out of space. President Harter replied that UNLV was trying not to turn students away. The scheduled new facilities will help to some extent. She was convinced that regional campuses would need to be developed. UNLV is 335 acres, providing only 150-sq. ft. per student, which is less than most high schools. She said that space was a major issue for the institution.

President Lilley observed that the information drove home the point that the budget available for capital improvements needed to grow.

The meeting recessed at 9:40 a.m. on Friday, October 15, 2004, and reconvened at 9:55 a.m. with all members present except Regent Alden, Bandera, Howard, and Kirkpatrick.

Chair Anthony noted that item # 18 (*Appeal of Lawrence Roney Pursuant to UCCSN Code, Section 6.14*) had been withdrawn.

18. Information Only-New Research Facility, Cancer Institute, UNR - President John M. Lilley presented information about the potential development of a new basic science medical research facility on the Reno campus, which involves a partnership between the University of Nevada, Reno's School of Medicine and the Nevada Cancer Institute (*Ref. M on file in the Board office*).

President Lilley introduced Vice President, Health Sciences, and Dean, School of Medicine, Dr. John McDonald and Dr. Bill Murphy, formerly with the School of Medicine and now with the Nevada Cancer Institute.

Dean McDonald reported on an important opportunity in the next step of the evolution of the University of Nevada School of Medicine. He noted that the capital budget is severely limited in a rapidly growing state and that it was important to be parsimonious with the state dollars entrusted to the institution. Biomedical research is the bedrock upon which the foundation of modern medicine rests. It also attracts the best and brightest students, faculty and physicians and acts as an economic engine. The American

18. Information Only-New Research Facility, Cancer Institute, UNR – (*Cont'd.*)

Association of Medical Colleges estimated that the direct economic benefit of biomedical research and health sciences institutions is approximately equivalent to one-half of all internet-related business. The University of Nevada, Reno is very highly ranked for its research efforts. Considering its small size, funding in terms of dollars per square foot or dollars per investigator in some departments ranges up to three times over the national average.

Dean McDonald stated this was an opportunity to take advantage of a novel private/public partnership. The Nevada Cancer Institute took a leadership role in devoting dollars to a developmental project to create a model for a new biomedical research building on the UNR campus. The model is a shared facility with investigators from the Nevada Cancer Institute working side-by-side with investigators from UNR on important biomedical questions. The funding is somewhat unique. The plan is to utilize indirect cost recovery from grants to offset the bond payment to build the building. Indirect cost recovered from grants would be totally committed to hiring new investigators, supporting graduate programs, and taking care of research from this point forward. Currently, space is extremely limited. There is no ability to expand. Dean McDonald requested Board support in recovering the 25% indirect cost recovery which currently goes into the general fund, and apply it specifically towards the purpose of building a new biomedical research structure on the UNR campus.

Dr. Murphy reported that the Nevada Cancer Institute's mission comprised bench to bedside, promoting research, and promoting cures. To achieve this requires partnerships and tapping into existing infrastructures. The Nevada Cancer Institute is committed to be the state cancer emphasis, which will require a north and south presence. This will allow the Institute to tap into existing research and academic infrastructures providing a logical partnership. He related that current National Institute of Health funding is reaching all-time lows, which is anticipated to continue until 2008-09. This creates a very competitive environment for grants. NIH wants the research conducted in the most efficient manner possible. Nevada will only grow and succeed in research by exhibiting synergy. A Reno presence will provide more accessibility to the northern Nevada Cancer Institute. Biotechnology investment is already starting to occur. He related that both the Institute and UNR would benefit from recruiting more talented faculty to educate students and graduate students. Dr. Murphy reported that the Nevada Cancer Institute was committed to having a Reno presence and a research program in Reno. He related that he heads the cancer immunology program. He felt that having a north-south interaction would benefit everyone. He related that UNLV, UNR, and the Nevada Cancer Institute would all work together in a true partnership. In order to accomplish this, more space is needed. Dr. Murphy's research brings in \$1.3 million per year, paying for thirteen people in a small lab. This will only grow by having the Nevada Cancer Research Institute establish a Reno research presence. He said it would establish a true private/academic partnership. Most of the leading research institutes in the United States are devoted to cancer. Cancer provides a unifying force that will tie together many different disciplines. He felt it was imperative to show support at a state level and that the partnership would be important for the state.

18. Information Only-New Research Facility, Cancer Institute, UNR – (*Cont'd.*)

Regent Dondero suggested Dr. Murphy take this message to the Legislature.

President Lilley said it was absolutely critical to persuade the governor to include the full recovery of indirect costs for UNLV, UNR, CCSN, and others. This makes possible further investments in research. He encouraged the Board to emphasize this project in their discussions with the governor. He said it was a \$10 million item for the biennium, which would bond new and remarkable facilities.

Interim Chancellor Rogers related that he would discuss projects such as this during the open session later in the meeting. He felt they were on top of it. He said they were spending a great deal of time working on the medical school and related items.

19. Information Only-Planning for New Computer Management Information System, UCCSN - Interim Vice Chancellor for Technology, Becky Seibert, briefed the Board on an initiative under discussion with the UCCSN institutions to replace the existing computer management information systems (*SIS, Advantage II, and Human Resources*) with an integrated Enterprise Resource Planning System (*ERP*) (*Ref. N on file in the Board office*).

Interim Vice Chancellor Seibert reported that challenges such as Nevada faces require reliable information. The System's current information system does not have the capability of managing UCCSN. The management information systems are 10-15 years old and are housed in silos. Financial, student, and personnel information reside in different databases, working under different software programs, and do not exchange information. In order to make management decisions, one must extract data from the silos, assemble it, and conduct an analysis. This requires money and time, and is so awkward, that often it does not occur. Additionally, the System is missing vital functionalities (*i.e., automation in hiring processes, a modern budget system, and the ability to tract student and employee information across campuses*). The Legislature has noticed these inadequacies. A report from the AB 203 Committee to Evaluate Higher Education will be heard later in the meeting. Vice Chancellor Seibert shared a small excerpt from that report indicating that the UCCSN should address inadequacies related to information data systems. Systems capabilities should be improved to provide longitudinal tracking of students' progress. Tracking should include all stages of a student's or graduate's progress, including education (*K-12 and UCCSN*), and employment by specific occupation. The consultants observed that Nevada has outdated policies and capacities related to information data systems. The data systems at UCCSN are inadequate to the task of determining costs associated with UCCSN programs and the actual savings that could be made available with reallocation. The consultants observed that the data resources needed to deal with the planning, finance, and accountability issues at the System are not readily available at the System office. They can be obtained only by making special requests of each institution and compiling the results.

