

TELECONFERENCE

BOARD OF REGENTS
NEVADA SYSTEM OF HIGHER EDUCATION
Nightingale Concert Hall, Church Fine Arts Building
University of Nevada, Reno
1664 North Virginia Street, Reno
Thursday-Friday, June 23-24, 2005

Members Present: Dr. Stavros S. Anthony, Chair

Mr. Mark Alden

Dr. Jill Derby

Mrs. Thalia M. Dondero *{via telephone June 24, 2005 only}*

Mrs. Dorothy S. Gallagher

Mrs. Linda C. Howard

Mr. James Dean Leavitt

Mr. Howard Rosenberg

Dr. Jack Lund Schofield

Mr. Steve Sisolak

Mr. Bret Whipple

Mr. Michael B. Wixom

Members Absent: Mr. Douglas Roman Hill

Others Present: Chancellor James E. Rogers

Assistant Chancellor Trudy Larson

Vice Chancellor, Legal Affairs Dan Klaich

Vice Chancellor, Finance & Administration Buster Neel

Interim Vice Chancellor, Academic & Student Affairs Chris Chairsell

Acting Vice Chancellor, Technology Becky Seibert

General Counsel Bart Patterson

President Richard Carpenter, CCSN

President Stephen Wells, DRI

President Paul Killpatrick, GBC

President Fred Maryanski, 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. Darren Divine, CCSN; Dr. Paul Verburg, DRI; Dr. Linda Uhlenkott, GBC; Dr. Francine Mayfield, NSC; Mr. Kurt Hall, TMCC; Dr. Clint Richards, UNLV; Dr. Leah Wilds, UNR; Mr. Richard Kloes, WNCC; and Ms. Kathryn Weiss, System Administration. Student government leaders present included Mr. Cory Drumright, CCSN; Ms. Robbi Phillips, GBC; Mr. Anthony Filippo, NSC; Ms. Alanna Stewart-Bell, TMCC; Mr. Peter Goatz, UNLV; Mr. Frederick Krauss, UNLV-GPSA; Mr. Jeff Champagne, UNR; Mr. Ed Johnson, UNR-GSA; and Ms. Elizabeth Contreras, WNCC.

Board Chair Stavros S. Anthony called the meeting to order at 8:05 a.m. on Thursday, June 23, 2005, with all members present except Regents Derby, Dondero, Hill, and Sisolak.

1. Oath of Office – The Honorable Procter Hug Jr. administered the oath of office to Mr. Michael B. Wixom,

the Governor's recent appointment to replace former Regent Douglas R. Seastrand.

2. Information Only-Personnel Session, President Stephen G. Wells – The Board conducted a personnel session concerning DRI President Stephen G. Wells.

2.1 Approved-Moving to Closed Session – The Board approved moving to a closed personnel session regarding President Stephen G. Wells, 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"*). Evaluation committee chair, Dr. Robert Gagorian, presented a report on the periodic presidential evaluation conducted on DRI President Stephen G. Wells June 1-2, 2005.

Regent Rosenberg moved approval of moving to a closed personnel session. Regent Schofield seconded. Motion carried. Regents Derby, Dondero, Hill, and Sisolak were absent.

The meeting recessed at 8:11 a.m. (*for a closed session*) and reconvened at 8:48 a.m., on Thursday, June 23, 2005, with all members present except Regents Dondero and Hill.

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

Regent Alden thanked Dr. Gagorian for an excellent evaluation, and acknowledged Regents Gallagher and Whipple who served with him on the evaluation committee.

Regent Sisolak asked whether Regent support for the China trip had been planned and was sponsored by the institution. President Wells replied that DRI had planned the trip to sign a memorandum of understanding with the Chinese Academy of Sciences Hong Kong Polytech and the Xian museum staff for the terracotta soldiers. President Wells had invited the Board Chair and Vice Chair to join him as part of DRI's delegation. Vice Chair Derby accompanied him on the trip. He said he would like to include other Regents for future opportunities. Regent Sisolak established that only two Regents were invited and asked who paid for the expenses. Regent Derby explained that she paid for all of her own expenses. President Wells stated that DRI paid for staff expenses.

Regent Derby stated that she was delighted to have participated, adding that having a Board presence in DRI's delegation had added a positive aspect. The Chinese delegation included representatives of the cultural ministry and education. It was an important initiative for them. Regent Sisolak stated that he had been unaware of the trip until it was mentioned during the evaluation.

2.2 Information Only-Return to Open Session – (*Cont'd.*)

Regent Rosenberg observed that he had been unaware of the trip and would love to have gone. He encouraged President Wells to notify other Board members about such trips in the future. President Wells agreed to do so.

Chair Anthony stated that President Wells was doing a great job and that the System was honored to have him.

Regent Gallagher noted that most of the people interviewed from DRI had expressed grave concern that President Wells may be working too hard, taking on too much, and that they were afraid he would burn out. Concern was expressed about hiring someone with whom he could share some of the workload. Regent Gallagher commended President Wells for an excellent evaluation.

Regent Schofield recalled seeing China while serving with the Flying Tigers during the war. After the war, the Flying Tigers were invited back to China. It was an eye-opening experience to see how China had progressed from its devastated state. He expressed a desire to return to China and asked President Wells to notify Board members about any return trips. President Wells agreed to do so.

Regent Sisolak agreed that President Wells was doing a great job and that he was an asset to the System. He recalled enjoying a ride with DRI scientists to measure particulate and expressed an interest in participating in

such opportunities again in the future. President Wells felt that was an excellent idea and that he would attempt to involve two-three Regents in future experiments.

Regent Derby felt the System was extraordinarily fortunate to have Dr. Wells serving as DRI's president. She complimented his leadership efforts in extending DRI's international reputation. She related that the China project is a large one that has been identified as one of the world's cultural heritage sites. DRI's participation as a collaborative agency with the Chinese scientists brings much prestige to Nevada. She felt he has done an awesome job.

Chair Anthony suggested recessing the regular meeting for committee meetings. Regent Alden asked why the regular meeting could not continue at this point. Vice Chancellor Klaich explained that the meeting had been noticed in this manner. Regent Sisolak asked whether meetings could be noticed in a more liberal manner providing more flexibility in the future. Vice Chancellor Klaich agreed to discuss the matter with the Attorney General.

The meeting recessed at 8:58 a.m. (*for committee meetings*) and reconvened at 1:05 p.m., on Thursday, June 23, 2005 with all members present except Regents Dondero and Hill.

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

3. Introductions – President Carpenter introduced CCSN Student Body President, Mr. Cory Drumright, Faculty Senate Chair, Dr. Darren Divine, and Director of Diversity, Ms. Debra Lopez.

President Ringle introduced TMCC Faculty Senate Chair, Mr. Kurt Hall, and thanked outgoing senate chair, Ms. Bridgett Boulton. He also introduced Mr. Ted Plaggemeyer, Dean, Math, Science, Engineering & Technology-TMCC.

President Killpatrick introduced GBC Faculty Senate Chair, Dr. Linda Uhlenkott, and GBC Student Body President, Ms. Robbi Phillips.

President Lucey introduced WNCC Student Body President, Ms. Elizabeth Contreras, and Vice President Helaine Jesse who will be attending the Audit and Budget & Finance Committees through next fall.

President Maryanski introduced NSC Student Body President, Mr. Anthony Filippo.

President Wells introduced DRI Faculty Senate Chair, Dr. Paul Verburg.

President Lilley introduced UNR Faculty Senate Chair, Dr. Leah Wilds; Student Body President, Mr. Jeff Champagne; GSA President, Mr. Ed Johnson; and his new assistant, Dr. Janet Rogers.

President Harter introduced UNLV Faculty Senate Chair, Dr. Clint Richards, and Student Body President, Mr. Peter Goatz.

Vice Chancellor Chairsell introduced Mr. Neil Woolf, Research Analyst-System Administration.

Acting Vice Chancellor Seibert introduced System Administration Faculty Senate Chair, Ms. Kat Weiss.

4. Chair's Report - Chair Stavros S. Anthony discussed his past two years as Board Chair and related matters.

Chair Anthony said it was difficult to believe that two years had passed since his election as Board Chair. He felt the Board had accomplished many things for higher education and the state. The Board approved a new value statement, realigned the goals, renamed the System, two world-class student union buildings are being erected, and Nevada State College is on firm foundation. This was all accomplished with the help of many people. He

expressed his appreciation to those who helped him as Board Chair. He recognized Board Vice Chairs Marcia Bandera and Jill Derby; and Regents Schofield and Whipple, who were elected at the same time as he and have since become his best friends. He was especially thankful for Chancellor James Rogers and his leadership. He thanked Vice Chancellors Chairsell, Neel, Seibert, and Klaich. Chair Anthony felt that Nevada has the best presidents in the country, who are concerned about what is best for the System and its students. He was proud of extending the contracts of Presidents Lilley, Harter, Killpatrick, and Ringle. He was also proud about hiring Presidents Maryanski and Carpenter. He expressed his gratitude to the student body presidents, faculty senate

4. Chair's Report – (Cont'd.)

chairs, and former TMCC Faculty Senate Chair, Ms. Boulton. He said he was proud to have worked with Chief Administrative Officer Ernst and that he was glad she was staying to work with Chancellor Rogers. Chair Anthony praised various staff members for their work and felt the System was in good shape following the recent legislative session. He said the new Chair and Vice Chair would do a good job and move the Board forward. He advised them to treat people right and follow the value statement. He thanked everyone for their support.

Chair Anthony called attention to the latest issue of *Regents' Review*, which included many interesting articles. He noted that the Regents had been issued new name badges as suggested by Regent Leavitt.

Chair Anthony reported that on April 16, 2005, President Harter became the longest serving UNLV president in Nevada's history. On July 1, 2005, she will have served for ten years as university president. During her tenure, enrollment has increased 35%; doctoral program enrollment has increased 215%; the number of faculty and professional staff increased 63%; seventeen new buildings were constructed; and 103 academic programs were created, including Nevada's first law and dental schools. She has been awarded the presidents' award from the National Association of Student Personnel Administrators as well as the presidents' leadership award from the National Collegiate Honors Council. He said she had been president during a dynamic period in UNLV's history and had done a great job.

Chair Anthony thanked President Lilley for hosting the Board meeting.

Chair Anthony announced that item #26 (*Urban Chamber Space Lease, CCSN*) had been withdrawn. Regent Howard indicated that it would be brought forward again at the September meeting.

5. Chancellor's Report - Chancellor James E. Rogers reported to the Board regarding various major activities or undertakings by him since the last Board meeting.

Chancellor Rogers reported that the recent legislative session had a tremendous impact on the System's future. He recently mailed letters of gratitude to each of the sixty-three legislators for their support. Early discussions with the Governor revealed there would be a large surplus. The Governor was very open and supportive. Numerous conversations were held regarding how the money could be used. He asked those present to thank the legislators for their tremendous support. This session, the System finally began to work as a system. Vice Chancellor Dan Klaich was a bright and aggressive asset. All eight institutions cooperated in a unified effort to request the Board's priorities. With few exceptions, the System received what it requested. Vice Chancellor Klaich, the three professional lobbyists, and UNLV's and UNR's representatives did a tremendous job working long hours. The System now has the right to enter into lease/purchase agreements and master plan NSC, which could potentially be worth billions of dollars. The statutes will be reviewed to determine not only how much was allocated, but also the potential ability to build and finance construction for the entire System. He was pleased

5. Chancellor's Report – (Cont'd.)

that the institutions worked together, which was key to the System's success. He felt there was unlimited potential.

Chancellor Rogers related that discussions have been held with the Clark County and Washoe County school boards about developing a seamless process for K-16. He said there would be some reorganization of the System Administration office. Mr. Larry Mason, President, Clark County School District, will move into the Las Vegas

System office and act as a liaison for the chancellor's office and the sixteen county school districts. Vice Chancellor Klaich will become the Vice Chancellor for Legal Affairs and Administration and the vice chancellors for IT and finance will report to him. Chancellor Rogers felt that the Vice Chancellor for Academic Affairs should report directly to the chancellor in order to ensure there is adequate funding for all that is necessary to make the System a world-class enterprise. Chancellor Rogers said he was enthusiastic about this job and was pleased with the level of support extended by Board members. He felt there is a new level of comfort, support, and enthusiasm from the Legislature. He said that Senator Raggio was very supportive of education throughout the state. NSHE was allocated \$250 billion to move forward with many construction projects and had great potential with the lease/purchase program. He felt they would be able to compete with anyone in the world. He said he was very proud of the Board.

Regent Sisolak thanked Chancellor Rogers for his efforts in Carson City and for personally paying for one of the lobbyists used in the session. Regent Sisolak felt that Board members should also thank the Governor, the sixty-three legislators, and the taxpayers who would ultimately fund higher education. He felt it had been an historic session for higher education and that the students would benefit from the effort.

Chair Anthony recognized Dr. Trudy Larson for her efforts on behalf of the System as the Assistant Chancellor.

6. Public Comment – Regent Sisolak noted that Ms. Ernst was going through a difficult time with her son, adding that her son was in their thoughts and prayers.

7. Approved-Consent Agenda – The Board approved the Consent Agenda with the exception of items 2, 6, 7, 8, 10, 11, 12, 14, 15, 19, and 32, which were considered separately. Item 15 (*Handbook Revision, Procedure for Approval of Institutional Bylaws*) was withdrawn.

(1) Approved-Minutes – The Board approved the minutes from the regular meeting held April 14-15, 2005, the Special Board meetings held March 18, and May 6, 2005, and the Banking Request for Proposal minutes of April 12, 2005.

(3) Approved-Tenure Upon Hire, UNR – The Board approved President John M. Lilley's request for tenure upon hire of Dr. Donald E. Hardy to the Department of English, College of Liberal Arts (*Ref. C-3 on file in the Board office*).

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

(4) Approved-Tenure Upon Hire, UNR – The Board approved President John M. Lilley's request for tenure upon hire of Dr. Heather Hardy to the Department of English, College of Liberal Arts (*Ref. C-4 on file in the Board office*).

(5) Approved-Tenure Upon Hire, UNR – The Board approved President John M. Lilley's request for tenure upon hire of Dr. John Hsieh to the School of Public Health, College of Human and Community Sciences (*Ref. C-5 on file in the Board office*).

(9) Approved-Tenure Upon Hire, UNLV – The Board approved President Carol C. Harter's request for tenure upon hire for D. William Harman, Ph.D., effective June 1, 2005. Dr. Harman accepted UNLV's offer as Executive Associate Dean and full professor with tenure in the School of Dental Medicine, contingent upon formal approval by the NSHE Board of Regents (*Ref. C-9 on file in the Board office*).

(13) Approved-Tenure Upon Hire, UNLV – The Board approved President Carol C. Harter's request for tenure upon hire for Robert L. Benedetti, Ph.D., effective August 1, 2005. Dr. Benedetti accepted UNLV's offer as associate professor with tenure in the Department of Theatre within the College of Fine Arts, contingent upon formal approval by the NSHE Board of Regents (*Ref. C-13 on file in the Board office*).

(16) Approved-Handbook Revision, Bylaw Amendment or Direction to Chair-Allow Chair to Request Regent to Act as Liaison to School Board, Government Entity, or Other System Constituencies – The Board approved

Chancellor James E. Rogers' request to amend the Board of Regents' Bylaws (*Title 1, Article IV, Section 4*) to expand the Chair's authority to request Regents to serve as Board liaisons to school boards, government entities, and other System constituencies. This was the second reading for this request (*Ref. C-16 on file in the Board office*).

(17) Approved-Handbook Revision, Personnel Policy for Faculty, DRI – The Board approved President Stephen G. Wells' request for an amendment to the NSHE Code (*Title 2, Chapter 5, Sections 5.5 (6) and 5.8 (5.8.1-5.8.5)*) regarding DRI salaries and continuation and termination of faculty appointments at DRI to modify wording on salaries and provide a new method of continuation funding for faculty. This was the second reading for this request (*Ref.C-17 on file in the Board office*).

(18) Approved-Handbook Revision, Business Management & Program Review, DRI – The Board approved President Stephen G. Wells' request for an amendment to the Board of Regents' Handbook (*Title 4, Chapter 11, Sections 2, 4, 5, 6, 9 and 12, and Chapter 14, Section 4*) on DRI Business Management and Program Review to modify the wording to be consistent with the current best business practices and to clarify the Institute program review policy (*Ref.C-18 on file in the Board office*).

(20) Approved-Handbook Revision, Reinstate “W”s on Student Transcripts, UNLV – The Board approved the UNLV Faculty Senate's request for reinstatement of “W”s on UNLV student transcripts (*Title 4, Chapter 16, Sections F.14, 18 and 19*) in order to provide a more accurate record of a student's transcripts (*Ref. C-20 on file in the Board office*).