Vice Chancellor Seibert related she had spoken with all of the presidents, System officers, student information officers, business officers, human resources officers, and chief technology officers on every campus. The plea is the same from everyone: "*Give us access to better information. Our ability to manage depends upon that*". Discussions have

19. Information Only-Planning for New Computer Management Information System, UCCSN – (Cont'd.)

also been initiated with faculty and students to identify how this information problem affects them.

Vice Chancellor Seibert reported the System was looking into Enterprise Resource Planning systems (*ERP's*). ERP means that resource planning for any enterprise (*student, financial, and personnel information*) should be supported by an integrated system that provides standard data definitions and standard business processes. This will be very expensive. It could cost up to \$100 million, take several years, involve unbelievable work from all campus personnel, and will modify almost every business process currently in place. In addition to hardware and software costs, there will be costs associated with training, consulting, the changing of business processes, and the effort it will take on every campus to maintain current systems while new processes are implemented. It will likely require hiring many people.

Due to the size and scope of the project, a needs assessment has been initiated, which will likely extend through Spring 2005.

Goals:

- • Document the requirements for integrated data and functionality, and prioritize.
- • Build a consensus about what is needed to meet the needs of the diverse institutions while maintaining some standards and common data definitions.
- • Create a credible business case for change justifying the amount of money and effort.
- • Lay the groundwork for selecting the product that best fits our needs.

If the project remains on schedule, staff will return next Summer with a recommendation that will, hopefully, carry the chancellor's and the presidents' blessings. The Board's decision will impact every part of UCCSN and will make a huge difference in the ability to take the System forward into the future.

Regent Seastrand noted the importance of this project. He observed that the AB 203 report discussed outdated MIS systems, which he felt was an understatement. He felt the systems were closer to archaic. He acknowledged the cost of the project, adding that they would be unable to find that money from the campuses. He said the Board would need to sell the concept of changing the management systems with UCCSN at the legislative and, possibly, the private level. He said they would need to find a way to fund the changes. He felt this was such an important part of doing business and that UCCSN is so inadequately capable at this time that they need to act as quickly as possible. He felt there should be some oversight and support from the highest possible level. He recommended the creation of a technology task force which would be responsible for the search for a Vice Chancellor of Technology and perform the oversight of the replacement of the System-wide computer management information systems. He volunteered his services. Chair Anthony agreed, noting that Regent Seastrand would be the task force chair. Chair Anthony asked interested parties to contact Regent Seastrand.

19. Information Only-Planning for New Computer Management Information System, UCCSN – (Cont'd.)

Regent Seastrand clarified that the task force would conduct the search for the vice chancellor and would provide the oversight for the transfer from the current management systems to the new.

Chair Anthony asked whether the search for a vice chancellor had started. Assistant Chancellor Larson replied they had not. Since a search is also being conducted for a chancellor, it was felt that, often, it can be beneficial for the chancellor to have input into the hiring of their vice chancellors. She felt that an argument could be made to get the search for this position started earlier since the System was facing such challenges. Chair Anthony asked Assistant Chancellor Larson to work with Regent Seastrand to start the process.

Regent Sisolak noted a point of order, stating that Board discussion had strayed from the agenda item. Assistant Chief Counsel Nielsen agreed, stating that discussion had moved beyond the scope of the item. The agenda item was just to receive information about the beginning stage of this process. Certainly forming a task force to assist in that would be within the discretion of the Chair. She felt that discussing the search at this point would be better left to staff and was not within the scope of the agenda item.

Regent Dondero asked how long it would last. Vice Chancellor Seibert replied that updating was an ongoing effort. She related that the needs assessment would last through the spring and come before the Board in the summer. An RFP would be initiated in the summer to search for the right software company. A broad representation from every campus, the Regents, and System Administration will participate in the selection. One or two applications will be implemented at a time. The student information system is very large. She estimated a 3-4 year process. If a good company is selected, it will support the System in an ongoing manner. She related they would always have a contract with a vendor for updates. It is hoped that what is selected will last a long time into the future. She estimated that the same conversation would be occurring in 10 years or sooner.

Regent Rosenberg stated that faculty could not access information that allows them to advise students as effectively as they could if the information were available. He asked whether that could be the first priority. Vice Chancellor Seibert and Chair Anthony replied that the task force would decide. Regent Rosenberg asked whether the cost could be paid over a period of time. Vice Chancellor Seibert replied that it could. The cost for hiring new people at every campus to implement new the systems would need to be funded in another manner. They hope to issue an RFP next Summer, which would mean an appearance before the 2007-09 Legislature. She said they may have to reallocate funding. The presidents have indicated they can't wait this long. There has to be work performed in the interim. Development is necessary on current systems. Some of the presidents have initiatives for individual development. System Computing Services will do as much as possible in a System-wide manner so that everyone benefits.

Regent Seastrand asked about consulting agreements. Vice Chancellor Seibert replied that they began the process only looking at the human resources system. IBM Consulting Services was hired to perform the HR assessment, which started this week and is

19. Information Only-Planning for New Computer Management Information System.
UCCSN – (Cont'd.)

expected to last for 8-weeks, at a cost of approximately \$167,000. An RFP will be issued in the coming weeks for a consultant to continue the assessment process, including the student and financial portions, in addition to what was discovered during the human resources consulting. Regent Seastrand asked whether the first contract had been signed. Vice Chancellor Seibert replied that it was. Regent Seastrand asked about the value of the second contract. Vice Chancellor Seibert replied it would be between \$300,000-\$400,000. She said it was a huge undertaking for consultants. Regent Seastrand recommended that the task force discuss that particular item to provide input before the second RFP is released. Chair Anthony agreed.

Chair Anthony recognized Senator Townsend.

20. Approved-Report on Legislative Committee to Evaluate Higher Education Programs (AB 203) – Deferred from the August meeting, Regent Jill Derby presented information on the outcome of activities of the Legislative Committee to Evaluate Higher Education Programs (*AB 203 of the 2003 Session of the Nevada Legislature*). The presentation included a summary of the recommendations adopted by the Committee and bill drafts requested to that end.

Regent Derby reported that the recommendations from the AB 203 Committee would have long-range impact on the System. In the 2003 session of the Nevada Legislature, Speaker Perkins introduced legislation designed to review the state's public higher education system, particularly in the context of looking forward to the economic development needs of Nevada. The intent was to review what is currently in place and what needs to be in place, given where Nevada needs to go in terms of its economic progress and development. The committee included twelve voting members (*3 Senators, 3 Assemblymen, 3 Regents, 3 general public*) and four non-voting members.

AB 203 Committee Charge:

- • Examine and evaluate the need for existing and potential higher education programs to ensure the economic development and progress within the state and to ensure that students' educational needs are met.
- • Identify areas of high priority where needs are not currently met.
- • Determine the feasibility of reallocating resources within institutions.
- • Determine efficient distribution of funds internally at each campus.

- • Recommend actions to the Board of Regents and Legislature.

A consortium of well-known consultants was hired to perform an analysis of the state's current situation and future directions for the higher education system to support the state's goals for economic development and progress.

Issues facing Nevada:

- • Accommodating Growth – the state has a large potential for growth in the age cohort that would be attending college if capacity was available.

20. Approved-Report on Legislative Committee to Evaluate Higher Education Programs (AB 203) – (Cont'd.)

- • The Education Pipeline – getting more students through the system starting in the 9th grade and completing through high school and college.
- • Workforce for the Future – technology information to workers and adult literacy will affect the economy of the state as the state becomes more diversified, especially considering the population of young people who do not graduate from high school.
- • Workforce Needs – responding to the needs of the state's workforce (*teachers, nurses, and other health care professionals*).
- • Economic diversification – increasing capacity and competitiveness in research.

Peer institution comparison findings of the consultant:

- • Nevada institutions are generally funded at appropriate levels (*except CCSN*).
- • UCCSN institutions appear to be allocating funds in appropriate ways.
- • Faculty salaries are very competitive, especially at UNR and UNLV.
- • Faculty are not tenured at abnormally high levels.
- • Student/teacher ratios are relatively low, and each campus has an inventory of small programs that can be reviewed.
- • Of the students enrolling in higher education as freshmen, particularly at the community colleges, relatively low percentages exit with credentials.
- • Nevada has efficient campuses, but a high-cost system.

Summary of adopted recommendations:

- • 24 formal recommendations adopted and one bill draft requested.
- • Bill draft requested – establish a new interim committee, the Committee to Advance Higher Education in Nevada, to assist in the promulgation of the adopted recommendations.
- • Limit enrollment at the universities and create four-year program capacity at baccalaureate institutions.
- • As a general rule, avoid four-year programs at community colleges. Recognizing that there may be circumstances where such four-year programs could be justifiable
- • Develop and reach agreement on a strategic-level financing plan for Nevada's higher education system.
- • The UCCSN should develop internal reallocation recommendations prior to the 2005-07 interim for further consideration and address high priority areas such as the health care and teaching professions.

Regent Derby reported that to address the financing concerns expressed by consultants, the Committee recommended that the Board of Regents and the Legislature, under the leadership of the chancellor's office, develop and reach agreement on a strategic level financing plan for the higher education system of Nevada. The financing plan should address several issues, including devising a strategy for accommodating growth; creating a performance funding pool to provide incentives to address the leaky K-16 pipeline; establish minimum funding levels to fulfill institutional missions; evaluating shares of institutional budgets that will be born by the state and by the students; and creating a

20. Approved-Report on Legislative Committee to Evaluate Higher Education Programs (AB 203) – (Cont'd.)

statewide, need-based financial aid program. Additional graduates are needed in the teaching and health care professions. In the area of teaching education, the issue is more one of creating student interest than one of expanding enrollment capacity. Additional capacity is needed to produce more graduates, particularly in the areas of medical laboratory technicians, pharmacy technicians, radiological technicians, respiratory therapy, and dental hygiene. The one program not in the UCCSN current inventory for which data indicates a need is pharmacy (*approved at the previous Board meeting*). The Committee recommended that the UCCSN develop reallocation recommendations prior to the 2005-07 interim period for further consideration. Specifically, the UCCSN should address high priority areas such as the health care field. Furthermore, efforts should be expanded to attract students to the teaching profession where sufficient capacity exists. The Committee suggested expanding non-traditional teaching program course offerings (*i.e., night and weekend courses*). Another committee will be formed of similar composition, with five Regents participating.

Regent Whipple asked how Nevada compared to other states regarding too many students attending the research institutes. He noted that other states have private research institutes. Regent Derby replied that all of the peer institutions reviewed were other public institutions. Nevada is one of five states with the highest proportion of students channeled through a university rather than other

levels. She did not believe that private institutions had been considered. Regent Whipple felt it could be misleading because there are not many states that do not have a private institution. He noted that students in Nevada only had a few choices. Regent Derby replied that the consultants underscored the importance of state colleges as a way of lowering the cost to the state.

Regent Whipple thought that UCCSN currently has need based scholarship programs. Regent Derby replied that UCCSN has targeted a certain amount of the tuition increase for need-based aid. There is no statewide program supported by general funds. Regent Whipple asked about the benefits of providing a statewide need-based scholarship program. Regent Derby replied that UCCSN has a limited amount and compares very low to other states in that area. In other states the money is provided from the state's general fund so more students are able to take advantage and attend. Regent Whipple observed that the Board would need to work in conjunction with the Legislature.

Interim Vice Chancellor Chairsell reported that the *Measuring Up* report indicated that Nevada is considered a very high-cost state for education in spite of low tuition because we do not have need-based financial aid. She suggested that when discussing indirect cost recovery, it would behoove the governor to balance the Millennium Scholarship with a portion of need-based financial aid for the state. Regent Whipple clarified that UCCSN has need-based scholarships available, though not enough. President Lilley observed that the scholarships were not statewide. Interim Vice Chancellor Chairsell stated that the funds did not come from the general budget, but rather from a portion of increased fees and tuition. Regent Whipple established that those funds were institutionally based.