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

(21) Approved-Handbook Revision, Associated Students of Truckee Meadows Constitutional Revisions, TMCC – The Board approved President Philip M. Ringle's request for revisions to the Associated Students of Truckee Meadows Constitution (*Title 5, Chapter 12*) (*Ref. C-21 on file in the Board office*).

(22) Approved-Handbook Revision, CSUN Student Government Constitution, UNLV – The Board approved UNLV CSUN Student Government's request for amendments to the Board of Regents' Handbook (*Title 5, Chapter 13, Article IV, Chapter 5(5)*) (*Ref.C-22 on file in the Board office*).

(23) Approved-Handbook Revision, Dependents of Professional Staff, Tuition/Grant-in-Aid – The Board approved Chancellor James E. Rogers' request for a Handbook revision (*Title 4, Chapter 18, Section 5, Subsections 4 and 5*) to comply with Board policy exempting only dependent children of professional staff from tuition charges and to remove additional qualifications for grant-in-aid by dependent children of professional staff. This was a non-Code revision, which did not require two readings (*Ref.C-23 on file in the Board office*).

(24) Approved-Extension of Temporary Policy, Military Leave for Professional Employees – The Board approved staff's recommendation for extending the temporary policy to allow members of the professional staff to be compensated for the difference in their NSHE pay and their military pay through the end of the 2005-2006 employment contract (*Ref. C-24 on file in the Board office*).

(25) Approved-Redfield Campus Operating Agreement, TMCC & UNR – The Board approved Presidents Philip M. Ringle's and John M. Lilley's request for a Redfield Operating Agreement between the Redfield Foundation, TMCC, and UNR (*Ref. C-25 on file in the Board office*).

(26) Approved-Capital Improvement Fee Funds, WNCC – The Board approved President Carol Lucey's request to spend up to \$70,000 of student CIP fee funds for the remodel of the old library on the Carson campus. Construction costs have increased over the last few years by over 25%. WNCC requested approximately 10% of the total project cost to pay for the cost of inflation on the project (*Ref.C-26 on file in the Board office*).

(27) Approved-New Student Health Insurance Rates, UNLV – The Board approved President Carol C. Harter's request for the student health insurance rates to become effective August 15, 2005. Student health insurance is required only for international students. Rates for spouse and family, as well as varied payment plans, are

offered as a convenience to the students and are purely elective (Ref.C-27 on file in the Board office).

(28) Approved-Student Health & Accident Insurance Premium Increase, UNR – The Board approved President John M. Lilley’s request for the 2005-2006 premiums for the regular student insurance plan (UNR/TMCC/WNCC). The regular student insurance plan will be administered by United Health Care (Ref. C-28 on file in the Board office).

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

(29) Approved-Medical Student Health, Life, & Disability Insurance Fee Increase, UNR – The Board approved President John M. Lilley’s request for the 2005-2006 medical student annual fee for the health, life and disability insurance plan. The medical student insurance plan will be provided by Student Resources(Ref. C-29 on file in the Board office).

(30) Approved-Memo of Understanding, Elko County Fair Board, GBC – The Board approved President Paul T. Killpatrick’s request for the MOU between Great Basin College and the Elko County Fair Board (Ref.C-30 on file in the Board office).

(31) Approved-Rescind Property Contract with WCSD, TMCC – The Board approved President Philip M. Ringle’s request to rescind the August 2000 Purchase and Sale Agreement with the Washoe County School District and return the 2.112+ acre parcel of property located on the east side of Edison Way, approximately 200 feet south of Joule Street, Reno, Nevada. During the February 10-11, 2000 Board of Regents’ meeting, the Board approved the purchase of this parcel of property for the purpose of constructing a Technology Center to be jointly used by TMCC and WCSD. As a Technology Center is no longer going to be built at this site, WCSD desires to reacquire ownership of the property and TMCC desires to return the property to the District on the terms set forth in the proposed Rescission Agreement (Ref.C-31 on file in the Board office).

(33) Approved-Sale of Six Acre Feet of Water Rights, Stead Parcel 086-153-01, UNR – The Board approved President John M. Lilley’s request for the sale of six (6) acre feet of water rights for appraised value in connection with the sale of Stead Parcel 086-153-01 (Ref. C-33 on file in the Board office).

Regent Sisolak moved approval of the Consent Agenda with the exception of items 2, 6, 7, 8, 10, 11, 12, 14, 15, 19, and 32. Regent Gallagher seconded. Motion carried. Regents Dondero and Hill were absent. Regent Rosenberg abstained.

Regent Alden suggested formation of a committee to oversee long-range planning and property. Chair Anthony advised the new Board Chair to consider the suggestion.

Consent Agenda Items Considered Separately:

(2) Approved-Rehire of a PERS Retiree, UNLV – The Board approved President Carol C. Harter’s request for rehiring PERS retiree Gene Butler due to the critical nature of filling this position immediately. Such hires are permitted, with Board approval, under legislation passed during the 2001 Legislature (Ref. C-2 on file in the Board office).

Regent Sisolak asked whether this was an extraordinary circumstance. President Harter replied that it was. Mr. Butler is in science and math education, which is a field of high demand. Mr. Butler agreed to fill in while a national search is conducted. Regent Sisolak noted the vacancy had existed for a month. President Harter replied that two full-time employees left over four years. They are trying to fill the position permanently.

Consent Agenda Items Considered Separately:

(2) Approved-Rehire of a PERS Retiree, UNLV – (*Cont’d.*)

Regent Derby moved approval of the rehire of PERS retiree, Mr. Gene Butler, for UNLV. Regent Gallagher seconded. Motion carried. Regents Dondero and Hill were absent. Regent Rosenberg abstained.

(6) Approved-Tenure Upon Hire, UNR – The Board approved President John M. Lilley’s request for tenure upon hire of Dr. Manuel Bayona to the School of Public Health, College of Human and Community

Sciences (*Ref. C-6 on file in the Board office*).

(6) Approved-Tenure Upon Hire, UNR – (*Cont'd.*)

Regent Sisolak expressed concern for approving the request since faculty members on the committee had abstained for lack of information. Provost John Frederick explained that the School of Public Health had a unanimous vote in favor of the candidate. The college personnel committee had two abstentions. He understood that they abstained for lack of evidence regarding the candidate's teaching record. Dr. Bayona was hired as the director of the School; his primary responsibility will be administrative. Regent Sisolak thought that recommendations for tenure upon hire came forward with unanimous support and wanted to ensure that faculty had some input to the recommendations. Provost Frederick observed that not all recommendations are unanimous.

Regent Alden stated that tenure upon hire related to hiring an individual from another institution with eminent qualifications. In order to attract an individual who is already tenured, this process is employed normally throughout the country. Provost Frederick agreed.

Regent Leavitt moved approval of the tenure upon hire of Dr. Manuel Bayona. Regent Alden seconded. Motion carried. Regents Dondero and Hill were absent. Regents Howard, Rosenberg, and Sisolak abstained.

(7) Approved-Tenure Upon Hire, NSC – The Board approved President Fred J. Maryanski's request for tenure upon hire for Dr. Paul Buck. Dr. Buck's experience and credentials justify granting tenure upon hire. He has already served within the NSHE at the Desert Research Institute since 1991 (*Ref. C-7 on file in the Board office*).

Regent Sisolak expressed concern regarding hiring personnel away from one institution to another. President Maryanski explained that Professor Buck's qualifications meet NSC's standards for tenure. Both institutions worked together on the appointment, which will be a joint appointment. NSC's faculty unanimously agreed that Dr. Buck meets the standards. He is being hired as an associate professor. Regent Sisolak asked whether President Wells had been aware of the negotiations. President Wells replied that he was.

Regent Alden recommended a review of the System's tenure policy.

Consent Agenda Items Considered Separately:

(7) Approved-Tenure Upon Hire, NSC – (*Cont'd.*)

Regent Derby moved approval of the tenure upon hire of Dr. Paul Buck. Regent Alden seconded. Motion carried. Regents Dondero and Hill were absent. Regents Howard, Rosenberg, and Sisolak abstained.

(8) Approved-Tenure Upon Hire, UNLV – The Board approved President Carol C. Harter's request for tenure upon hire for C. Lynn Hurst, D.D.S., M.S., effective April 1, 2005. Dr. Hurst accepted UNLV's offer as Associate Dean for Advanced Education and Director of the Advanced Education Program in Orthodontics and Dentofacial Orthopedics and as associate professor with tenure, contingent upon formal approval by the NSHE Board of Regents (*Ref. C-8 on file in the Board office*).

Regent Sisolak asked about a financial connection between Dr. Hurst and OEC. President Harter replied there was none, adding that he is the director of the orthodontics program.

Regent Howard asked whether Dr. Hurst came from another university or private practice. President Harter replied that he came from the Texas Medical Center in San Antonio. Regent Howard asked whether he was tenured there. President Harter replied that he was.

Regent Alden asked whether Dr. Hurst would be compensated by the orthodontic clinic or worked for the orthodontic clinic. Provost Ray Alden replied that Dr. Hurst would be the director of all advanced dental education programs and would oversee all of the residencies. As director of the orthodontics program, a portion of his salary will be compensated by the practice. The program receives no state support. Regent Alden asked

about the consequences for denying tenure. Provost Alden replied that, in order to attract tenured employees, UNLV must offer them tenure. Regent Alden asked whether tenure upon hire was included in the System's policy on tenure. Provost Alden replied that it was common practice.

Regent Howard asked who would oversee Dr. Hurst administratively. President Harter replied that the dean of dental medicine would. The dean reports to the provost. Regent Howard asked whether the university would pay his compensation. President Harter replied that they would. Provost Alden explained that it was a buyout similar to research. The salary is guaranteed. A portion is covered by a private source.

Regent Rosenberg observed that it was a dilemma, noting that in order to attract the people they want, they need to offer tenure.

Regent Schofield moved approval of the tenure upon hire of Dr. C. Lynn Hurst. Regent Derby seconded. Motion carried. Regents Dondero and Hill were absent. Regents Alden, Rosenberg, and Sisolak abstained.

Consent Agenda Items Considered Separately:

(10) Approved-Tenure Upon Hire, UNLV – The Board approved President Carol C. Harter's request for tenure upon hire for Mark H. Ashcraft, Ph.D., effective July 1, 2005. Dr. Ashcraft accepted UNLV's offer as chair of the Department of Psychology and full professor with tenure within the College of Liberal Arts, contingent upon formal approval by the NSHE Board of Regents (*Ref. C-10 on file in the Board office*).

Regent Sisolak expressed concern regarding the committee's abstention.

Regent Schofield moved approval of the tenure upon hire of Dr. Mark H. Ashcraft. Regent Gallagher seconded. Motion carried. Regents Dondero and Hill were absent. Regents Howard, Rosenberg, and Sisolak abstained.

(11) Approved-Tenure Upon Hire, UNLV – The Board approved President Carol C. Harter's request for tenure upon hire for Yu Xu, Ph.D., MSN, RN, CTN, effective August 1, 2005. Dr. Xu accepted UNLV's offer as associate professor with tenure in the School of Nursing, contingent upon formal approval by the NSHE Board of Regents (*Ref. C-11 on file in the Board office*).

Regent Sisolak expressed concern that some of the faculty abstained from voting. President Harter explained there were various reasons for abstaining (*i.e., dissertation director, former student, former competitor for a position*). Regent Sisolak observed that it was noted that the faculty felt they did not have enough information.

Regent Schofield stated that the candidates are well screened and carefully analyzed. He felt the president would notify the Board of any potential problems.

Regent Schofield moved approval of the tenure upon hire of Dr. Yu Xu. Regent Derby seconded.

Regent Howard said that she was abstaining because Regent Sisolak had raised a valid point and she was concerned about the committee not having enough information.

Motion carried. Regents Dondero and Hill were absent. Regents Howard, Rosenberg, and Sisolak abstained.

(12) Approved-Tenure Upon Hire, UNLV – The Board approved President Carol C. Harter's request for tenure upon hire for Doris L. Watson, Ph.D., effective August 1, 2005. Dr. Watson accepted UNLV's offer as associate professor with tenure in the Department of Sports Education Leadership within the College of Education, contingent upon formal approval by the NSHE Board of Regents (*Ref. C-12 on file in the Board office*).

Regent Sisolak noted that this had been a three-member committee with a vote of two-to-one. He wanted to ensure there was a proper vetting of these individuals. President Harter replied that it may be related to the size of that particular faculty. Hiring in a small

Consent Agenda Items Considered Separately:

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

department results in a small committee with qualified people at the level that can vote. She said they would not offer tenure when there was not strong support.

Provost Alden stated that one of the tenured faculty did not believe the department should exist. There has been some dispute among the senior faculty in that department. Dr. Watson was tenured at Utah.

Regent Leavitt suggested the Board should discuss whether or not the Board should approve tenure recommendations. He requested a future agenda item. Regents Alden, Howard, and Sisolak agreed.

Regent Leavitt moved approval of the tenure upon hire of Dr. Doris L. Watson. Regent Schofield seconded. Motion carried. Regents Dondero and Hill were absent. Regents Howard, Rosenberg, and Sisolak abstained.

(14) Approved-Reorganization of External Relations – The Board approved Chancellor James E. Rogers' request regarding the reorganization of the External Relations function under the chancellor. The External Relations staff will report directly to the chancellor. The Board, at its December 1999 meeting, combined the External Relations function with the position of Board Secretary (*Ref.C-14 on file in the Board office*).

Regent Howard questioned the reasoning behind this recommendation. Chancellor Rogers replied that External Relations was previously under the Chief Administrative Officer. He felt that in order to develop a better relationship with the media and public that the department should report to him. Regent Howard was confused why this item was included on the Consent Agenda when the restructuring of the Board Clerk/Chief Administrative Officer and the appointment of the interim clerk had been included on the main agenda. Chair Anthony replied that he felt this item would require less discussion than the other two items. Chancellor Rogers stated that the items should have been combined. Regent Howard noted that the External Relations department performs a lot of work for Board members (*i.e., speeches and letters*) and asked how the reorganization would affect Board members. Chancellor Rogers replied that the procedures would remain the same and that his staff would keep him apprised about what projects they were working on. Regent Howard asked about the effective date. Chancellor Rogers replied that it was already in effect. He said they had written letters for Board members and was sure that Regents had not noticed any difference. Regent Howard expressed a desire for the procedures to remain the same.

Chair Anthony explained that the restructuring was based upon surveys that were released. A lot of input was received from Board members and others regarding the restructuring of this office.

Regent Howard thought that External Relations had been created as a venue for Regents to use for public relations to improve the Board's image. She was never clear about the

Consent Agenda Items Considered Separately:

(14) Approved-Reorganization of External Relations – (*Cont'd.*)

department's role and was hopeful that a clearer understanding would be provided. Chancellor Rogers stated that the department should have been following Regent Howard's description long before the present. Development efforts are underway to provide a connection between the Board and the community. He felt that his involvement in this area would be productive.

Regent Leavitt asked how the reorganization would help Regents tell their story and become more visible in the community. Chancellor Rogers replied that the question defined the answer. He intends to promote efforts in this area by working with the existing staff. He was unsure whether further expansion would be necessary. He has long felt that the connection between the Board and the communities throughout the state has not been handled well. He said the two staff members were both highly educated and very good writers. He said they would continue to provide letter writing services for Board members as well as additional tasks, and that he would coordinate their efforts. Regent Leavitt thanked Chancellor Rogers for his efforts, adding that the System's visibility and reputation had improved.

Regent Schofield felt it was a large step in the proper direction.

Regent Schofield moved approval of the reorganization of External Relations. Regent Alden seconded. Motion carried. Regents Dondero and Hill were absent. Regent Rosenberg abstained.

(15) Withdrawn-Handbook Revision, Procedure for Approval of Institutional Bylaws – The Board withdrew Chancellor James E. Rogers’ request for an amendment to the Board of Regents’ Code (*Title 2, Chapter 1, Section 1.3.4*) to provide for approval of institution bylaws by the chancellor. This was the second reading for this request (Ref. C-15 on file in the Board office).

Regent Rosenberg asked whether the Board would continue to approve Bylaw changes if the recommendation passed. Vice Chancellor Klaich replied they would not. The Board sets overall Board policy through its Code provisions. The Bylaws that the Chancellor would approve must be consistent with Board policy. Board policies would take precedence over any differences. Regent Rosenberg expressed his unhappiness with the idea.

Dr. Clint Richards, Faculty Senate Chair-UNLV, and chair of the faculty senate chairs, provided a statement for the record (*Handout C-15 on file in the Board office*) indicating the faculty senate chairs’ strong support for the review of bylaw proposals by System legal staff in order to assure consistency with the Code. They did not feel that it required a change in the approving authority, since System legal staff could report their findings to the chancellor or the Board. The faculty senate felt the process could be improved by shortening the process. The faculty senate chairs from System Administration and DRI expressed particular concern about the time it takes to approve bylaw changes. They felt

Consent Agenda Items Considered Separately:

(15) Withdrawn-Handbook Revision, Procedure for Approval of Institutional Bylaws – (*Cont’d.*) the proposed change would have a dramatic effect on System Administration by essentially eliminating a step in the process, but the impact on the time required for approval/disapproval would be less dramatic for other institutions. He suggested that eliminating the requirement for two readings could also save considerable time and that there may be other ways of speeding up the process that could be implemented at the institution levels. The faculty senate chairs felt that Board approval had several advantages that outweighed the speed advantages of the chancellor-centered process (*i.e., public hearing, Board discussion and consideration*). They felt that open discussion would decrease the possibility of a mistake resulting in inappropriate approval or disapproval. The faculty senate chairs urged the Board to maintain their role in the bylaw approval process and to review the process for changes that could speed up the process without reducing due consideration.

Regent Rosenberg said he was becoming increasingly disturbed by the Board relinquishing its power to any chancellor. He felt this one of the Board’s responsibilities.

Vice Chancellor Klaich explained that the intention was not to deprive the Board of its proper power but rather to expedite the approval process for institutional bylaw changes. He related that staff was open to other suggestions.

Chancellor Rogers established that he had not requested the recommendation. Others have found that bylaw amendments take a long time to take effect. He explained they were merely trying to expedite the process. Regent Rosenberg suggested employing another method.

Regent Derby suggested that staff request input from the faculty senate chairs for suggestions regarding expediting the process and presenting the information at the next Board meeting.

Chair Anthony suggested withdrawing the item for further study and presenting it as a future agenda item. No objections noted.

(19) Approved-Handbook Revision, NSHE Grading Policy, High Pass Grade for Medical School Courses, UNR – The Board approved President John M. Lilley’s request for an amendment to the Board of Regents’ Handbook (*Title 4, Chapter 16, Section VI*) to include “High Pass (*for Medical School only*)” (Ref. C-19 on file in the Board office).

Regent Sisolak asked why the normal lettered grading system (*A, B, C, D, F*) was not employed. President Lilley replied that they were seeking greater precision in evaluation and that the current grading system disadvantaged students when seeking their residencies. Regent Sisolak felt that the pass/fail method was the least definitive while the lettered grading method was the most definitive, and asked why that method was not employed.

Dr. John McDonald, Vice President, Health Sciences and Dean, University of Nevada School of Medicine-UNR, replied that while using the lettered grading method would be

Consent Agenda Items Considered Separately:

(19) Approved-Handbook Revision, NSHE Grading Policy, High Pass Grade for Medical School Courses, UNR – (Cont'd.)

reasonable, most medical schools are accustomed to seeing “honors” as something setting the student apart. He was unsure whether an exact equivalent could be achieved by using an “A”, because “honors” identifies those students whose accomplishments are extraordinary on a clinical rotation. More than two out of three schools use the same number of scales. He observed that it was unlikely that people would want to be treated for heart disease by a doctor who received a “D”. Regent Sisolak asked whether the “P”/pass was representative of a “D”. Dean McDonald replied that “pass” indicates a grade of “C” or above, and is a minimum standard that, below which, a student is not qualified and must repeat the course. “D” grades are not issued, are not acceptable, and would indicate that the course must be repeated because the minimum criteria had not been met. Regent Sisolak asked about the thirty-seven schools employing the lettered grading method and whether there was professional controversy about which method is best. Dean McDonald replied that the challenge was that they were trying to introduce a level precision to a very imprecise grading system. A student physician must achieve a minimal criteria or competency to be considered competent in a given subject.

Regent Alden left the meeting

Dean McDonald explained that the School is trying to establish that some students are superior/honor students who went above and beyond the call of duty with superior performance; they passed, became competent, and gained all of the knowledge base required to be proficient in a particular subject; or they did not. He said that more schools use “honors” than the lettered grading method. He did not feel that lettered grading was a particularly useful distinction for medical grading. Everything done in medical school is the step required before the next level.

Regent Alden entered the meeting

Regent Sisolak asked how to explain that it was unlikely it would be uniformly implemented. Dean McDonald stated that it put the onus on the individuals issuing the grades. He said it was difficult in medical education to achieve a definitive level of success in terms of assessing outcome. Every student may have a different professor, a different set of residents, and a different set of patients within their learning environment. He said it was different from a classroom setting with ninety students taking the same subject. Regent Sisolak wondered if anyone else objected. He said it seemed to be a big change.

Regent Rosenberg asked whether doctors are considered graduate students. Dean McDonald replied that the formal term for physician training was “undergraduate medical education”. Regent Rosenberg observed they had completed four years of education/a baccalaureate degree. He regarded them as graduate students, adding that anything less than a “B” grade was unacceptable for a graduate student. A similar problem exists in colleges of education. Student teachers are now graded “pass/fail”. He felt that was unacceptable. Teachers must still submit a letter grade for those students taking courses

Consent Agenda Items Considered Separately:

(19) Approved-Handbook Revision, NSHE Grading Policy, High Pass Grade for Medical School Courses, UNR – (Cont'd.)

on a “pass/fail” basis. The registrar converts the grade to a “pass/fail”. He felt it was important for a letter grade to be assigned for professions as important as doctors and teachers. Dean McDonald said they should not

consider a “pass” in a core curriculum course the equivalent of a “C”. A set of competencies are established and tested. The student must be competent. Regent Rosenberg observed that a letter grade provided a better indication of the student’s level of understanding.

President Lilley stated that they were discussing a finer set of granularity at the upper level. These terms are not exactly equivalent to a letter grade. It is a different set of understandings about extraordinary people who have competed fiercely to get into the School of Medicine. UNR wants to ensure that when they are competing for residencies that these fine gradations at the upper end can be distinguished in a way that is advantageous to the student as well as the institution. He urged Board acceptance of the faculty’s recommendation.

Regent Schofield moved approval of the Handbook revision concerning the NSHE grading policy and establishing a high pass grade for medical school courses at UNR. Regent Derby seconded.

Regent Leavitt observed that the state bar exam is “pass/fail”.

Regent Howard requested examples of U.S. systems that support this method of grading. Dean McDonald replied that he did not have the specific information regarding individual medical schools. He said it was the universe of allopathic medical schools (*non-osteopathic schools*) that are all governed by the same committee, the Liaison Committee on Medical Education (*LCME*), which includes Puerto Rico, Canada, and the U.S. (*126 schools*). He believed that Utah uses the same scale that UNR was recommending. Regent Howard asked about the percentage of U.S. schools that employ this method. Dean McDonald replied there are forty-nine schools that have two or three grade ranks. By comparison, eighty-four schools use four-five levels (*lettered grades or honors/high pass/pass/fail*). More than two out of three schools use four levels (*honors/high pass/pass/fail*). He explained that it makes a difference for students competing for residencies.

Regent Rosenberg asked about the difference between an “A” and an “A+”. Dean McDonald did not believe there was any functional difference, but related to the scales with which medical schools are familiar and comfortable.

Regent Howard asked about the main purpose for approving this grading system. Dean McDonald replied it was to ensure that SOM students are not disadvantaged because the School does not offer as large a spread in their grading system. Students who are close to achieving an “honors” classification will now receive a “high pass” instead of a “pass” (*which only demonstrates competency*). He said it was similar to employing a grade scale of “A”, “C”, and “F”.

Consent Agenda Items Considered Separately:

(19) Approved-Handbook Revision, NSHE Grading Policy, High Pass Grade for Medical School Courses, UNR – (Cont’d.)

Regent Sisolak asked why they did not use “HH” (*high honors*), “H” (*honors*), “P” (*pass*), and “F” (*fail*). Dean McDonald replied that the number of categories was arbitrary. Regent Sisolak observed that four categories would be employed and that it would really help the top students. Dean McDonald replied that other medical schools could have difficulty with such transcripts. Regent Sisolak suggested the School would set a new trend.

Regent Gallagher suggested the Board accept the recommendation since they were the ones doing the job, trying to get the students into the residencies, and knew that this grading system would help the students. She did not feel the Board was qualified to decide which method of grading was used.

Motion carried. Regents Dondero and Hill were absent. Regent Rosenberg abstained.

(32) Approved-Request to Negotiate Disposition of Real Property, Vacant Parcels 007-153-26 & 007-153-14, Reno, NV, UNR – The Board approved President John M. Lilley’s request to negotiate the sale, lease or other disposition of real property (*vacant parcels 007-153-26 and 007-153-14*) located at the southwest corner of North Sierra and Eleventh Streets, Reno (*Ref. C-32 on file in the Board office*).

Regent Sisolak asked whether this item would be brought before the Board again. Vice Chancellor Klaich replied that it would.

Regent Alden moved approval to negotiate the disposition of real property (*vacant parcels 007-153-26 and 007-153-14*) in Reno, Nevada for UNR. Regent Schofield seconded. Motion carried. Regents Dondero and Hill were absent. Regent Rosenberg abstained.

8. Approved-Presidential Contract, DRI – The Board approved the employment terms and conditions for DRI President Stephen G. Wells as presented (*on file in the Board office*).

Regent Alden moved approval of the employment terms and conditions for DRI President Stephen G. Wells as presented. Regent Sisolak seconded.

Chair Anthony recommended the following terms and conditions:

- · Contract Period: June 23, 2005 – June 30, 2009.
- · Base Salary: \$228,000, with additional fringe benefits as provided for all other NSHE professional employees.
- · Automobile Allowance : \$8,000 per fiscal year.
- · Housing Allowance: \$24,000 per fiscal year.
- · Host Account: \$5,000 annually.

8. Approved-Presidential Contract, DRI – (*Cont'd.*)

- · Provision for discipline for cause.
- · Provision for progressive discipline.
- · Provision for prohibited activity.
- · Provision for disciplinary procedure.
- · Provision for effect of termination on presidential compensation.
- · Club membership in Las Vegas and Reno.

Chair Anthony asked whether President Wells and Chancellor Rogers were in agreement. They replied that they were.

Motion carried. Regents Dondero and Hill were absent.

The meeting recessed at 2:40 p.m. and reconvened at 3:00 p.m., on June 23, 2005, with all members present except Regents Dondero, Hill, and Schofield.

9. Approved-Presidential Contract, UNLV – The Board approved Chancellor James E. Rogers' request for a revised employment contract for UNLV President Carol C. Harter. The revised contract raised President Harter's base salary funded by the NSHE from \$219,616.34 to \$230,000. All other terms and conditions of the contract remain the same (Ref. A *on file in the Board office*).

Chancellor Rogers reported that the market had increased substantially since previous presidential contracts had been approved. He suggested increasing President Harter's base salary from approximately \$219,000 to \$230,000 (*not including the \$90,000 received from the Foundation*). She would then become the highest paid president (*followed by President Wells-\$228,000, President Lilley-\$227,000, and President Maryanski-\$225,000*).

Regent Sisolak moved approval of the revised employment contract for UNLV President Carol C. Harter as presented. Regent Derby seconded. Motion carried. Regents Dondero, Hill, and Schofield were absent.

Regent Rosenberg observed a long-standing inequity with the salaries of part-time and letter of appointment employees. Vice Chancellor Klaich suggested the point be raised during New Business.

10. Approved-Employment Contract, Athletic Director, UNLV – The Board approved President Carol C. Harter's request for a new employment agreement with Athletic Director Michael Hamrick beginning July 1,

2005 and ending June 30, 2008, and replacing his existing employment agreement that ends June 30, 2006. The terms of the new agreement were presented at the meeting (Ref. B on file in the Board office).

Regent Alden stated that this is a very important job with many responsibilities, adding that the recommendation was commensurate with other salaries in the country. He commended the information included in the agenda packet.

10. Approved-Employment Contract, Athletic Director, UNLV – (Cont'd.)

Regent Alden moved approval of the new employment agreement with UNLV Athletic Director Michael Hamrick as presented. Regent Sisolak seconded.

Regent Sisolak recommended close attention when hiring new people. He felt the recommendation was required due to an inequity between the two schools. Adjustments are constantly required each time a new person is hired at a rate higher than a comparable employee at another institution. He felt the Board should be more cognizant. Regent Rosenberg agreed.

Regent Derby asked whether there was an assumption for having equal salaries between the institutions and whether the Board had approved such a policy. She asked whether it was an accepted practice and one they wished to continue, noting that not all states do so. She agreed that salaries were constantly increased following the hire of a new employee and questioned the need for maintaining comparable salaries between institutions and challenged the assumption that it must be balanced.

Regent Schofield entered the meeting.

Chancellor Rogers explained that, in this case, these athletic programs were just beginning to develop. Going forward they may grow disproportionately. If one of the universities develops a national championship generating extensive revenue, there could be that kind of difference. At the moment, these two programs have great potential, are just starting, and are essentially equal. Regent Derby clarified that she was not speaking against the motion, adding her intent to support it. She observed that this assumption has been brought forward in the past and questioned whether the Board had agreed to such a measure on a policy level and wondered whether the Board wanted to investigate the matter.

Regent Rosenberg asked about the expiration date of the present contract. President Harter replied it would expire June 30, 2006. Regent Rosenberg felt it was close enough to justify renegotiation. Chancellor Rogers stated that the markets had exploded.

Regent Sisolak supported rewarding loyalty and longevity. This appears to occur when hiring new employees. Because the market has increased, a new hire is brought in at a much higher rate than comparable employees at other institutions resulting in inequities. He supported Chancellor Rogers' efforts to resolve that. The Board needs to consider the new rate at which new employees are hired.

Regent Schofield felt that in order to become a world class system it would require effort from both ends. Someone with this talent provides the potential to become a world class system academically and athletically.

Regent Derby expressed her support for Mr. Hamrick and clarified that she was raising a much larger issue regarding a System-wide policy that the Board might want to consider.

10. Approved-Employment Contract, Athletic Director, UNLV – (Cont'd.)

Motion carried. Regents Dondero and Hill were absent.

11. Information Only-System Diversity Officer - Chancellor James E. Rogers led a discussion regarding the possible need to establish the position of Diversity Officer in the System Office (Ref. C on file in the Board office).

Chancellor Rogers reported that he had discussed employing a diversity employee in the chancellor's office with

the eight System presidents, who were somewhat reluctant to the suggestion. They feel that each institution is addressing that issue adequately. Chancellor Rogers felt there was no direct evidence that there is a failure to encourage the diversity issue at any of the institutions. From his position, he was having difficulty getting, coordinating, and understanding the information. He noted that 55% of the state's population is now minorities. He felt they needed to speak loud and clear about their support of this issue. He felt it should be delivered from the Board level and that it could best be accomplished through the chancellor's office. Discussions have been held with various minority groups throughout southern Nevada regarding who could fill the position. Discussion has included sharing the cost of the position. He felt it was important from a managerial, public relations, and substantive standpoint.

Regent Leavitt asked about the chancellor's concept for how this would relate to Regent Howard's committee (*the type of overlap or assistance*). He asked Regent Howard how it would assist the goals of the newly established committee she currently chairs. Chancellor Rogers replied that Regent Howard would have a direct focal point rather than dealing with the entire System at one time, which would make her job and that of the chancellor's office easier.

Regent Howard felt that Chancellor Rogers' proposal was a great idea, would bring more accountability on a System level, and would send the message that the Board was serious about addressing diversity concerns. She observed that a committee would address certain issues and would only meet periodically. She felt that a committee could not provide accountability. She felt it would work well.

Regent Derby felt the most important thing the Board has done is to have a committee of the Board that is responsible and accountable for the System's diversity efforts. She said the campuses felt that because there was a Board committee dedicated to that particular issue to whom the campuses had to report was very powerful; more powerful than a staff person. Now that the committee on diversity has been reestablished, she felt it was the most important thing the Board has done to underscore and advance the System's diversity efforts. She felt the committee would be the focal point. She expressed concern for hiring someone at the System level to whom everyone would turn over the responsibility, which could serve to not necessarily strengthen the entire effort. She expressed her support for strengthening the diversity issue and wanted to be sure that hiring someone would in fact do so.

Regent Sisolak left the meeting.

11. Information Only-System Diversity Officer – (*Cont'd.*)

Chancellor Rogers said his office addresses the diversity issue daily. He felt it was important to have someone centrally to carry out the committee's policy.