20. Approved-Report on Legislative Committee to Evaluate Higher Education Programs
(AB 203) – (Cont'd.)

Regent Whipple felt the suggestion concerning internal reallocation indicated that more time and resources should be invested in professions in which the state needs. Regent Derby stated that the findings indicated that UCCSN has a wide variety of programs offered as compared with the student body size. They recommended there are programs that could be reviewed and given priorities. Regent Whipple observed that a previous mandate to double the nursing capacity had been incorporated into the budget request. Regent Derby explained that part of the charge of this committee was to avoid this committee coming forward with a huge price tag, but to look at what was already available; hence the recommendation for reallocation. She said the recommendation considered no new allocation of funds. Regent Whipple asked how the Board should address this. Regent Derby replied that the Board has a program review process in place.

Mr. Tyler Trevor, Assistant Vice Chancellor, Academic Affairs-System Administration, felt the basis was in place with the master plan, which gives the campuses the general guidance directing them to create strategic plans that incorporate their academic master plans, which incorporate labor market research, as well as input from faculty and students. Regent Derby said it was something that is already being done, but they were asking UCCSN to do it more. Regent Whipple observed that it represented more of a resolution or intent. Regent Derby agreed.

Vice Chancellor Chairsell related that this underscored the importance of the program review process, which occurs every five years. Regent Whipple suggested that programs could be reviewed more often. Regent Derby said she would bring the suggestion forward at the next ARSA Committee meeting. Vice Chancellor Chairsell observed that new programs are reviewed in the 1st, 3rd, and 5th years of operation. She thought that a better timeframe could be developed.

Mr. Trevor felt it was critical to review the output of programs rather than the input. Thus far, the input has been exclusively reviewed (number of students enrolled, headcount, initial budget). He related that it takes time to develop the outputs and achieve the outcomes. He said it was at that level that the most information was gained.

President Lilley observed that the institutions reallocate funds every year. A report could be provided on an annual basis.

President Lucey stated that every president supports resource reallocation. The major issues in resource reallocation decisions involve how much can be learned from the program review data. It would be very useful for campuses to have access to system level reports that identify the total cost per FTE in every program and compare that cost to other institutions. That is the kind of information that is available from a system-wide database that is currently not available. Institutions want to know well ahead of time that a program will need to be closed and reallocate tenured individuals to other areas.

Regent Sisolak noted a point of order, observing that the discussion had strayed from the agenda. Assistant Chief Counsel Nielsen stated that the scope of this agenda item was extremely broad. She noted that a series of recommendations had been brought forward.

20. Approved-Report on Legislative Committee to Evaluate Higher Education Programs
(AB 203) – (Cont'd.)

The discussion about resource reallocation relates specifically to one of the recommendations, which she felt was appropriate.

Regent Dondero moved approval of the Committee recommendations and acceptance of the report. Regent Seastrand seconded.

Regent Seastrand observed that the money that is spent at the end of the year (*rather than returned to the state*) could potentially be saved to start a statewide needs-based program.

Regent Hill asked whether there were other aspects contributing to a high-cost system other than enrollment in research institutions. Regent Derby replied there were none that she recalled. She noted that it included all the costs associated with it (*i.e., professor's salaries*). Senior Research Analyst, Ms. Crystal McGee, replied there may be, however, the consultant focused his research on enrollment patterns at the System level.

Regent Dondero observed that many states with need-based scholarships require the students to remain in the state to work.

Motion carried. Regents Alden, Bandera, Howard, and Kirkpatrick were absent.

The meeting recessed at 11:18 a.m. on Friday, October 15, 2004, and reconvened at 11:33 a.m. with all members present except Regents Alden, Bandera, Howard, and Kirkpatrick.

Assistant Chief Counsel Nielsen acknowledged and introduced Deputy Attorney General Neil Lombardo, who was asked to participate in the two personnel sessions scheduled. The first personnel session was withdrawn. It was noted on the agenda that this personnel session may be held in open session if a motion is not made to go into closed session. She related that the chancellor had suggested this occur in open session. If no motion is made to go into closed session, the Board would proceed in open session. Assistant Chief Counsel Nielsen then discussed the scope of the item. Under Nevada law, a meeting can be held to consider the character, alleged misconduct, professional competence or physical or mental health of an individual. The focus of this session must address the performance of the chancellor.

21. Information Only-Personnel Session, Chancellor James Rogers - Regents Marcia Bandera, Linda Howard, Tom Kirkpatrick, and Brett Whipple requested that a personnel session be held concerning Chancellor Rogers.

21.1 Open Session – An open personnel session was held regarding Chancellor Rogers, in compliance with and for the purposes set forth in NRS 241.030 (*"closed meeting to consider character, alleged misconduct, professional competence or physical or mental health"*).

21.1 Open Session – (*Cont'd.*)

Regent Whipple recalled that when Chancellor Rogers first took office, a major concern was private financing. He noted that Chancellor Rogers had addressed some of the political controversy that has existed. He asked for the chancellor's input regarding where the System is now and where they should go for the remainder of his term. Chancellor Rogers replied that he had been very involved at UNLV and NSC, even serving as NSC's first Foundation chairman. He said he was well aware of what was supposed to have been done there over a period of years, the problems they had in the Legislature, and the problems they had with initial fundraising. He proposed the capital campaign at UNLV, sending President Harter a proposal for raising between \$450 and \$500 million. At the time he was concerned about the Systems' and Regents' reputation in the private sector because that was where he was going to try to raise funds. There is a natural suspicion on behalf of academia regarding what occurs in the corporate board room. There is also a natural suspicion in the corporate board room, when dealing with shareholder funds, about what happens in academia. He said he accepted the position because he wanted to bring the private and public sectors together. Prior to taking this job, he had discussed a \$150 million donation in southern California for the medical school. He said there were questions about the functioning of the entire System, as well as the relationship between UNR and UNLV. When taking the job, he did not intend to practice law for the next four-five months. Those issues have been resolved. He has the feeling that the private and corporate communities are both more comfortable with what is going on at the university system. There has been some feeling that he has been rather independent in his approach. He related that his independence was his only credibility when approaching the private sector for donations. He felt it was important for him to maintain that independence. Chancellor Rogers said that he was very comfortable with where we are now and what needs to be done moving forward. He related that President Lilley, Dr. McDonald and the chancellor have made a few trips to southern California to discuss the medical school. In the discussions, they have been asked about the relationship between UNR and UNLV. He said he was pushing hard to complete an agreement between UNR and UNLV for a joint program (*Nevada Cancer Institute*).