Regent Wixom asked whether the diversity officer would report to the chancellor. Chancellor Rogers replied that it would. Regent Wixom asked about the position's relationship with the committee and whether the officer would be a resource for the committee. Chancellor Rogers replied that it would. Regent Wixom asked whether the officer would gather information or assist with implementation of policy. Chancellor Rogers replied it would do both. Chair Anthony suggested that a job description be provided when the item is brought forward for Board action. He suggested the matter could go before the committee prior to Board action.

Regent Wixom asked about an overall policy statement or a specific direction so the diversity officer would know what kind of information they need to obtain and what kind of policies to implement. Chancellor Rogers stated they were only beginning to work on that. They have asked the community what they think the job entails. A job description will be developed as it relates to the chancellor's role as well as the committee's.

Regent Schofield observed that the Board had seen a lot of positive changes and directions since Mr. Rogers had assumed the chancellor's position, which has been helpful to the Board. Chancellor Rogers' outside perspective has provided vision. Regent Schofield felt this position was long overdue and needed. The people in the community want to see something like this and do not want to hear a lot of talk.

Regent Sisolak entered the meeting.

Regent Schofield felt the community will realize they have a contact point that cannot be influenced politically, which will allow the System to move forward and calm the community and everything in the System.

Regent Gallagher said it was fine to have someone in the central office, but felt that each institution should be held accountable for what they are doing. The System is constantly criticized for hiring more administrators. She felt that having a Regents' committee to whom the institutions would report, and for that Committee to report to the Board would serve a good purpose.

Regent Howard assured the presidents that having such a position working with the committee would be helpful to them and would provide a support mechanism for the campuses. She related that the campuses would provide input to the committee. The committee would provide input to this position, which would provide input to the chancellor and the Board. She felt they would all work together.

Regent Whipple asked which groups the chancellor had spoken with and about the feedback received. Chancellor Rogers replied that they had spoken with the Asian, Hispanic, and Urban Chambers (*approximately five or six*). He said there was a feeling that they could never quite understand what goes on because there is no central person or group that handles diversity. They feel they are pushed around from one area to another

11. Information Only-System Diversity Officer – (*Cont'd.*)

and can't get an answer or a solution. Chancellor Rogers felt they thought that if the chancellor's office focused on that and had a position to provide that focus that it would show they really care about the importance of that issue. Every group they met with exhibited their frustration with meetings that don't go anywhere. He felt this was an important suggestion. Regent Whipple felt it was a positive opportunity. He asked whether other systems had been contacted for information regarding their practices. Chancellor Rogers said they had not, but offered to do so. He offered to bring the matter back for the September agenda.

President Lilley felt the Board would be astonished to discover how much work is ongoing at the individual institutions on behalf of diversity. He felt they would be proud if they had more information and felt the institutions should be more efficient in reporting such efforts. Presidents worry about bureaucracy in the System office, particularly the university presidents since they pay a greater share of the costs. While this may be a much needed proposal, he encouraged the Board to discover the institutions' ongoing programs.

12. Approved-Appointment of Interim Clerk of the Board – The Board approved Chair Stavros S. Anthony's request for the appointment of Mrs. Fini S. Dobyns to the position of Interim Clerk of the Board effective July 1, 2005 (*Ref. Don file in the Board office*).

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

Regent Gallagher expressed a dislike for the proposed title. Traditionally, the Board has employed a Board Secretary; it is also accepted as a national title. She felt the term "clerk" was somewhat demeaning. Chair Anthony observed that the following agenda item would change the title to Board Secretary.

Ms. Ernst explained that the title had been used because it was referred to as "clerk" in the current Board bylaws.

Regent Sisolak established that Mrs. Dobyns was not precluded from applying for the permanent position due to the interim appointment. Chair Anthony agreed she was not.

Regent Howard suggested the title of Board Executive Secretary. Chair Anthony replied it would be discussed during the following agenda item.

Motion carried. Regents Dondero and Hill were absent.

13. Information Only-Handbook Revision, Restructure of Board Clerk/Chief Administrative Officer Position to

Secretary to the Board – The Board considered restructuring the position of Clerk of the Board/Chief Administrative Officer to “Secretary to the Board.” This was the first reading of proposed amendments to Regents’ Bylaws (*Title 1, Article IV, Sections 5 and 6*), with final action to be taken at the September 2005 meeting. If the item is approved all, Handbook references to “Clerk of the Board” or “Chief Administrative Officer” will be changed to “Secretary to the Board” (*Ref. E on file in the Board office*).

13. Information Only-Handbook Revision, Restructure of Board Clerk/Chief Administrative Officer Position to Secretary to the Board – (*Cont’d.*)

Regent Derby observed that the more common title has been Secretary to the Board, which provides a different connotation implying the main person to a board of trustees or regents. She suggested it read Secretary to the Board. Regent Alden concurred. Chair Anthony asked Mrs. Carla Henson, Personnel Director-System Administration, to make the necessary changes.

Regent Rosenberg suggested calling the position Executive Secretary to the Board. Chair Anthony explained they were attempting to move away from the “executive” connotation and that it was simply a Board secretary, which was his recommendation.

Regent Howard observed that Regent Derby had recognized a national standard for calling the position Secretary to the Board. Chair Anthony agreed, noting that a job description was included in the reference material.

14. Information Only-Handbook Revision, Confidentiality of Employment Application Materials - Chancellor James E. Rogers requested approval of amending the NSHE Code (*Title 2, Chapter 5, new Section 5.6.3*) to ensure that the application materials for professional employees below the level of president remain confidential during the recruitment process. This was the first reading of a proposed Code change, with final action to be taken at the September 2005 meeting (*Ref. F on file in the Board office*).

Chancellor Rogers noted a continual problem with having an applicant’s information becoming public record upon receipt, which inhibited the System’s ability to recruit. Regent Alden concurred with Chancellor Rogers.

Regent Whipple requested clarification. Vice Chancellor Klaich replied that the State of Nevada’s public records law provides that materials received by a public body or its officers are public records. An exception is provided allowing for confidentiality if otherwise provided by law. The Nevada Supreme Court held that Regents’ bylaws have the force and effect of law. This Board has never passed a measure for any confidentiality in this regard, which this measure would provide. He has not discussed this with the Attorney General, but will do so prior to the next meeting to bring forward the assurances that this is consistent with statute and case law. The Board currently has no policy. This recommendation establishes a Board policy that application materials are confidential until a finalist is established.

Chair Anthony asked whether the names in a presidential search would be released to the public until someone was chosen. Vice Chancellor Klaich replied that was different. This applies to levels below president. The law is fixed for the presidential level and above.

Regent Whipple asked to which law the Regents’ bylaws have the force of law. Vice Chancellor Klaich replied he would provide the answer at the next meeting.

15. Approved-Handbook Revision, The Cultural Diversity & Security Committee– The Board approved Regent Linda C. Howard’s request for reestablishment of the newly renamed Cultural Diversity and Security Committee. This was the second reading for the bylaw change, which was presented for information at the April 2005 meeting (*Ref. G on file in the Board office*).

Regent Alden felt it was a step in the right direction. He complimented the name change, feeling that it provided a broader base and that the previous name had been too provincial

Regent Alden moved approval of the Handbook revision reestablishing the newly renamed Cultural Diversity and Security Committee. Regent Rosenberg seconded.

Regent Howard reported that a new name had been established and they were in the process of developing a structure, adding that it would follow a similar structure to the former Campus Environment Committee. They want to ensure the campuses are included and are proactive in everything that is done. Security issues on campus will be addressed. Once the committee is assembled, a charge, structure, and issues to be addressed will be determined.

Ms. Ernst stated the Board was approving creation of a standing committee that would meet with the other standing committees before a Board meeting.

Chair Anthony observed that the bylaws included a series of charges for other standing committees. Ms. Ernst stated that the briefing paper included a description. Chair Anthony asked whether Regent Howard would create the charge to be included in the bylaws and bring forward a recommendation for the Board. Vice Chancellor Klaich replied that the Board Chair needed to appoint the committee membership. The committee will begin to outline the scope of what the Board views the charge to be. Chair Anthony asked whether that would come back for Board approval or whether they were approving it with this motion. Vice Chancellor Klaich replied they were approving it at this time. He felt the minutes of Board discussion had been clear regarding the scope of the committee. Chair Anthony asked whether Regent Howard planned to conduct a meeting as a standing committee at the next meeting. Regent Howard replied that she did.

Chair Anthony established that the Board was approving the committee to be chaired by Regent Howard. A formal charge will be developed at the September meeting. Ms. Ernst established that the briefing paper provided a broad scope which could be further defined.

A discussion ensued regarding who would provide the Handbook language. Chair Anthony established that the committee would provide the direction.

Regent Schofield felt the committee was long overdue and that it would provide a calming effect. He said it was sorely needed in the communities. In order to achieve a world class system, they would require efforts in this direction.

15. Approved-Handbook Revision, The Cultural Diversity & Security Committee– (Cont'd.)

Regent Sisolak asked whether the committee would discuss the police captains and weapons. Regent Howard replied they would. Chair Anthony stated they did not have the language to answer that question. The committee will develop the language and report to the Board. Regent Howard stated that it would be similar to the Campus Environment Committee's efforts.

Vice Chancellor Klaich said the bylaws would reflect information outlined in the briefing paper, which represented the Board's charge to the committee.

Motion carried. Regents Dondero and Hill were absent.

16. Information Only-Handbook Revision, The Seal of the Nevada System of Higher Education - Chair Stavros S. Anthony requested approval to amend the Board bylaws (*Title I, Article II, Sections 1-3*) to reflect the new name of the Nevada System of Higher Education and presented a new seal to be discussed for use as the official seal of the Board of Regents. This was the first reading of this item, with final action to be taken at the September 2005 meeting (*Ref. H on file in the Board office*).

Regent Alden asked whether 1865 was the year in which the Elko institution was established. Vice Chancellor Klaich replied that a number of dates were displayed. The Board of Regents was constituted in 1865; the Elko institution was established in 1874; the Reno institution was established in 1884; and the System was created in

1968.

Regent Derby asked about the meaning of “omnia pro patria”. Vice Chancellor Klaich replied that it meant “all for our country”. It was established that the reference material included a misspelling, which would be corrected prior to final approval.

Regent Rosenberg asked about the significance of 1865. Ms. Ernst replied that the Regents were created in 1865. Regent Rosenberg observed some differences in the shading presented with the different seals. Mr. John Kuhlman, External Relations Associate-System Administration, replied that the differences in the seal were based upon the sources and the method of copying. He related that the seal depicting NSHE reflected the current state seal and was more detailed in the center.

Chair Anthony requested that a colored sample be provided for the next meeting.

Regent Derby felt the seal appeared somewhat plain. She asked whether “Nevada System of Higher Education” would not fit. Mr. Kuhlman replied that the type size would be very tiny. Each of the stars represents one of the institutions.

Regent Rosenberg asked about the stars on the inside rim. Mr. Kuhlman replied that they represented the number of states when Nevada joined the union.

Regent Gallagher agreed that the seal appeared very plain and asked Mr. Kuhlman to improve the appearance. Regent Sisolak felt it was due to the border.

16. Information Only-Handbook Revision, The Seal of the Nevada System of Higher Education – (Cont’d.)

Regent Howard agreed it was plain. She preferred the 1874 design. Mr. Kuhlman offered to provide an example with the System name spelled out.

Regent Alden suggested using the original date (*indicating when the Board of Regents was formed*). He observed that the System was growing and cautioned against depicting only eight stars.

Regent Derby observed that removing the stars would make it resemble a donut. She suggested using the scalloped edges.

Chair Anthony asked Mr. Kuhlman to present a final version at the September meeting.

17. Approved-Handbook Revision, Self-Supporting Pricing Model for Credit Courses – The Board approved Vice Chancellor for Finance and Administration, Mr. Harry E. Neel’s, request, brought on behalf of President Carol C. Harter, along with all the NSHE presidents, for the addition of a subsection (*Title 4, Chapter 17, Section 14, new Subsection 6*). The proposed subsection will allow NSHE institutions to offer programs using a self-supporting pricing model for credit courses offered to select professional audiences as part of a customized graduate, certificate or specially designed undergraduate program, where an outside organization (*e.g., a private firm or company or a governmental agency*) is fully funding the costs of the program. Programs and courses offered under this self-supporting delegation would not be submitted for state general fund support (*Ref. I on file in the Board office*).

Regent Alden moved approval of the Handbook revision concerning a self-supporting pricing model for credit courses. Regent Leavitt seconded.

Regent Alden asked whether the pricing model was truly self-supporting. President Harter and Vice Chancellor Neel replied that it was.

Regent Wixom observed that, occasionally with such programs, an industry comes in and funds a faculty position. The institution responds by providing a location for the class to take place. Other students besides the

industry's students may participate. Over time there is a gradual integration between the System and the self-funded program. He asked how to prevent a situation where the System is providing the infrastructure when private funding is terminated (*i.e., the funding is terminated in the middle of a program*). President Harter replied that the proposal did not include base funding of any faculty members using industry or external funding that would require continuation if the funding were terminated. Consultants or part-time faculty would be hired with expertise in a particular area on a course-by-course basis, funding-by-funding, case-by-case basis. If the funding is not present, the course will not be offered. The course would only be created if the funding is clearly present. There will be no ongoing base costs on those individual units. Regent Wixom asked about the possibility of gradual integration creep. President Harter replied it would not occur in the sense that he was asking.

17. Approved-Handbook Revision, Self-Supporting Pricing Model for Credit Courses – (Cont'd.)

Motion carried. Regents Dondero and Hill were absent.

18. Approved-Board Meeting Calendar 2006 – The Board approved proposed dates for the Board of Regents' meetings in 2006 (*Ref. J on file in the Board office*).

- · February 2-3
- · March 16-17
- · June 8-9
- · August 17-18
- · October 12-13
- · November 30-December 1

Regent Alden estimated the cost of conducting a Board meeting at \$90,000/day, adding that he was a strong advocate for conducting four quarterly meetings and driving everything through committee. He said he would not support the recommendation because there were too many meetings. He felt there should be four meetings, spaced properly, and that this was too expensive.

Regent Leavitt agreed with Regent Alden. He felt they should be smarter, faster, more efficient, and better prepared when coming to the meetings. He said they could accomplish more in less time with better preparation. He strongly concurred with Regent Alden's suggestion.

Regent Derby stated that the committees are very active in addressing the bulk of the work. She observed that having only four meetings, and putting more on the committees, would require more committee meetings. Committee meetings are not free. There tends to be less participation in committee meetings conducted away from the cycle of Board meetings. Having committees handle most of the work requires more committee meetings. While some boards meet on a quarterly basis, they tend to be boards of a single institution. She observed that this was a busier board with eight institutions to consider. She observed that more items were included on the Consent Agenda and more was assigned to appropriate levels. She did not believe the Board could accomplish what is required with quarterly meeting without doubling the committee meetings, which require the same amount of staff work. With six meetings per year, most of the committee meetings are conducted in concert with the Board meetings. She recalled the Board had previously attempted to separate committee meetings from Board meetings and people became frustrated with the additional meetings. She felt they were better off remaining with the current arrangement.

Regent Rosenberg agreed with Regent Derby. He felt that decreasing the number of regular meetings would only increase the number of special meetings. He observed that a system is volatile and constantly changing. The needs are there. More time between meetings makes it more difficult for the campuses to operate. He supported remaining with the current arrangement.

18. Approved-Board Meeting Calendar 2006 – (Cont'd.)

Regent Whipple requested more information about the separation of committee meetings. He recalled an earlier movement to simplify meetings, yet it now appeared they were back to the original configuration. Regent Derby

explained that the Board was always trying to streamline the process. She observed that one board for eight institutions and the entire state involved a lot of business to address. She noted that including multiple items on the Consent Agenda was not always a time savings strategy that works. Different methods have been employed. It was discovered that there were actually twice as many meetings and difficulty for people to attend when committee meetings were held on different days. People generally felt it did not work well or accomplished what it was intended to.

Regent Gallagher agreed with Regent Derby. The committees only make a recommendation to the Board; Board approval is still required. She did not believe they could operate with only four meetings per year.

Regent Schofield felt the intent of conducting four meetings per year is excellent. He also felt they should consider what had been done in the past. As much as Board members do not like to meet and wish to shorten the meetings, he felt it has run very efficiently during his two years on the Board. He felt they should remain with the current method.

Chair Anthony recalled conducting one-day meetings previously, adding that it did not work. There is too much information to consider. He did not feel that six meetings were overly burdensome.

Regent Leavitt clarified that he was suggesting fewer Board meetings, not more committee meetings. He was intending the Board to work more quickly. He understood and appreciated the arguments made. He said it was a tremendous responsibility and felt that everyone would do what they could to fulfill those responsibilities.

Regent Derby observed that conducting only four meetings per year did not allow for matters to be considered expeditiously. More special meetings are then scheduled, resulting in more meetings.

Chair Anthony stated that the chancellor had initially felt that the Board met too often.

Chancellor Rogers stated that, based upon the type of business being conducted during the last year, he felt there were too many meetings. With the things that he sees going forward now, he felt there would be major changes in what is done. He felt they required the six meetings. He favored keeping the six meetings.

Regent Derby moved approval of the 2006 Board meeting calendar dates. Regent Schofield seconded.

Regent Sisolak observed that Board members were realizing what a sacrifice it is to serve on the Board, adding that it results in a loss of revenue for some.

18. Approved-Board Meeting Calendar 2006 – (Cont'd.)

Mrs. Dobyms observed that if the Board conducts more meetings (*committee or special Board*) it results in more mailings, envelopes, postage, and staff time, which is ultimately more expensive.

Regent Gallagher asked whether the January meeting had been intentionally scheduled for the same week as Cowboy Poetry in Elko, which is held the last weekend in January.

Regent Alden stated that a special meeting was usually held to consider one to three items and did not require the attendance of a regular Board meeting. He said that holding four meetings would save the System a lot of money and that he would oppose the motion.

Regent Rosenberg asked whether the meetings could be held a week earlier to clear the week of Cowboy Poetry. Regent Derby asked why all of them had to be moved. Ms. Ernst suggested revising the January date to February 2-3, 2006.

Regent Derby modified her motion to adopt the calendar as proposed, moving the proposed January meeting to February 2-3, 2006. Regent Schofield accepted the modification.

Regent Sisolak asked whether the presidents objected to any of the proposed dates. President Lilley agreed with Regent Gallagher's request for clearing the dates for Cowboy Poetry.

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

19. Approved-Resolution #05-08, Sale of Revenue Bonds, UNLV – The Board approved President Carol C. Harter's request for a resolution authorizing the sale of revenue bonds up to a maximum of \$13,000,000.00. Proceeds of the sale will be used toward the expansion of the parking garage located on Cottage Grove Avenue (*Ref. K on file in the Board office*). The parking program is self-supported through user fees and other self-generated funding sources; no state dollars will be used to retire the debt on this parking garage expansion. The financial plan for the parking program displays coverage for the debt service retirement for the garage expansion.

President Harter reported that the first phase in 2002 provided approximately 1,600 new spaces on the north side of the campus. The current request involves the sale of revenue bonds to add two floors (*approximately another 850 spaces*) to the north campus parking garage.

Chair Anthony left the meeting.

19. Approved-Resolution #05-08, Sale of Revenue Bonds, UNLV – (*Cont'd.*)

Regent Rosenberg moved approval of Resolution #05-08 authorizing the sale of revenue bonds for UNLV. Regent Howard seconded.

Regent Sisolak estimated a cost of \$15,000/space. Mr. Gerry Bomotti, Vice President, Finance-UNLV, replied they were requesting up to \$13 million due to sensitivity and concern about the current inflationary market. It was hoped the actual cost would be slightly less than \$11 million, which would be closer to \$13,000/space. He acknowledged the cost would be approximately \$13,000-\$15,000/space.

Regent Sisolak asked whether the one-floor footprint would be lost with the additional two floors. Mr. Bomotti replied it would not, adding they would gain 850 net spaces. Regent Sisolak noted they would need to use the top floor for construction. Mr. Bomotti acknowledged they would need to close down a portion of the garage during construction. Construction will be conducted following the next spring semester to limit the impact on the campus. Regent Sisolak established that construction would be conducted during the summer. He felt it was an enormous cost for a parking space and recalled prior plans for a shuttle service from airport land. Mr. Bomotti stated that a shuttle would be implemented in the fall to help with basic transportation on the campus. There are quite a few unused parking spaces, primarily on the west side of the campus (*around the Thomas & Mack area*). The airport is expanding and seeking additional surface parking for airport employees. Their interests currently conflict with UNLV's.

Regent Sisolak asked about land by Paradise Elementary School. Mr. Bomotti clarified that the land was leased from the Airport Authority. Chancellor Rogers stated they have an option to buy the land for \$20 million. He related that the rent was so low they did not want to exercise that option at this point. Regent Sisolak asked whether the option included an escalating price. Chancellor Rogers replied it did not. Mr. Bomotti noted that it was located across a very busy, wide street. Most parking interests address getting closer to the campus core. Regent Sisolak asked about the length of time on the purchase option. President Harter replied that it was originally 20 years. UNLV has leased the property for 7-8 years. The lease price is so low that UNLV would need to pay 100 years at the current rate to approach the sale price. Chancellor Rogers clarified that the purchase price was reasonable, but the lease price was so low that they could not afford to exercise the option at this time. Regent Sisolak asked whether they intended to purchase the land. Chancellor Rogers replied that they did.

Regent Sisolak was concerned about the enormous cost/space for the parking garage. He felt this would be an issue for Regent Howard with single, female students in the parking garage at night. Mr. Bomotti felt that safety

and security should not be an issue. The current garage has multiple cameras and a lot of security personnel. The expansion will include cameras, lights, and other safety/security measures. UNLV is attempting to take precautions with the design so it will not be a safety issue.

Regent Sisolak asked whether the increased parking fees would sufficiently service the debt. Mr. Bomotti replied that they would. Additional revenue streams (*non-state funds*) have been identified that will be directed to the parking program. Additionally, in order

19. Approved-Resolution #05-08, Sale of Revenue Bonds, UNLV – (*Cont'd.*)

to keep the parking permit costs down, the permits will increase 10%/year in each of the next two years. Student permits will increase from \$80/year to \$88/year. Faculty and staff will increase to \$176/year (*\$16 increase*). Reserved spaces will increase to \$586/year (*\$53 increase*). Regent Sisolak asked how many of the new spaces would be student vs. reserved. Mr. Bomotti replied they would be a combination of students, faculty, and staff. He did not believe there was any intent to add reserved spaces in that area. It is anticipated that the 10% increase will yield approximately \$200,000/year. Additionally, the other revenue streams will provide approximately \$1 million in new funding. The debt can be retired with no state funds. Regent Sisolak asked about the amount of debt service. Mr. Bomotti estimated approximately \$1 million-\$1.1 million at the full amount if they did not buy it down. Some cash remains in the parking program that could be used to buy down the full cost. Regent Sisolak asked if there was \$800,000 available from other sources. Mr. Bomotti replied that there was, including existing and new billboards on campus. The Thomas & Mack Center uses the parking lots around that area for many events and has agreed to provide some cost for those parking programs. The various revenue streams, coupled with the 10% increase, will provide sufficient funds to service the debt. Regent Sisolak established that \$200,000 would come from parking fees. He questioned whether billboards could provide the remaining \$900,000. Mr. Bomotti replied that the billboards, the Thomas & Mack Center, and other things scraped up would provide the necessary funds.

Chancellor Rogers asked whether they had secured a bid on the project. Mr. Bomotti replied they had not. When the original facility was designed, it included the additional two floors. Construction drawings are available for purchasing the pre-cast pieces. A reasonable cost estimate for those pieces has been obtained. They are estimating the construction cost for next spring. Chancellor Rogers related that he recently built a single floor, 240-car garage costing \$18,000/space. He observed that things have increased within the last year. Mr. Bomotti related that costs associated with stressing the design for the additional two floors had already been incurred.

Chair Anthony entered the meeting.

Regent Alden said the campus was landlocked a long time ago, adding that they accepted too many enrollments. He said they had never had a parking plan or any long-range planning. He felt it had to stop somewhere and suggested capping enrollments, stopping the growth, and getting other campuses going. He felt there was not enough room at that campus. He observed that most campuses locate parking on the perimeter and shuttle people in. He felt they would eventually have so many parking complaints due to the lack of planning. He felt the cost per space would increase and that they must draw a line. He said he would not support the request until he saw a comprehensive plan for parking at UNLV. He said they had not seen this problem at other institutions.

Regent Wixom asked whether they would use existing or future billboards. Mr. Bomotti replied they would use both. Regent Wixom asked how that related to the current billboard moratorium in Clark County. Mr. Bomotti replied they fell within the grandfather clause. Regent Wixom observed that this was an unusual revenue source for

19. Approved-Resolution #05-08, Sale of Revenue Bonds, UNLV – (*Cont'd.*)

a public bid of bonding. He asked how using funding sources that are extraneous to the project would affect the bond price. Mr. Bomotti was unsure how the market might react. He said they had debt financed the original parking garage. Regent Wixom observed that the original garage was self-funded through parking fees, noting that this project would include extraneous revenue sources. Mr. Bomotti replied there were several funding sources for the current garage (*i.e., permit fees, fines, meters*). He felt the stability of this new revenue stream was equal to or better than the stability of the existing stream for the current garage. Regent Wixom asked how the

underwriters would view that, which would affect the bond rate. Ms. Kathleen Payne, Director, Banking & Investments-System Administration, stated there were two issues: how the bonds are paid back (*billboard fees, parking fees*) and how revenues are pledged to the bondholders. She explained that UNLV and UNR cross pledge revenues (*i.e., parking, housing, dining, Thomas & Mack, Cox Pavilion*). Two things are considered for debt coverage: a statutory limit and a separate limit. The rating agencies will consider the revenues and the debt coverage for all outstanding bonds. The interest rate for this project should not be affected by the source of funds because there is adequate coverage. Regent Wixom asked whether they had funded this kind of a cross-collateralized project previously. Ms. Payne replied that they had. Most revenue bond projects are for housing, dining, and parking.

Regent Wixom asked whether an absolute figure was available for the number of parking spaces needed at UNLV, projected parking spaces required, and how this project fits into that overall scheme. Mr. Bomotti replied there were currently approximately 13,000 parking spaces. An overall consultant's view reveals that UNLV's parking is fairly reasonable by the standards of other institutions. Part of the issue with the parking garage expansion is that capital construction has overtaken surface parking. After a couple of years of maneuvering, the net addition will result in approximately 400 parking spaces. He was unsure whether a precise projection for future requirements existed. With 6-7% increases in student population each year it will be difficult to keep pace. He felt the garage was an important project and would address some critical needs for the next couple of years. It is not a long-term plan to address all parking issues for the campus. He said they intended to work on such a plan and to consider public/private options associated with parking, including parking garages adjacent to the campus. Regent Wixom asked whether studies indicated that this additional parking would provide sufficient parking for the present enrollment. Mr. Bomotti replied that it would for the present enrollment without additional, significant reduction to the current surface inventory through new construction. They expect those issues will be difficult to balance. As enrollment increases, there will likely be the need for additional facilities that will be located on current surface parking. He felt it would keep them at least even or better for the next three years or so. Regent Wixom asked whether someone was addressing long-term planning. President Harter replied that they were. Regent Wixom asked how the project fit into a long-term parking solution. He understood they had a proposal that would meet present needs, but those needs would increase and surface parking will decrease with capital expenditures made to meet the other needs of the university. Mr. Bomotti related there were approximately four-five additional parking garages in the master plan. Part of the issue is how to finance future parking garages at the current per-parking space level.

19. Approved-Resolution #05-08, Sale of Revenue Bonds, UNLV – (*Cont'd.*)

President Harter recalled the Board approved UNLV's master plan last year, which included four additional parking garages. The details for how they acquire and pay for them have yet to be presented.

Regent Sisolak how many spaces could be achieved in an acre of surface parking. Mr. Bomotti did not know. Regent Sisolak felt it was an important consideration. Mr. Bomotti replied that UNLV employs parking consultants and a parking consultant report. Regent Sisolak observed that if they could find a Cottage Grove property at \$3 million and scraped it, that five acres would accommodate 850 cars. He asked why they wouldn't do that instead. He observed that it was costing so much to go up. He suggested the students could walk an extra block. He said he understood the need for parking. With an identifiable revenue stream, why not buy adjoining property to address the parking? Mr. Bomotti replied that the cost for the acreage surrounding the campus was increasing dramatically. When the parking review was conducted, it was determined that more parking garages were needed. UNLV has already paid for the stressing for two additional floors to this garage. They will not get a better price per parking space than adding to this garage. Options have been considered across the streets from the campus. Mr. Bomotti did not foresee a better option than expanding the current garage since the premium had been paid to add the additional two floors.

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

20. Information Only-Presentation by Tamkin Development Corporation - Tamkin Development Corporation (*TDC*) made a presentation to the Board on its privatized development and financing program and

how it may serve the educational facility and housing needs of NSHE (Ref. L on file in the Board office).

Mr. Jeff Tamkin, Tamkin Development Corporation, introduced Mr. Lee White, G.K. Baum & Company. Mr. Tamkin reported that his company develops and finances classrooms, labs, student housing, recreation and athletic facilities, libraries, and administrative buildings. Tamkin Development Corporation has 35 years of experience in the turnkey project delivery approach. Over 200 projects have been completed in 96 cities. Tamkin is the pioneer in privatization and development of projects for the public sector with offices in Nevada and California. Founded in 1928, G.K. Baum & Company is a leader in higher education finance and has completed more than 290 higher education projects since 1995 with a total par value of over \$7.6 billion. The company has guided 69 privatized student housing financings, totaling nearly \$1.6 billion.

Regent Sisolak left the meeting.

20. Information Only-Presentation by Tamkin Development Corporation –(Cont'd.)

Features of Development Program :

- · The university/System identifies a particular project to be built.
- · The university/System decide where to have the project built.
- ✓ · University-owned land off-campus.
- ✓ · Land located by the developer.
- · 501©3 entity, (i.e., a Foundation/"Owner") enters into a ground lease with the System – typically 35 years.
- · TDC enters into development agreement with Foundation/Owner and agrees to turnkey development, guaranteeing cost and delivery.
- · Facility designed specifically for the needs of the System.
- · System leases completed facility.
- · Structure is permitted under newly passed SB 426.

Regents Alden and Howard left the meeting.

Mr. Lee White, Executive Vice President, G.K. Baum, explained the financing features.

Regent Sisolak entered the meeting.

Regent Alden entered the meeting.

Features of Financing:

- · Leaseback financing avoids general obligation indebtedness.
- · Allows System to finance projects outside restrictions of current revenue bond program.
- · Universities typically choose to utilize leaseback financings for non-revenue producing projects (*libraries, academic buildings, etc.*).
- · Lease payment is subject to annual appropriation.
- · Tax-exempt bonds or certificates of participation (*COPs*) provide 100% financing.
- · Ownership of facility transfers to System after payoff of bonds/maturity of ground lease.

Mr. White explained that legal documents would be signed to ground lease the land to the 501©3 (*project owner/obligor of the debt*) from whom the project would be leased. It is not technically considered as general obligation debt of the System or the state. He related that it was a cost effective means of gaining access to the capital markets.

Mr. Tamkin stated that this comprehensive approach of design/build/finance provides needed facilities. Land owned by the university/System remains in the university's name and is not transferred to the non-profit or the developer. It is an unsubordinated ground lease to the non-profit. The bonds/lease payments are subject to annual appropriations. If there were problems within three years on a 30-year bond, and the money was not appropriated, the lease would be cancelled and there would be no financial or legal obligation to repay the bonds.

Regent Gallagher asked about the terms of the lease (*i.e., whether the System could decide not to pay the lease, Tamkin takes it back and all is forgiven*). Mr. White replied that the lease term extends as long as the debt term of the 501©3, but has a feature that provides the option

20. Information Only-Presentation by Tamkin Development Corporation –(Cont'd.)

to decide whether or not to appropriate the monies to make the lease payment on an annual basis. It is anticipated that the System will renew the lease. He strongly urged against financing projects for which there is only a half-hearted commitment, and asked the Board to only consider projects they believed had a very high likelihood for continuing to renew the lease. The Board would be under no economic, legal, or moral compulsion to renew the lease payment if circumstances changed and they felt they no longer could or wanted to utilize the building. The responsibility for incurring the loss belongs to the 501©3 and the bondholders. Regent Gallagher asked whether there was a penalty. Mr. White replied there was not. He explained they only underwrite projects for which they feel there is a real likelihood that the projects will meet a long-term need of the System. There are billions of dollars outstanding in such financing with rarely an occasion for default or a failure to re-appropriate.

Mr. Tamkin stated that ownership of the building reverts back to the System at the end of the ground lease term, or when the bonds are repaid.

Regent Whipple said he was curious why a non-profit organization must be involved, how it remains in a 501©3 status, and why the chancellor was considering this following a successful legislative session with funds available for building. He asked about the chancellor's expectations and suggested that he and other interested individuals meet directly with the presenters to ask questions in a less time constrained environment. He requested a list of individuals and buildings that have been built for higher education in other states for comparison purposes.