One of Chancellor Rogers' great concerns has been NSC. When he was the original Foundation chair he was aware that certain representations were made to the Board about the money that could be privately raised in southern Nevada for the development of the school. He left that Foundation when he believed that it was impossible to get seed money for a start-up college or university. Simultaneously, he has taken the position that UNR and UNLV cannot rise to what they ought to be so long as there is no state college to accept those students who are not totally qualified for a 4-year research institution. In an appearance before the State Public Works Board he explained that he could not raise money for NSC at this point. If the state were to provide the \$9 million, he felt it would help the System raise \$200-\$300 million for UNR and UNLV to become what they are to become. He has also spoken with the

Governor and legislative committees regarding this. He said that NSC is central to the future success of the

21.1 Open Session – (Cont'd.)

System. He said he was constantly reminded that he tends to talk more about the universities and state college and to omit the community colleges. He felt the community colleges were also important. He views no difference amongst any of the institutions, adding that they were all necessary in order to make this a first-class system.

With respect to CCSN, which sorely lacks facilities, Chancellor Rogers and Vice Chancellor Neel have met with several private contractors in Las Vegas trying to develop public/private partnerships where a private company would build a building to be repaid over time. He related they need to develop an income stream. Thus far, they have been unable to identify an income stream that is adequate to amortize a project of this magnitude. He said that he talks with at least one major contractor every week who has a proposal and an idea for doing the same. While in Tucson, he met with a former U.S. senator who offered to arrange a meeting with the Arizona chancellor to discuss the development of separate financing sources. The City of Phoenix is preparing to issue \$100 million in bonds to pay for construction of new buildings. In discussing this model with President Harter, she related that the state of New York employs a ratio for providing funds: one-third from the students, one-third from the local cities, and one-third from the state legislature. He acknowledged a general reluctance by any elected official to discuss taxing individuals or students. Chancellor Rogers said that he has no political aspirations. He, Chair Anthony, and Vice Chair Derby will meet with the chancellor of the Maricopa County System in Phoenix to see what can be accomplished. He said he was very comfortable at this point with where the System is. He hoped that 95% of his time in the future would be spent raising money. The previous day's vote by the Board to allow the Foundation to supplement President Harter's salary will create a new wave of participation by foundations in the state. State universities across the country are relying more and more on private funding. Berkley law school has announced that it will become an independent, private law school. Chancellor Rogers said that more contact with the private sector was required. They will need to make the private sector feel comfortable with what we do, without abdicating the operation of the UCCSN.

Upon leaving the chancellor's office, Chancellor Rogers hopes to continue raising funds for the System. He anticipates participating in both UNLV's and UNR's capital campaigns.

Assistant Chief Counsel Nielsen stated that Chancellor Rogers' comments were in the nature of a self-evaluation and a report of his performance.

Regent Whipple commended and thanked Chancellor Rogers. He expressed his appreciation for the chancellor always making time to speak with each of the Regents, adding that communication was so important. Chancellor Rogers related that he has shared his home telephone number with each Board member. He acknowledged that he is a bit of the "Lone Ranger"-type and apologized. He said

21.1 Open Session – (Cont'd.)

that he was available to communicate to the extent they felt necessary.

Regent Derby asked about the arrangement made with lobbyists. She related that Chancellor Rogers had generously offered to contribute to the salary. Concerns have been raised about whether this would be his personal lobbyist and whether the Board has the assurance that these people will be advocating for System goals and the Board-approved budget, and not a separate agenda. Chancellor Rogers replied that all of his companies were regulated by the federal government. He related that he interviewed Mr. Josh Griffin, Mr. Tim Crowley, and Mr. Gene Porter. He found that it required all three of them to complete the package. They felt that a \$120,000 contract for one of them would be palatable for the state, but that he would suffer the wrath of the *Review Journal* for hiring a second individual. He offered to provide \$120,000 if the System also contributed \$120,000. They agreed amongst themselves there would be a \$120,000 contract between the chancellor and Mr. Crowley and Mr. Griffin, and that Chancellor Rogers would pay Mr. Porter \$120,000 separately. It was suggested that he enter into a contract with all three lobbyists for \$240,000 and he contribute \$120,000 toward the contract. He said he was not concerned with the form, but rather with the substance. He said that none of the lobbyists would represent him, adding that he had nothing before the Legislature and that he did not have his own agenda. He has agreed to rework the agreement so that those three people are included in the agreement and he will fund half of it.

Regent Hill said he wanted to talk about the chancellor's role, performance of his duties, responsibilities to the Board, and management of UCCSN. He stated that Chancellor Rogers had sent a couple of letters that caused some people to be distressed. He said he was unsure whether he agreed or disagreed with approximately 20% of what was stated, because he was uncertain that he understood the full ramifications of the chancellor's statements. Regarding the 80% that he did understand, he felt that Chancellor Rogers was 100% correct. The System has serious managerial problems. The biggest problem is with the chancellor. The Board gives the chancellor authority to do things and tells him that he is in charge, yet they don't provide the necessary tools. He was specifically referring to the chancellor's relationship with the presidents. He felt that the chancellor required the authority and the power. A real boss does not ask a committee for permission to discipline an employee. In the board rooms of corporate America, the board hires the corporation president. He asked how many times that board would also manage the vice presidents of the corporation. Chancellor Rogers said it had never happened with anything in which he had been involved. Regent Hill acknowledged the need to be sensitive to various constituencies. He said they should be concerned about people having input from all areas. He felt they had a real issue.

Since he has been on Board, there have been four chancellors (*2 permanent and 2 interim*). The two permanent chancellors both left. There were lobbyists involved in those issues. At the December meeting, he would like Chancellor Rogers to propose a structure for the relationship between the chancellor and the institution presidents that is

21.1 Open Session – (*Cont'd.*)

functionally workable from a managerial point of view. He felt this was the opportunity to restructure this, adding that it had been a major concern for quite some time.