Chancellor Rogers stated they had been researching methods of financing other than cash-upfront as is required with the state. Often by the time the state appropriation is received and the facility is designed and built, the cost has increased so drastically it requires the project to be scaled back. He related that Chevron-Texaco would provide a presentation at the September meeting. He is exploring methods of financing projects without putting the state's name on a debt document. Tamkin has solved this problem in California and many other states. They will not build a facility if they are not reasonably sure that the revenue stream will pay for it over time. While it is true that significant funds were appropriated in this last legislative session, future sessions are uncertain. He said he was trying to develop alternative methods of financing. Previously, there was a prohibition against the System entering into long-term leases. The last legislative session allowed NSHE to enter into such arrangements if a need should arise for a facility that the state is unable to finance. He explained that he wanted to introduce the Board to them, adding that he had entertained lengthy conversations and meetings with them. He said it would take 8-12 months to develop such a project. Currently there are so many buildings to build that are funded by the state that there is no immediate need for this mechanism. He felt that with the System's growth they would need to find alternative methods of financing. He thought it held great potential for the System.

Regent Whipple asked whether there was a way to build upon the money received from the state. Chancellor Rogers replied that one of the things they would consider is whether

20. Information Only-Presentation by Tamkin Development Corporation –(Cont'd.)

a state appropriation could be combined with such a financing venture. Regent Whipple thanked Chancellor Rogers for thinking outside of the box.

Regent Wixom felt it was an exciting way to approach capital improvements. He agreed with Regent Whipple's suggestion for meeting with them individually.

Regent Alden said it was a dynamite presentation. He praised Regent Whipple's questions. He said it was the most important thing they had done all day.

Regent Sisolak said he too had additional questions and observed that something similar had been done with the

Thomas & Mack facility. He asked whether Tamkin could provide a session for less than a quorum of Regents, adding that he had questions about the rate of return, co-mingling funds, and the tax-exempt status. He agreed it was extremely important and that it was an exciting idea. He felt that more follow-up was necessary.

Chancellor Rogers said this could be their future. Regent Sisolak asked whether something could be arranged. Mr. Tamkin agreed to return and to conduct smaller meetings.

The meeting recessed at 4:58 p.m., on Thursday, June 23, 2005, and reconvened at 7:35 a.m., on Friday, June 24, 2005, with all members present except Regents Derby, Dondero, Hill, Leavitt, and Schofield.

21. Information Only-Personnel Session, President Carol Lucey – The Board conducted a personnel session concerning President Carol Lucey.

21.1 Approved-Moving to Closed Session – The Board approved moving to a closed personnel session regarding President Carol Lucey, 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*”). Evaluation committee chair, Dr. Ryan Thomas, presented a report on the periodic presidential evaluation conducted on WNCC President Carol Lucey May 9-10, 2005.

Regent Rosenberg moved approval of moving to a closed personnel session. Regent Alden seconded. Motion carried. Regents Derby, Dondero, Hill, Leavitt, and Schofield were absent.

The meeting recessed at 7:40 a.m. (*for a closed session*) and reconvened at 8:44 a.m., on Friday, June 24, 2005 with all members present except Regents Derby, Dondero and Hill.

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

Regent Gallagher complimented President Lucey for dealing with tough personnel decisions, adding that she was proud of the job she had accomplished.

22. Approved-Presidential Contract, WNCC – The Board approved the employment terms and conditions for WNCC President Carol Lucey as presented.

Regent Alden moved approval of the employment terms and conditions for WNCC President Carol Lucey as presented. Regent Rosenberg seconded.

Chair Anthony recommended the following terms and conditions:

- · Contract Period: June 24, 2005 – June 30, 2009.
- · Base Salary: \$172,500, with additional fringe benefits as provided for all other NSHE professional employees.
- · Automobile Allowance : \$8,000 per fiscal year.
- · Housing Allowance: \$12,000 per fiscal year.
- · Host Account: \$5,000 annually.
- · Provision for discipline for cause.
- · Provision for progressive discipline.
- · Provision for prohibited activity.
- · Provision for disciplinary procedure.
- · Provision for effect of termination on presidential compensation.

Motion carried. Regents Derby, Dondero, and Hill were absent.

Chair Anthony complimented President Lucey on a great job and a great evaluation.

23. Approved-Handbook Revisions, 2005 Legislation Impacting NSHE or the Board of Regents, Including

Review of Biennial Budget - The Board reviewed legislation enacted during the 2005 Session of the Nevada Legislature that impact the Nevada System of Higher Education or the Board of Regents, including: legislation concerning the Open Meeting Law, the Millennium Scholarship, the Nevada National Guard fee waiver, and other measures. Staff presented amendments to Board policy for action, which were necessary to align Board policy with changes in state law as enacted by the 2005 Nevada Legislature (*Ref. Mon file in the Board office*). The Board reviewed and discussed the Biennial Budget as approved by the Legislature and the final list of funded capital improvements and one-shot requests.

Vice Chancellor Klaich reported that without the clear support and leadership of the Board and the chancellor, and the cooperation of each of the presidents they would not have accomplished what they did. He encouraged Board members to visit the campuses at some point in the future to witness the results of the 2005 session's efforts. A permanent home was secured for the state college; huge new buildings are planned for CCSN; after a decade, students will be able to go to one building at UNLV for their services; the UNLV campus will be redesigned with the assistance of the Greenspun building; new laboratories will be built throughout the System for the first time in decades. He hoped that Board members would think back with pride about the leadership they displayed in making the changes this year.

23. Approved-Handbook Revisions, 2005 Legislation Impacting NSHE or the Board of Regents, Including Review of Biennial Budget – (Cont'd.)

Vice Chancellor Klaich related that over 40 measures were enacted which directly or indirectly impacted the System or an individual institution. The formula was funded at 84.4% for FY06 and 84.5% for FY07. Four out of the five bills presented on behalf of the Board were enacted:

- · AB62-Nevada driver's license for spouses/dependents of international student and scholars failed.
- · AB 527-Enacted name change from UCCSN to NSHE.
- · AB 534-Enacted increased revenue bonding authority (*by over \$200 million*).
- · SB 32-Enacted 12-month residency requirement for in-state tuition.
- · SB 410-Enacted NSHE exemption from prescription drug pool.

Board-Related Measures Enacted:

- · AJR 11-Reconstitution of Board of Regents passed the Senate and the Assembly for the second time. It will become effective January 2008 if approved by the voters (*6 Governor-appointed; 3 elected from Congressional districts*). Terms would be reduced to four years.
- · SB 149-Compensation for Board members; \$80 salary/meeting; \$2,500 maximum for host expenditures.

Scholarship Funds:

- · SB 4-The Governor Guinn Millennium Scholarship.
- · \$7.6 million from Abandoned Property Trust Fund annually.
- · \$35 million one-time general fund infusion.
- · Eligibility criteria revised.
- ✓ · Exemptions for students with documented disabilities.
- ✓ · Scholars continue to receive scholarship dollars for summer terms.
- ✓ · Millennium Scholarship dollars may not be used to pay for remedial courses.
- ✓ · Scholars may not receive scholarship dollars for more than 12 credit hours per semester.
- ✓ · "Two Strikes" you're out rule adopted.
- ✓ · Maintaining eligibility – 2.60 GPA during first year of enrollment; 2.75 GPA during second and subsequent years of enrollment.

The Open Meeting Law:

- · SB 83 Closed Meetings – subject of discussion must be notified in writing; may have attorney or other representative present; may present written evidence and testify.
- · SB 267 Notices and Closed Meeting Exemptions – Name of person considered in closed meeting must be on agenda (*current Board practice*); subject of closed meeting may request a public hearing; appointed public officer, including the president of a college or university within NSHE, cannot be considered in a closed meeting.

- · SB 421 Taping of Public Meetings – Public and closed meetings must be recorded and tapes retained for at least one year (*current Board practice*).

Capital Budget:

- · SB 524 Capital Improvement Projects-\$256.6 million.

23. Approved-Handbook Revisions, 2005 Legislation Impacting NSHE or the Board of Regents, Including Review of Biennial Budget – (Cont'd.)

- ✓ · NSC Liberal Arts Building.
- ✓ · CCSN West Charleston new classrooms.
- ✓ · CCSN Automotive Technology Building.
- ✓ · DRI's Computer Automated Virtual Environment (*CAVE*).
- ✓ · UNLV Greenspun building and expansion.
- ✓ · UNLV Student Services Building.
- ✓ · UNR Math and Science Center.
- · Nevada Cancer Institute/UNSOM-\$10 million – SB 105 appropriates \$10 million to the University of Nevada School of Medicine for a building where research, treatment, education, and teaching opportunities in Nevada will be expanded in partnership with the Nevada Cancer Institute and the Center for Excellence.

Operating Budget:

- · 84.4% formula funding for FY 2006.
- · 84.5% formula funding for FY 2007.

Additional State Funding:

- · Classified and Professional Employee COLA; 2% FY 2006 and 4% in FY 2007.
- · UNR School of Medicine - \$4.3 million to increase the number of medical students enrolled in a class and to support other health-related initiatives.
- · Nursing Initiative – \$4.0 million for 8:1 ratio at community colleges; continuation of summer school funding; UNLV Ph.D. program, and GBC BS program.
- · DRI - \$1 million to purchase equipment and services for groundwater yields in arid basins.
- · UNLV Women's Research Institute of Nevada - \$300,000 to support employees and operational costs.
- · CCSN Salary Equity Pool – 6-year phase-in for improving CCSN salaries with \$1.85 million for this biennium.
- · UNR School of Medicine/Academic Medical Center.
- ✓ · \$1.5 million for advance planning of AMC.
- ✓ · \$4.0 million for design and engineering expenses for AMC Organ Transplant Center.
- · Pediatric Dentistry Residency Program - \$300,000 for continuation of the program.
- · Basque Genealogy Center - \$250,000 for creation of the Center at UNR, including biographical database and publication series.
- · Technology - \$2.2 million for maintenance technology to support staffing and operational costs; no funding for equipment.

Policy Changes with Budget Implications:

- · Indirect Cost Recovery – 100% retention.
- · National Guard fee waivers – June 30, 2005 sunset provision repealed.
- · Residency Requirement – 12-month Nevada residency required for in-state tuition.

23. Approved-Handbook Revisions, 2005 Legislation Impacting NSHE or the Board of Regents, Including Review of Biennial Budget – (Cont'd.)

Regent Derby entered the meeting.

- · UNR College of Agriculture – must report to the 74th Session the status of establishing a program of agronomy, horticulture, landscape ecology, and design and plant sciences.

Vice Chancellor Klaich agreed with many who questioned the role of the Nevada Legislature with respect to the governance of the NSHE. Some of these statutes appear to interfere with the Board's constitutional authority.

➤ · Remedial Funding – Fall 2006 funding shifts from universities to community colleges.

Policy Items for Board Consideration – in order to align current Board policy with recent legislation enacted into state law during the 73rd Session of the Nevada Legislature:

➤ · SB 78 National Guard Fee Waiver – Amend Title 4, Chapter 17, Section 13, subsection 4.k., by eliminating the sunset language in accordance with SB78.

Regent Alden moved approval of the Handbook revision concerning National Guard fee waivers. Regent Sisolak seconded.

Vice Chancellor Klaich related that following the close of the session and passage of these laws the Board mailing date had passed. The propriety of acting on all of these matters was cleared with the Attorney General's office within the scope of the agenda item as published.

Motion carried. Regents Dondero and Hill were absent.

➤ · SB 32 12-Month Resident Requirement – Amend Title 4, Chapter 15, Section 4, subsection 2, in part, in accordance with SB 32.

Regent Alden moved approval of the Handbook revision concerning the 12-month residency requirement. Regent Sisolak seconded. Motion carried. Regents Dondero and Hill were absent.

➤ · SB 4 Millennium Scholarship (*22nd Special Session*) – Title 4, Chapter 18, Section 18.

Regent Alden moved approval of the Handbook revision concerning changes to Millennium Scholarship requirements. Regent Sisolak seconded. Motion carried. Regents Dondero and Hill were absent.

23. Approved-Handbook Revisions, 2005 Legislation Impacting NSHE or the Board of Regents, Including Review of Biennial Budget – (Cont'd.)

Regent Sisolak asked about a bill extending benefits to survivors of slain police and fire fighters. Vice Chancellor Klaich recalled that a trust fund had been established and that Senator Titus had introduced a bill to recharge the trust fund with an additional \$50,000. Ms. Crystal McGee, Senior Research Analyst-System Administration, clarified that the original bill introduced by Senator Titus did not pass however, funding was provided in another bill. Regent Sisolak complimented the integrity of the System's legislative team.

Regent Alden felt this was the best effort and results in over 30 years. He attributed that success to Chancellor Rogers' efforts. He asked about the length of Regent terms if AJR 11 does not pass. Vice Chancellor Klaich replied it would be six-year terms. Regent Alden complimented the efforts of Board members. He advocated 10-year terms with a 2-term limit. He asked about term limits affecting the Board.

Regent Sisolak noted a point of order, feeling that conversation had strayed from the agenda item under consideration.

Regent Whipple asked about the partnership agreement associated with the Nevada Cancer Institute and requested a copy. Chancellor Rogers agreed to provide one.

Regent Whipple then addressed the \$1 million appropriation for DRI to purchase equipment and services for groundwater yield analysis. He asked whether this was intended for in-state purposes. President Wells replied that the money for the equipment was primarily for use in Nevada to understand the basic parameters of groundwater basins, which have not been updated for nearly four decades. Private industry funds will support the effort to understand recharge and discharge. Regent Whipple asked about parameters governing how the

money was to be expended. President Wells replied it was for equipment.

Regarding the technology issue, Regent Whipple observed the System was short approximately \$18 million and asked what options exist. Chancellor Rogers replied that the System had been so successful in other arenas that they would not need to pinch pennies and move money around in this regard. He was hopeful that with a little creative accounting they could get the money out of the System. He was unsure how broad the statute was regarding the lease/purchase question. He felt it would be nice to enter into a long-term lease agreement that would provide the \$10-20 million in basic equipment up front. He said they would locate the money some place. He said it was nice to only have one big problem instead of many others and that it was a tradeoff.

Regent Whipple then addressed the UNR College of Agriculture program in agronomy and horticulture. He suggested staff research how this was previously discussed and present the findings to the Board. Chancellor Rogers agreed to do so. Vice Chancellor Klaich stated that this was a program within the master planning of UNR. President Lilley clarified that the program was within the plan but was not an approved program. UNR did not request the bill and, in fact, requested the bill be killed three times. Regent Whipple felt the Board should deliberate and evaluate. He wanted as much information

23. Approved-Handbook Revisions, 2005 Legislation Impacting NSHE or the Board of Regents, Including Review of Biennial Budget – (Cont'd.)

as possible. He wanted to know what other information exists besides the statute so the Board could understand why this became an issue at this session. Chancellor Rogers agreed to provide some information. Vice Chancellor Klaich stated there was a significant amount of printed material, including a feasibility study. Chair Anthony felt it would be a good agenda item for a future meeting.

Regent Howard commended Chancellor Rogers for assembling a fine legislative team and securing the needed funding. She asked about implementation of AJR 11, which would become effective in 2008. Vice Chancellor Klaich explained that a re-elected Regent would serve until 2008. He observed there were many questions requiring answers, including:

- · What is a Board member's term if they are elected in 2008 (*among the 3 elected*)?
- · What is the term length of the six governor appointed members?

Vice Chancellor Klaich said they were unsure of the answers at this point. Regent Howard felt that a Regent elected to a six-year term should be allowed to serve a six-year term. Vice Chancellor Klaich replied that the Legislature had the power to shorten Regent terms.

Regent Howard asked whether the State Board of Education had been mentioned during discussion of AJR 11. She asked whether there was any discussion about appointing State Board of Education members. Vice Chancellor Klaich replied there was not. He observed that the statute provides that the term for any member elected prior to November 2008 would expire in January 2009.

Regent Wixom asked about the timeframe within which the System must have the technology in place before facing a critical mass. Chancellor Rogers replied they were nearly there, adding that everyone was working hard to determine how to proceed. This will not stop the planning process of the Technology Task Force. Vice Chancellor Klaich observed there was no money for upgrading current systems in order to keep pace with enrollment and required services. Additionally, the system is outdated. Both matters involve considerable money. He said the System faces two immediate tasks. Regent Wixom observed that it is an operational System issue as well as a student service issue. Vice Chancellor Klaich agreed, adding there was no money to upgrade the current system and the System is growing; two distinct and pressing needs.

Regent Gallagher was disturbed by several of the statutes. She felt that a constitutional question remained regarding the Legislature dictating how Regents spend the Regents' money (*not state funds*) as well as which programs to offer. She recalled they had been through this before and felt the Board should not accept these encroachments.

Vice Chancellor Klaich felt this related to credibility, consistency, making good decisions, and getting information out to the public in a timely manner so that everyone understands what is being done. He felt the

Board had strong, credible, and defensible positions. Regent Gallagher observed that the chancellor and the legislative team had covered a lot of ground to regain some of the Board's lost credibility. She felt the Board

23. Approved-Handbook Revisions, 2005 Legislation Impacting NSHE or the Board of Regents, Including Review of Biennial Budget – (Cont'd.)

could build upon that, but it was incumbent upon them not to lose ground with their actions. Board members must fulfill their duties as representatives of higher education.

Chancellor Rogers stated that the lobbying effort would continue between legislative sessions. He observed that he had not experienced the hostility he had originally expected. He felt that most of the credibility had been regained. While some legislators still hold grudges, the great majority believe the System and the Board.

Regent Sisolak asked whether Regent Gallagher was referring to spending host account funds. Regent Gallagher replied that she was, adding that host accounts are not state funds. Regent Sisolak asked whether she had also been referring to the horticulture program. Regent Gallagher felt that was a matter of the Legislature telling the System what to teach. Chair Anthony felt the next Board Chair and Vice Chair should take a critical look at these issues and determine which ones to address.

Regent Sisolak stated that Vice Chancellor Klaich was taken completely by surprise with the horticulture bill. It centers on an enormous misunderstanding. He felt the lobbying team did a great job. Regent Gallagher said she received a call from the State Board of Agriculture, who supported the bill. She told them that she felt it would be more appropriate for the Board to consider how the program would fit into the master plan. She observed there will be a fiscal impact. Regent Sisolak felt the legislator was unaware of the bill's impact. Vice Chancellor Klaich observed that a policy issue was involved. He felt it originated from frustration felt by some in the industry who did not believe that their needs and concerns were heard by higher education. He felt it sent a message to the System to increase communication to all stakeholders and industry.

Vice Chancellor Klaich expressed his appreciation for the letter drafted by Regent Alden to members of the lobbying team.

The meeting recessed at 10:04 a.m. and reconvened at 10:25 a.m. with all members present except Regents Dondero and Hill.

Chair Anthony observed there were many questions regarding Regent pay. He asked Vice Chancellor Klaich to develop a policy which could be reviewed by the Board at the next meeting. Regent Sisolak thought that an incumbent public officer's salary could not be increased while they were in office and that committee meetings had to be a minimum of five hours. Vice Chancellor Klaich agreed to research the matter.

24. Approved-NFA Contract, TMCC – The Board approved President Philip M. Ringle's request for the new TMCC – NFA contract for the period of July 1, 2005 – June 30, 2008 (*Ref. N on file in the Board office*).

Regent Alden moved approval of the contract between TMCC and NFA. Regent Rosenberg seconded.

24. Approved-NFA Contract, TMCC – (Cont'd.)

President Ringle related that informal negotiations had been held with a team of three representing the NFA, President Ringle, and TMCC Human Resources Director, Marsha Lindekin. It was a collegial process. Both sides approached the matter with the good of the institution and the students as the driving force for changes proposed in the contract. All discussions were honest and forthright. Both the NFA and administration were willing to listen and openly analyze the issues. The agreement protects the NFA membership from capricious management and defines for management the roles and accountability standards for the membership. Key changes include:

- · Three-year contract, with provision for an opener after two years if there are concerns agreed upon by both sides.
- · Clarification of the role and compensation of department chairs, discipline coordinators, and program

coordinators.

- · Defines a lead faculty position for departments where the enrollment activity level and number of personnel requires help for chairs.
- · Clarifies the evaluation and grievance procedure.
- · The college workload policy is included in the agreement.

President Ringle thanked the NFA for the manner in which the negotiations occurred.

Mr. Bill Newhall, NFA-TMCC Chapter President, assured the Board that the contract was approved by the state board and was strongly supported by TMCC faculty, who consider it a critical part of shared governance and integral to maintaining a positive and creative work environment for faculty. He agreed the negotiations had been very collegial and productive. He said the contract definitely supports faculty and the college and thanked President Ringle for being a strong and effective administrator.

Motion carried. Regents Dondero and Hill were absent.

25. Information Only-Inter-Institutional Collaborations - Chancellor James E. Rogers presented information regarding a number of joint efforts between NSHE institutions, and between NSHE and other institutions formalized by MOUs that represent important collaborative endeavors (*Ref. Q on file in the Board office*).

Chancellor Rogers related that Board approval was not required for these memorandums of understanding, though he felt it was important for the Board to be informed of them as they are developed. An effort has been made to have the eight institutions work more closely together. Several of the MOUs relate to agreements between NSHE institutions. He was most pleased with the agreement between the School of Medicine, UNLV, and other participants in the development of joint efforts of the SOM in southern Nevada. He assured the Board that the MOUs would be sent to the chancellor's office and shared with Board members.

Regent Alden felt it was proper policy and a move in the right direction. He wanted the chancellor and the unit presidents to ensure there were no accreditation or transfer of credit issues, or formation of relationships that could later make the System a target. He

25. Information Only-Inter-Institutional Collaborations – (*Cont'd.*)

cautioned against mission creep. He said it augments the System of higher education, but wanted to ensure attention to detail.

Regent Gallagher said she was not concerned about the Regents approving the agreements. She observed that Board members could not support staff when approached regarding issues about which they were not informed. She said it was a matter of knowing about such issues.

Regent Whipple thanked Chancellor Rogers for the MOUs. He said that NSHE was a unique aspect with one Board governing multiple institutions and working together with 2+2 programs. He felt the MOUs represented a positive offering to the state.

Regent Sisolak concurred with his colleagues' comments regarding Board awareness of such agreements. He commended the presidents for implementing joint programs and increasing options for students.

26. Approved-Sale of Real Property, Parcel 086-154-09, Reno (Stead), UNR – The Board approved President John M. Lilley's request for the sale of real property, parcel 086-154-09, Reno (*Stead*) for the appraised value of \$6,300,000(*Ref. Q on file in the Board office*).

Regent Alden moved approval of the sale of real property for UNR. Regent Derby seconded.

Regent Sisolak observed that it was a complicated issue as it related to water rights. He said he totally understands and was very supportive of the situation. He commended the institution for going back and saving the \$6.3 million. He felt they had maximized the asset for the benefit of the institution. He thanked Mr. Ron

Zurek, Vice President, Administration & Finance-UNR, for making the appraisals available and answering his questions.

Motion carried. Regents Dondero and Hill were absent.

27. Approved-Great Basin Plant Materials Center, (PMC) Lease, UNR – The Board approved President John M. Lilley’s request for a lease agreement between the University of Nevada, Reno and the U.S. Department of Agriculture to establish the Great Basin Plant Materials Center at the Newlands Experiment Station in Fallon, Nevada (Ref. R on file in the Board office).

Regent Alden moved approval of the lease agreement between UNR and the U.S. Department of Agriculture to establish the Great Basin Plant Materials Center. Regent Rosenberg seconded.

Regent Alden felt that all capital acquisitions should be considered by a committee prior to coming before the Board.

27. Approved-Great Basin Plant Materials Center, (PMC) Lease, UNR –(*Cont’d.*)
Motion carried. Regents Dondero and Hill were absent.

28. Approved-Advanced Dental Education Building, UNLV – The Board approved President Carol C. Harter’s request to negotiate and execute the appropriate documents and contracts to use a design-build/lease-or installment-purchase delivery method to construct an advanced dental education facility on the Shadow Lane Campus. Approval was also granted for the chancellor, on behalf of the Board of Regents, to execute all of the necessary documents and contracts once a vendor has been selected and the terms and conditions have been finalized. This option involves the solicitation of a private vendor to design, construct, and possibly finance (*options may exist for the University/System to finance the project, which will need to be carefully reviewed*) the facility through a 20-25 year lease or installment purchase structure. This entire project will be self-supported through self-generated tuition, registration fees, and clinic revenues and will not require any state funding to support it. The Board will receive, for action, any final financing resolution, which will be prepared by Bond Counsel (Ref. S on file in the Board office). The financial plan for this program is consistent with the one submitted to and approved by the Board in 2004, when the Advanced Dental education program was approved.

President Harter reported that the facility represents a new way of building via a public/private partnership (*no state dollars for the building*). Money to build the facility and/or pay the bond indebtedness will come from student tuition, clinic practices, and other revenues generated by the program. This will be a pilot project for building and financing university buildings without state capital expenditures. She proposed the design/build solicitation for building and acquiring a 40,000-sq. ft. facility with clinic space on the first floor, space for education, and the growth of two other dental residency programs in endodontics and periodontics (*not requiring state dollars*).

Regent Rosenberg moved approval for President Carol C. Harter to negotiate and execute the appropriate documents and contracts to use a design-build/lease-or installment-purchase delivery method to construct an advanced dental education facility on the Shadow Lane Campus and for the chancellor, on behalf of the Board of Regents, to execute all of the necessary documents and contracts once a vendor has been selected and the terms and conditions have been finalized. Regent Gallagher seconded.

Regent Wixom asked whether the facility would be built on UNLV property and whether an installment contract or a ground lease would be created long-term (*35-40 years*). Mr. Gerry Bomotti, Vice President, Finance-UNLV, replied that it would be built on UNLV property with likely 20-25-year commitment. Regent Wixom observed that this could result in having a building on UNLV property that is owned by a third party, acknowledging that either UNLV or the participating party could pull out of contract before the term. He asked whether UNLV had contemplated building use restrictions so

28. Approved-Advanced Dental Education Building, UNLV – (*Cont’d.*)
as to prevent a worst case scenario. Mr. Bomotti replied that they had. Use restrictions can be very important,

but also impact the financing terms. He said it was not really feasible to pull out of the contract for several reasons. The building is on university property. It would be difficult to have a third party come in and operate it, which would be disruptive to the campus. Such arrangements are generally set up as LLCs. The only asset is the particular facility. A lease/purchase is a viable option, except that in this case, the ground is already under tax exempt financing. With an installment/purchase, the deed would come to the Board/university at the beginning of the project. He did not feel that use restrictions would be necessary with an installment/purchase. Regent Wixom established that use restrictions could be imposed, but it would affect the nature and cost of the financing. He observed they would be committed long-term to the process or would run the risk of having adjacent property used in very different ways. Mr. Bomotti agreed. The building to be constructed will have orthodontics facilities on the first floor and basic offices on the second. The uses will be somewhat restricted. If the institution backs out of this type of an arrangement, it will impact all future agreements of this nature.

Regent Sisolak clarified there would be no state money (*operating & maintenance*) for this building. Mr. Bomotti agreed. Regent Sisolak established that it included future plans for periodontics and endodontics. He asked about the rate of return on the lease buyback. Mr. Bomotti replied they had not released a solicitation, but were hoping for good bids. He felt there was an advantage to the design/build because they could use designs of existing orthodontics facilities at other institutions of higher education. He felt that a 5% rate of return was typical. Regent Sisolak asked whether the matter would be brought back to the Board. Mr. Bomotti replied that it would, adding that the Board would approve the final financing transaction (*possibly at the December meeting*). Regent Sisolak asked whether that would be subsequent to executing the agreement. Mr. Bomotti replied that it would be required before the agreement could be executed. Chancellor Rogers affirmed that the matter would be brought back to the Board prior to execution. Mr. Bomotti stated they intended to bring it back. Regent Sisolak asked whether an independent analysis would be provided when the matter was brought forward. He was concerned that OEC could go out of business. He wanted an independent analysis depicting the financial situation if OEC vacated the program. Mr. Bomotti replied there would be an independent review of the financials presented over a year ago, prior to executing any agreements.

Regent Alden felt it was important when entering into such agreements that down the road the barn does not fall apart. He felt they should listen closely to the Board's concerns. He did not believe that no state funds would be used. He was concerned that this would put them in a place in the future that they do not need to be. He said he had confidence in the staff and chancellor that the proper oversight would be provided, but he was also concerned about OEC leaving.

Vice Chancellor Klaich asked whether the institution felt the building would move into formula funding for operation and maintenance. Mr. Bomotti replied that they would not submit the facility for state O&M.

28. Approved-Advanced Dental Education Building, UNLV – (*Cont'd.*)

President Harter clarified that it depended upon whether or not state supported activity went into the building. Provost Ray Alden agreed. He said the building may have as many as four residencies in it. UNLV presumes that last year's agreement applies to the residency that is strictly orthodontic. UNLV would expect that any state programs that come forward would be eligible for O&M.

Regent Gallagher advised President Harter not to become entangled with similar actions associated with the dental school. She suggested the facts become public now so as to avoid the need for an apology later. President Harter agreed. She stated that the orthodontics residency is supported entirely by private dollars. If it is the sole occupant of the building, they would not submit for O&M. The building will include other aspects of the dental program, some of which are state supported. UNLV is not saying there would be no O&M request for any program. If some of the state supported dental school faculty move into the facility, UNLV would also expect to have some O&M.

Chancellor Rogers said that lingering problems regarding promises made and broken were a terrible burden. He said he would not approach the Legislature with exceptions. Everyone will know the situation at the time the document is executed. Whatever representations are made will be done in writing regarding the potential state exposure. He said that his support was based upon the fact that every possible problem and exposure to the state

will be outlined clearly prior to signing the agreement. He clarified that he wants his name on the document and there would be no lack of candor with the Legislature. President Harter agreed. She hoped that it was clear that she was never involved in allegedly misstating state support for the dental school. Chancellor Rogers related there was a feeling that things were omitted.

Regent Wixom asked about the difference in financing costs with use restrictions. He felt they were better off requiring use restrictions if there was no material difference. Mr. Bomotti replied they would review the matter and return with information regarding the different types of use restrictions. Regent Wixom was hopeful for a decent rate with use restrictions that preserve the integrity of the building.

Regent Sisolak was concerned this would be the first venture into the lease/purchase realm. He was excited about the opportunity. He questioned whether this was the best place to start. If OEC was removed from the building, then the O&M would become all state funded. Mr. Bomotti replied that the commitment was that no state funds would be used for the orthodontics program. Non-OEC students are paying tuition and generating revenue. The pro forma developed were based upon the fact that the financial model worked even if OEC backed out. UNLV will ask an independent reviewer to verify this.

Regent Howard asked whether UNLV would own the building. Mr. Bomotti replied that it depended upon the structure. The Board would own the building at the time it was accepted with an installment/purchase, subject to payments. If a lease/purchase was employed, an LLC or third party would own the building for the duration.

Regent Rosenberg established that the System owns the land.

28. Approved-Advanced Dental Education Building, UNLV – (Cont'd.)

Motion carried. Regents Dondero and Hill were absent. Regents Alden and Sisolak voted no.

29. Approved-Academic, Research & Student Affairs Committee Recommendations and Report - Chair Howard Rosenberg reported the Academic, Research & Student Affairs Committee met June 23, 2005 and heard the following reports:

- · Update on NSC Accreditation/Hiring – Ms. Lois Becker, Vice President, Academic Affairs-NSC, provided an update regarding NSC's activities concerning the accreditation process status and recent faculty hires.
- · Research Recommendations, AB 203 – Staff presented a history of EPSCoR in Nevada and the NSHE's responses to the research recommendations made by the Committee to Evaluate Higher Education (*Ref. ARSA-8 on file in the Board office*).
- · Teacher Preparation Recommendations, AB 203 – Staff provided a presentation in response to the recommendations pertaining to teacher preparation made by the Committee to Evaluate Higher Education.
- · GPA: System-wide Recording and Transfer – The Committee engaged in discussions concerning policies and procedures for the transfer and recording of GPAs within the NSHE including, but not limited to, the transfer of GPAs and their inclusion into a student's accumulative GPA. The conversation extended to possible differences in content and teaching styles within the same course(s) depending upon the institution at which the courses are taught, as well as the relative levels of difficulty, etc. Several alternate possibilities were discussed, but the Committee felt it did not have sufficient information to make as informed a decision as it desired and requested staff to provide more information:
 - ✓ · The number of students matriculated at four-year institutions who elected to take certain of their core requirements at a community college over a representative period and vice versa.
 - ✓ · The levels of achievement.
 - ✓ · The impact upon individual grade point averages.
 - ✓ · Possible impact upon Millennium Scholarship considerations.

The topic will be brought back to the Committee at its next meeting, at which point, action may be taken.