Chancellor Rogers related there was difficulty in having this authority dissipated over such a great area. This Board cannot be involved in drop-in management; it does not work. Regardless of how slow the world perceives academia to move, he runs hard every day just to keep up. There are always different problems, there are 100,000 students, there are eight institutions and the Board needs someone to coordinate all of the efforts. He said there is great inefficiency in duplication and in going separate ways when efforts are not coordinated. He said he had probably used the wrong terminology when saying the Board was reluctant to give up some of its power and entrust it with the chancellor. A better way to describe it would be to encourage the Board to extend its power to the chancellor for the day-to-day operations. This would get the Board much further than they are now. If the Board continues to meet on a monthly basis and retains sole power they will never make it.

Chancellor Rogers revealed that was a feeling from the private sector that the Board should be appointed. After extensive review, he has concluded that he does not object to an elected Board. He also did not care about the number of Regents on the Board. If a Board of this size cannot meet more often than they do now, and are restricted by the Open Meeting Law, the Board will require a mechanism for the Board to deal with its chancellor (*for advice, history, etc.*). He related that he speaks often with Regents to gain perspective on the history behind issues. He said that a communication system with the chancellor was necessary. He noted that he had asked the Board to consider establishing an executive committee. He felt that for the Board to move forward and be successful, they need to convince the private sector that they are efficient, the public sector that they are open, and that the Board places no restrictions on the chancellor from speaking with the news people. He said that he speaks with the press daily. He has a good relationship with the press. He trusts them and they trust him. He suggested the Board must do these things as they move forward. He felt that things had quieted down with the private sector and people were now comfortable with investing their money. He felt they were not concerned about the Board as they had been in the past. He said the private sector also believed that the chancellor must have the authority to hire and fire, carry out the Board's policy, as well as speak directly with the presidents. He said the Board could not tell what was going on with eight presidents reporting to thirteen Regents. From the outside looking in, it appears complicated. Business wants everything simplified. He said it was a good Board that could be faulted for not concentrating power in the last four chancellors.

Regent Whipple related that the Board Development Committee was in the process of discussing some of these same issues.

21.1 Open Session – (*Cont'd.*)

Regent Rosenberg stated that reactions by Board members to some of the chancellor's comments and memos had been somewhat strong; at times comparing the chancellor to Hitler. Regent Rosenberg said he would rather the chancellor speak with him privately than tell the world and have him read about it in the newspaper. The difference between academia and business is that academia is humanity-based. The differentiation is important. Shared governance involves taking multiple ideas into consideration. He acknowledged the importance for the public to have confidence in the Board. He worries about a president being able to speak frankly with the chancellor and not worry about being fired for insubordination. Regent Rosenberg observed that Chancellor Rogers would not be with the System beyond June and that the Board would hire a new chancellor. He felt that many times the Board makes the mistake of tailoring what it does and does not do to the specific personality of the chancellor. He said he would permit Dr. Nichols more latitude than he would Chancellor Rogers. Many of the Regents who requested this session were reacting to occurrences from 2-3 weeks prior. Many were frustrated and angry. He said what the chancellor was doing was fine and desperately needed. He said they all know they need money. He noted that Chancellor Rogers is not the development officer, but rather the chancellor carrying a tremendous amount of responsibility beyond raising money. Regent Rosenberg said that, when viewed individually, the institutions were doing fine. He said he wanted it to work well and that he was willing to listen to suggestions for how to make it better. He said he would rather hear them from the chancellor than read them in the newspaper.

Chancellor Rogers said he heard the message. In the environment that existed, with all of the litigation from the previous year, and the Board's relationships with the Legislature, the Governor, the public, the newspapers, and the private sector, having the chancellor call the Regents individually would not have solved the problem. That type of discussion would not have done anything to bridge the gap that existed between the Board and the rest of society in general. He thought that his own credibility (*50-year resident of the state and having given a lot of money to the institutions*) and willingness to contribute his own money would convince others to do the same. He felt it essential that he have that independence. He acknowledged that he may have to hurt the System just a little bit to bridge the gap between where they are now and where they want to go. He said he was satisfied that the bridge had been built. He feels very comfortable with all of the previous days accomplishments and his dealings with each of the presidents. He said he could not determine a way to use his credibility if he were reporting to Regents on the phone about what he thought. He felt the strategy had worked. He apologized for offending anyone. The real issue is where the System is and where it will be in 5-10 years. When his tenure

is over, he does not want to find that his accomplishments have slid backwards. He was hopeful the Board would not hire another chancellor and not provide them with the power, or hire a chancellor who will not exercise the power.

21.1 Open Session – (Cont'd.)

Chancellor Rogers noted that Regent Rosenberg is very suspect of the corporate board room. Chancellor Rogers acknowledged that he is known as a “hard-ass”. However, he has never had an employment agreement with an employee in over 40 years of business, yet he has long-term employees. He is not arbitrary or insensitive, nor is the corporate board room insensitive. The corporate board room is sensitive to its shareholders, which can be more demanding than the public-at-large. He said he could not afford to have employees who do not like him, who are dishonest, or with whom he is constantly fighting. He said that his employees would say that he is pretty easy to get along with, even though he always has his hand on somebody’s back; always pushing a little. The corporate board room is not what academia suspects and neither is academia what the corporate board room suspects. In order to move forward in a partnership, they need to learn a bit more about one another. In order to become a great university system, they will need to bring in private money like other successful universities have.

Regent Rosenberg said that Chancellor Rogers had referred to making things a little worse before they get better. He observed that they were handling something more precious than stockholders’ money. They are handling their children. He observed that the damage that he could impart could be bad, while the damage that the chancellor could impart could be disastrous. He asked that, as they learn more about one another, that they do it with one another and not play it out in the public. Chancellor Rogers said he did not disagree.

Regent Sisolak felt that the chancellor was a result-oriented individual, which was new to the academic world and this Board. He asked Board members to remember that they were discussing the present. But if they were to look at where they were when Chancellor Rogers was hired, a lot had been accomplished (*lawsuits, violations, controversy, litigation, and bad public perception*). He felt they had come a long way; though they had further to go. He felt the chancellor’s real talent lies in what is ahead (*fundraising, public/private partnerships*). He was happy the muddy road was behind them and that they were on a level road and could start getting some traction and moving forward. He said he appreciated what the chancellor had gotten the Board through. He felt they had a bright future. Chancellor Rogers agreed.

Regent Dondero agreed they had come a long way. She said they had employed a business approach to handling the money. She said she could appreciate that, because she felt it helped the Board a great deal to have that different approach. She said the Board has wonderful people to work with, wonderful presidents and faculty. Coming together in that manner is healthy for the entire System.

Regent Seastrand thanked Chancellor Rogers for taking on the role of chancellor, acknowledging that it had been a difficult situation. He felt that Chancellor Rogers personifies his philosophy for how the chancellor should operate and what should be done for the future. He said he believed in what the chancellor was

21.1 Open Session – (Cont'd.)

trying to accomplish with the Board relinquishing power to the chancellor. He appreciated that Chancellor Rogers is willing to learn and to be taught. He said he was not the type of person who cannot change his mind and look at what needs to be improved. He felt the chancellor could easily be very arrogant, but he found none of that in Chancellor Rogers. Regent Seastrand said that Chancellor Rogers was the most gracious person he had met. He appreciated that Chancellor Rogers had given up his personal time to help the Board reach the vision that he sees. Regent Seastrand said that he shares that vision.

Regents Sisolak and Whipple left the meeting.

22. Approved-Revised Academic, Research & Student Affairs Committee Recommendations– Regent Doug Seastrand reported the Academic, Research & Student Affairs Committee met October 14, 2004 and continued its discussion of the cost of textbooks and other instructional materials, and agreed to the creation of a committee to further investigate textbook issues. Regent Seastrand requested Board action on the following Committee recommendations:

- • New Program Proposals - The Committee recommended approval of the following new program proposals:
 - ✓ • Bachelor of Animal Biotechnology, UNR (*Ref. ARSA-3 on file in the Board office*).
 - ✓ • Doctor of Physical Therapy (DPT), UNLV (*Ref. ARSA-8 on file in the Board office*).
 - ✓ • Ph.D. Degree in the Discipline of Chemistry, UNLV (*Ref. ARSA-9 on file in the Board office*).
- • New Unit Proposals – The Committee recommended approval of the following new unit proposals:
 - ✓ • Latino Center (*UNRLC*), UNR (*Ref. ARSA-5 on file in the Board office*).
 - ✓ • Athletic Training Research Laboratory, UNLV (*Ref. ARSA-6 on file in the Board office*).
 - ✓ • Center for Mathematics and Science Education, UNLV (*Ref. ARSA-7 on file in the Board office*).
- • Handbook Revision, Developmental and Remedial Education – The Committee recommended approval of a revision to the *Board of Regents Handbook (Title IV, Chapter 16)* concerning placement into and completion of developmental/remedial coursework (*Ref. ARSA-10 on file in the Board office*).

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

23. Approved-Audit Committee Recommendations - Chair Douglas Roman Hill reported the Audit Committee met October 14, 2004 and received a follow-up response for one internal audit report presented at the March 2004 meeting. Mrs. Sandi Cardinal, Assistant Vice Chancellor, reported that the institution bank reconciliations are up-to-date. The Committee received an update on the Legislative Counsel Bureau audit. The Validity and

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

Reliability of Enrollment Data and Investment Policies audit reports that were presented to the Legislative Commission's Audit Subcommittee on September 22, 2004 were reviewed. The remaining audits of Construction, Hosting, Intercollegiate Athletics, Administrative Costs, and Faculty Workload will be presented to the Legislative Commission's Audit Subcommittee on December 7, 2004. Vice Chancellor, Finance, Mr. Buster Neel, reviewed reports received from Moody's and Standards & Poor's related to the UCCSN bond rating. The Committee requested three follow-up items for the December Audit Committee meeting. System Computing Services will report on the current status of the Disaster Recovery Plan. The LCB auditors will be requested to report on the total cost of the audit they performed under AB 148. A review of the request for an internal audit of UNR Parking Services during the Budget and Finance Committee meeting will be performed by the Internal Audit Department. Regent Hill requested Board action on the following Committee recommendations:

- • Internal Audit Reports – The Committee recommended approval of the following Internal Audit Reports (Ref. O on file in the Board office):
 - ✓ • Center for Academic Enrichment & Outreach, UNLV (Ref. A-2 on file in the Board office).
 - ✓ • Student Health Center, UNLV (Ref. A-3 on file in the Board office).
 - ✓ • Office of International Students & Scholars, UNLV (Ref. A-4 on file in the Board office).
 - ✓ • Office of International Students & Scholars, UNR (Ref. A-5 on file in the Board office).
 - ✓ • International Student Services, CCSN (Ref. A-6 on file in the Board office).
 - ✓ • UCCSN South File Server (Ref. A-7 on file in the Board office).
- • Audit Department Work Plan – The Committee recommended approval of the Internal Audit Department work plan for the year ending June 30, 2005 (Ref. A-9 on file in the Board office).
- • DRI Exemption – The Committee recommended approval of an exemption for the year ended June 30, 2004 from the audit requirements stated in Title IV, Chapter 10, Section 10, B1 for the DRI Research Parks, Ltd. Foundation.

Regent Hill observed that the uncertainty in personnel noted by Moody's was directly responsible for their unwillingness to upgrade the bonds.

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

24. Approved-Budget & Finance Committee Recommendations – Regent Douglas Roman Hill reported the Budget & Finance Committee met October 14, 2004 and heard the following reports:

- • History of the University of Nevada, Reno and University of Nevada, Las Vegas parking services self-supporting budgets for the past six years and discussion of

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

related issues raised by representatives of the State of Nevada Employees Association (SNEA).

- • State Operating Budget to Actual Comparison for fiscal year 2003-04.
- • State accountability, reconciling the fiscal year 2003-04 Board of Regents-approved state operating budget to the fiscal year-end actual revenues and expenditures.
- • UCCSN Fiscal Exceptions of self-supporting budgets for the fourth quarter of fiscal year 2003-04.
- • Self-supporting budget revisions for the first quarter of fiscal year 2004-05.
- • State supported operating budget transfers between functions for the first quarter of fiscal year 2004-05.
- • Institutional operational efficiencies implemented by the UCCSN campuses through fiscal year 2003-04 to increase productivity and thereby reduce waste and cost.

Regent Hill requested Board action on the following Committee recommendations:

- • Fiscal Year 2003-2004 Accountability Report – Board of Regents' Approved Budget to Actual – The Committee recommended approval of the fiscal year 2003-04 Accountability Report reconciling the Board of Regent-approved budget to the fiscal year-end actual revenues and expenditures (Bound Report on file in the Board office).
- • Handbook Revision, Special Course Fees, UNR – The Committee recommended approval of amending the “pass-through” special course fee for Alpine Skiing (Title IV, Chapter 17, Section 19). The fee was modified on August 20, 2004 by Diamond Peak Ski Resort. The Board approved amendments to the special course fees in March 2004 (Ref. BF-9 on file in the Board office).

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

Mr. Albert Carlson, SNEA and American Federation of State & County Municipal Employees representative, stated that they released an investigation two months ago regarding parking at UNR. He said they asked the Budget & Finance Committee to perform an audit. When they received the report they discovered that it was not an audit, that the report had hardly any information and was purely skewed. He said they provided the Committee an audit to prove that the report did not include any of the basic things like the scope of the audit, financial tests, review of policies and regulations, or whether the appropriate forms had been signed. He said they presented their findings to the Committee. He said the Board approved a budget for 2004 that overstated profits by \$2.5 million. He said the Board approved fee increases based on these numbers and that the Board violated its own policies when it did so. He said there were violations of financial and public disclosure regulations. He also claimed that the documents they had requested lack any of the required signatures. He felt the Board and/or the university had not taken

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

them seriously. He reported that they felt like they tried to come forward to resolve some of the issues and were not respected at all. He indicated that they would be requesting a legislative audit of the UNR parking system.

Regent Hill said there was a variance between his interpretation of what had just been said and what he believed actually happened. He said there was never a request for an audit during the August 29, 2004 Budget & Finance Committee meeting. He had no recollection of the request and the minutes did not reflect such a request. He noted there was an allegation of violation of policies. He said that he had not seen any documentation that would indicate there had been any violation of policies anywhere. He assumed they were referring to an administrative manual policy indicating that self-supporting accounts are intended to be break-even operations and not profit centers, and that revenues should be reviewed annually to assure that they are not only sufficient to cover the cost of operations and any necessary reserves. He felt they were not paying attention to the “necessary reserves” provision. The issue is on the parking fees and the amount of reserves, which had been fully explained. The need for reserves is for bonding and maintenance. He said that he explained to the SNEA representatives that, unfortunately, when they made the presentation they did not request an audit. Had they done so, he would have referred them to Internal Audit. He has asked Assistant Vice Chancellor, Mrs. Sandi Cardinal, to write a letter to SNEA asking them to provide any information of inappropriate conduct to the Internal Audit department. Should information be supplied that would justify an audit, he assured everyone present that an internal audit would be conducted. He said that no audit was requested until the previous day. He did not feel they had adequate information to justify an audit. He said he was very concerned when he read publications claiming that the Board violated the Open Records Act by denying SNEA access to public information. He said he had seen nothing to indicate that anyone had been denied access to public information. He noted that SNEA claimed that this followed an earlier violation by the director of parking services who provided false information. He felt that people should choose their words very carefully and that such words (*violation of Open Records Act, providing false information*) should not be used lightly. Regent Hill said that he had not seen a basis for any legitimate use of these words. He suggested that before people use these loose words, they should make certain there is a factual basis on which to base such statements.

Mr. Carlson stated that if they had conducted an audit the information would have been produced. Chair Anthony replied that SNEA would be receiving a letter from the Internal Audit department.

Motion carried. Regents Alden, Bandera, Howard, Kirkpatrick, Sisolak, and Whipple were absent.

25. Approved-NSC Presidential Search Committee Recommendations – Regent Jack Lund Schofield reported the ad hoc NSC Presidential Search Committee met August 24, 2004. Consultant Alberto Pimentel of A.T. Kearney reviewed the challenges of the search and the positive aspects. It was decided that Dr. Lois Becker would prepare a list of

25. Approved-NSC Presidential Search Committee Recommendations – (Cont'd.)

expectations for the candidates to be reviewed at the next meeting. The Committee also reviewed a draft presidential leadership statement and offered suggested changes. Members approved a list of publications of where to place the presidential advertisement. A calendar of future meetings was approved with the next meeting scheduled for October 27, 2004, at which time a list of semi-finalists will be presented.

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

26. Approved-Board Development Committee Recommendations - Chair Thalia Dondero reported the Board Development Committee met October 7, 2004 and discussed the need for an orientation for the new soon-to-be-elected Regents, but they would hope all the Regents would attend. The orientation will be held on Wednesday, December 1, before the regular December meeting. The Committee agreed to hold a follow-up workshop in March, focusing on ethics and civility. The Board Chair had charged the Committee with reviewing the role of the chancellor in preparation for the search for that position. The Committee members considered a report prepared for the Board of Regents in 1993 defining the role of the chancellor and the role of the Board. There was

general agreement on the majority of the report, with the exception of the hiring and termination of the presidents. Additional information was requested for a future meeting on this topic scheduled for November 3rd.

Regent Dondero moved acceptance of the report. Regent Rosenberg seconded. Motion carried. Regents Alden, Bandera, Howard, Kirkpatrick, Sisolak, and Whipple were absent.

27. New Business – Regent Rosenberg stated that Board members had received a letter from Ms. Jessica Muehlberg, UNR-GSA Student Body President, asking the Board to consider a Regents’ Scholar award for professional students. Ms. Muehlberg reported that in the last nine years that graduate students have been eligible for a Regents’ Scholar award as a group, 67% of those awards have been awarded to medical students. Medical students comprise 6% of the total pool at UNR. She proposed creation of a new award; a statewide professional Regents’ Scholar award (*medical students, law students, dental students, pharmacology students, possibly the students from the School of Public Health*). Regent Rosenberg asked that this item be included on the next Board agenda. Regent Derby suggested including it on the next ARSA agenda. Regent Rosenberg and Chair Anthony agreed.

The meeting adjourned at 12:44 p.m. on Friday, October 15, 2004.

Suzanne Ernst
Chief Administrative Officer to the Board