- · New SAT Test Format and Writing Sample – The Committee discussed the new 2005 SAT test format and the correlation between length and score of the writing test (*New York Times*) (*Ref. ARSA-11 on file in the Board office*). Staff provided a presentation regarding issues concerning the new SAT writing sample and the present plan for its acceptance for admission in NSHE.
- · Policy Central – Staff provided a presentation demonstrating a new online database tool designed to provide

easy access to policy changes in the *Board of Regents' Handbook* .

Regent Rosenberg requested Board action on the following Committee recommendations:

- · Minutes – The Committee recommended approval of the minutes from the April 14, 2005 ARSA Committee meeting.
- · New Program Proposals – The Committee recommended approval of the following new program proposals:

29. Approved-ARSA Committee Recommendations and Report – (Cont'd.)

- ✓ · Masters of Science with a Major in Finance, UNR (Ref. ARSA-2 on file in the Board office) .
- ✓ · Bachelor of Science with a Major in Atmospheric Sciences, Minor in Atmospheric Sciences, UNR (Ref. ARSA-3 on file in the Board office) .
- ✓ · Master of Fine Arts in Art, UNR (Ref. ARSA-4 on file in the Board office) .
- ✓ · Associate of Science in Environmental Science, TMCC (Ref. ARSA-6 on file in the Board office) .
- · New Department Proposal – The Committee recommended approval of the following new department proposal:
 - ✓ · Department of Health Care Administration and Policy (*HCAP*) , UNLV (Ref. ARSA-5 on file in the Board office) .

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

30. Approved-Audit Committee Recommendations and Report – Regent James Dean Leavitt reported the Audit Committee met June 23, 2005 and heard the following reports:

- · Follow-up responses were received for three internal audit reports presented at the December 2004 Audit Committee meeting.
- · Ms. Denise Baclawski, Executive Director, Fire Science Academy-UNR, reported the FSA is \$700,000 ahead of target with projected revenues for this fiscal year as reported in the business plan. Enrollment has more than doubled from a year ago.

Regent Leavitt requested Board action on the following Committee recommendations:

- · Minutes – The Committee recommended approval of the minutes from the April 14, 2005 Audit Committee meeting.
- · Internal Audit Reports – The Committee recommended approval of the following internal audit reports (Ref. T on file in the Board office) :
 - ✓ · ASUN Bookstore, UNR (Ref. A-2 on file in the Board office) .
 - ✓ · Grants and Contracts, UNLV (Ref. A-3 on file in the Board office) .
 - ✓ · UNLV/CSUN Preschool, UNLV (Ref. A-4 on file in the Board office) .
 - ✓ · Department of Public Safety, UNLV (Ref. A-5 on file in the Board office) .
 - ✓ · Intercollegiate Athletic Department, UNLV (Ref. A-6 on file in the Board office) .
 - ✓ · South Computer Environment, NSHE (Ref. A-7 on file in the Board office) .
 - ✓ · North Computer Environment, NSHE (Ref. A-8 on file in the Board office) .
- · Regent Request, Standards for Capital Campaigns – The Committee discussed standards for counting gifts during foundation capital campaigns and recommended approval of standards proposed by the institution foundations (Ref. A-13 on file in the Board office) .
- · Handbook Revision, Procedures for Requesting Audits – The Committee recommended approval of procedures for Regents requesting audits for inclusion in the *Board of Regents' Handbook* (*Title 4, Chapter 9A, Internal Audit Department Charter, Section 5 Audit Requests*) (Ref. A-14 on file in the Board office) .

30. Approved-Audit Committee Recommendations and Report – (Cont'd.)

Regent Leavitt moved approval of the Committee recommendations and acceptance of the report. Regent Alden seconded. Motion carried. Regents Dondero and Hill were absent.

31. Approved-Budget & Finance Committee Recommendations and Report - Chair Mark Alden reported the Budget & Finance Committee met June 23, 2005 and heard the following reports:

- · All funds revenues and expenses of the NSHE for the third quarter of fiscal year 2004-05.
- · Fiscal exceptions of self-supporting budgets and the status of state appropriations for the third quarter of fiscal year 2004-05.
- · Self-supporting budget revisions for the third quarter of fiscal year 2004-05.
- · State supported operating budget transfers for the third quarter of fiscal year 2004-05.
- · Institutional resource reassignment/allocation between institutions and NSHE units for fiscal year 2004-05.
- · Summary of legislative actions regarding funding of the NSHE state operating budget and capital projects for the 2005-07 biennium.

Regent Alden requested Board action on the following Committee recommendation:

- · Minutes – The Committee recommended approval of the minutes from the April 14, 2005 Budget & Finance Committee meeting.

Regent Alden moved approval of the Committee recommendation and acceptance of the report. Regent Rosenberg seconded. Motion carried. Regents Dondero and Hill were absent.

32. Approved-Technology Task Force Recommendations and Report – Acting Vice Chancellor Becky Seibert reported the Technology Task Force met April 7, May 13, and June 14, 2005.

During the April 7th meeting, the Task Force received reports on an ERP project communications plan, the search for a Vice Chancellor for Technology, and the information technology presentation planned for presentation to the Legislature.

During the May 13th meeting, Chair Seastrand reported that the Cedar Group had been hired to provide consulting assistance during the vendor selection phase of the ERP project. Acting Vice Chancellor Seibert reported that a project website had been created with access through the SCS home page (www.scs.nevada.edu), where interested parties can select "*Integrated Information System (ERP) Project Status*". All official Task Force documents are posted there along with links to relevant Board of Regents web pages and a link to SCS Customer Relations for inquiries and comments. Director of Human Resources, Mrs. Carla Henson, reported that over 70 applications had been received for the Vice Chancellor of Technology position and that the search committee was reviewing more than 50 that met minimum requirements. The Task Force received a report on the

32. Approved-Technology Task Force Recommendations and Report – (Cont'd.)

ERP experiences of other multi-campus institutions around the country, highlighting the diversity of vendor and architectural solutions the institutions had selected. Mr. Jim Lyon, General Manager of The Cedar Group's higher education practice, presented an overview of Cedar's background, philosophy, and scope of work that Cedar will perform for NSHE.

At the June 14th meeting, Chair Seastrand reported that the legislature did not allocate any funds for the NSHE ERP project. Mrs. Carla Henson reported that four candidates had been selected for interviews for the position of Vice Chancellor of Technology. Interviews were scheduled between June 20 and July 5. Assistant Chancellor Trudy Larson reported that the Legislature allocated \$2.2 million for growth of existing technology. The Cedar Group provided reports on findings from their NSHE campus visits, the ERP market in higher education, information system architecture options, and ERP cost estimates. The Task Force discussed ERP vendor demonstrations to occur between July 25 and August 12 in Las Vegas and Reno. The Cedar Group is assisting in preparations for the demonstrations.

Acting Vice Chancellor Seibert requested Board action on the following Task Force recommendations:

- · Minutes – The Task Force recommended approval of the minutes from the February 18, March 11, and April 7, 2005 Technology Task Force meetings.
- · Project Plan & Timeline – The Task Force recommended approval of a project charter for the selection of an integrated information system and a project charter for the staff project team. The project team consists of members of the Academic Affairs Council, Business Officers, Classified Council Presidents, Chief Technology Officers, Faculty Senate Chairs, Human Resources Advisory Council, Institutional Research Officers, Student

Affairs Council, and Student Body Presidents. In discussing the project charter, the Task Force made it clear that the goal is to select an existing solution that incorporates best business practices for higher education rather than to build a unique solution based on a detailed list of requirements.

- · ERP Vendor Demonstration Plans – The Task Force recommended approval of a resolution to schedule ERP vendor demonstrations in Las Vegas and Reno as quickly as possible. They directed the Project Director to request input from the Project Team regarding the requirements, processes and issues they expected the vendors to address in the demos. The Project Team leads were invited to the June 14th meeting for a discussion of the vendor demos.
- · Next Steps and Calendar – The Task Force recommended approval of the next steps to be taken and a calendar of future meetings.

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

Regent Alden observed that the Task Force's work was very important and that the computing system was at a brink. He urged other Regents to attend the meetings. He praised Mr. Seastrand's efforts in assisting the System. He said the work needed to be

32. Approved-Technology Task Force Recommendations and Report – (Cont'd.)

accomplished quickly and efficiently and suggested the need to approach the Interim Finance Committee for the necessary funding.

Regent Gallagher left the meeting.

Regent Derby acknowledged Acting Vice Chancellor Seibert at her final Board meeting prior to retirement. Regent Derby said that Mrs. Seibert had done a terrific job and thanked her for her many years of service.

Motion carried. Regents Dondero and Hill were absent.

33. Approved-Health Education Task Force Recommendations and Report – Regent Mark Alden reported the Health Education Task Force met April 22, 2005, and discussed the Health Professions Summit. The Area Health Education Center (AHEC) committed to providing staff necessary to plan and organize the Summit. The Task Force discussed the makeup of the Health Summit Planning subcommittee to include both campus and health sector representatives and a member from the Governor's Blue Ribbon Committee. Nevada's congressional representatives will be asked to participate. The Summit will be held in Las Vegas and other details will be recommended by the planning subcommittee at a later date.

The Task Force heard three presentations from Dr. John Packham. The first report detailed the existing health education programs in Nevada. The second report provided information on the survey of licensed registered nurses in Nevada that is currently being conducted. The results of the survey will be available later this summer. The third presentation detailed a survey of the Rural Health Workforce currently being conducted.

Regent Alden requested Board action on the following Task Force recommendation:

- · Minutes – The Task Force recommended approval of the February 18, 2005 meeting minutes.

Regent Alden moved approval of the Task Force recommendation and acceptance of the report. Regent Derby seconded. Motion carried. Regents Dondero, Gallagher, and Hill were absent.

Regent Sisolak left the meeting.

Regent Gallagher entered the meeting.

34. Approved-Investment Committee Recommendations and Report - Chair Bret Whipple reported the Investment Committee met May 24, and June 23, 2005. On May 24th, Mr. William Atlas, Cambridge Associates, reviewed the asset allocation and performance for the pooled endowment and pooled operating funds of the NSHE for the quarter ending March 31, 2005. Endowment investments returned (-0.6%) for the

quarter (compared to the (-1.2%) benchmark) , and 9.0% for the fiscal year (compared 7.5% benchmark) . The total return

34. Approved-Investment Committee Recommendations and Report – (Cont'd.)

for the pooled operating funds was 0.3% for the quarter (compared to the 0.2% benchmark) , and 6.1% for the fiscal year (compared to the 5.7% benchmark) .

Regent Whipple requested Board action on the following Committee recommendations:

- · Minutes – The Committee recommended approval of the minutes from the February 25, 2005 Investment Committee meeting.
- · Handbook Revision, Withdrawals from the Endowment – The Committee recommended approval of changes to the *Board of Regents Handbook* (Title 4, Chapter 10, Section 4.3.a) to clarify the procedures for withdrawing money from the endowment allowing the Director of Banking and Investments to determine where the money will come from with approval from the Assistant Vice Chancellor, the Vice Chancellor, or the Chancellor. The withdrawal will be used to rebalance the portfolio.

Regent Whipple thanked Ms. Payne for two years of hard work and devotion in assisting him with Committee matters.

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

35. Approved-Board Development Committee Recommendations – Regent Jill Derby reported the Board Development Committee met May 6, 2005. Members discussed potential topics for future workshops and agreed to sponsor a Regents' workshop coupled with the September Board meeting, with a primary focus on effective chancellor/Board relationships and mutual expectations. Other topics for future workshops include trustee development, conflict resolution, and developing a code of ethics.

Regent Derby requested Board action on the following Committee recommendations:

- · Minutes – The Committee recommended approval of the minutes from the March 10, 2005 Ethics Workshop.
- · Retreat/Workshop – the Committee recommended approval of sponsoring additional workshops, including a Regents' workshop coupled with the September Board meeting.
- · Calendar – The Committee recommended approval of scheduling the next meeting for July 8, 2005.

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

Regent Leavitt felt it was vital for Board members to take advantage of continuing education opportunities. He suggested the Committee be made a standing committee. He was excited about what the Board could accomplish together in cooperation with the chancellor and presidents. Regent Derby thanked Regent Leavitt and assured him that the Committee was absolutely committed to the ongoing continuing education of the Board.

35. Approved-Board Development Committee Recommendations – (Cont'd.)

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

The meeting recessed at 11:23 a.m. and reconvened at 12:05 p.m. with all members present except Regents Dondero and Hill.

36. Information Only-Update on William F. Harrah College of Hotel Administration Expansion and Development, UNLV - President Carol C. Harter presented an update on the proposed expansion and development of the William F. Harrah College of Hotel Administration on the northwest corner of the UNLV campus. Dr. Stuart Mann, Dean of the College of Hotel Administration, and Dr. Raymond W. Alden, III, Executive Vice President and Provost, joined President Harter in presenting an informational briefing regarding potential opportunities for the College (Ref. U on file in the Board office) . Future funding for expansion and

development projects will be accomplished through a public/private partnership.

President Harter reported that the Hotel College is flourishing with a new program in Singapore. The College currently occupies half of a building with the College of Business. Both colleges require more space. The Stan Fulton building (*built with private dollars*) has attracted a number of professionals in gaming and hotel administration from across the world. Much conferencing activity occurs in this facility, which could be substantially expanded. In September 2002, UNLV announced possible expansion opportunities for the Hotel College in and around the Stan Fulton building area, including possible partnering opportunities with DRI.

Provost Ray Alden reported there is a much broader interest from the community in academic, research, and outreach programs. The number of potential private partners has increased considerably. These developing concepts will complement the proposed Midtown UNLV and be a major opportunity for public/private partnerships. Much interest has been expressed by the hospitality industry to enter into such partnerships.

Dr. Stuart Mann, Dean, College of Hotel Administration-UNLV, reported that the university's facilities master plan displays a hotel conference center, which would be expanded by 10 acres (*available on that corner*) to be developed into a further hospitality venture. INNnovation Village will begin with the expansion of the Stan Fulton building, which currently serves as a conference center for the Hotel College. The Stan Fulton building would be expanded and developed into a full university conference center serving all of UNLV's needs. A small hotel would be attached to the conference center (*approximately 185 rooms*). INNnovation Village will not be a teaching hotel, but rather will support research projects conducted by academic, hospitality industry communities and the vendors that service and support them by offering real world environs to model trends and beta test new products. The collected data will provide measurable results to industry leaders using criteria that identify whether products and programs could reduce costs, increase customer satisfaction, increase employee productivity, or create additional revenue/profit opportunities. Plans include a small, freestanding restaurant(*approximately 6,000-8,000-sq. ft.*) and a new academic building. The current building shared with the

36. Information Only-Update on William F. Harrah College of Hotel Administration Expansion and Development, UNLV – (Cont'd.)

business school was built for a maximum of 1,000 students. Today there are over 2,600 students. A mixed use facility is also under consideration to be used for faculty residences, office condos, mixed retail, or devoted to a historical cultural educational experience focused on wine, beverages, food, and hospitality. A new parking garage is also planned on the 10 acres. Focus for the 10-acres would be placed upon hospitality and hospitality-related activities. Discussions have been held with Microsoft, Sony, Bose Electronics, Team Mobile, MGM Mirage, and Harrah's Entertainment. All have expressed an interest in involvement with the project. In addition to information technology, other hospitality industry related subjects would include: energy, HVAC, recycling, lighting, and entertainment engineering. UNLV would be known internationally as the locus for cutting edge, state-of-the-art hospitality research.

Marketing and financial feasibility studies have been completed. Substantial funding for the academic building is required (*approximate cost \$50 million*). UNLV is seeking private support for the building.

President Wells observed the project also presents exciting opportunities for DRI since DRI personnel travel often between Reno and Las Vegas. Having such a facility near the DRI campus will be most helpful to DRI faculty and administration.

37. Information Only-Status Report – Master Plan/Truckee River Flood Management Project, UNR - President John M. Lilley presented information concerning the status of the University of Nevada, Reno master plan and the Truckee River Flood Management Project with related University challenges and opportunities.

President Lilley reported that UNR is in early discussions regarding this project. The main campus is bordered by Interstate 80 and McCarran Blvd., with plans to increase the 267-acre campus to 860 acres by 2050. The Reno-Sparks Convention and Visitors Authority (RSCVA) Livestock Events Center (*46 acres*) is very near the university's Valley Road property. The RSCVA Livestock Events Center includes 35,000-sq. ft of exhibition space, a climate controlled indoor arena(*6,200 capacity*), a lighted outdoor arena (*9,000 capacity*), paved, lighted

parking(3,100 spaces) , 660 stalls, and 24 barns. UNR's master plan includes this site for its proposed new arena to accommodate the anticipated 30,000 students when they will have outgrown the Lawlor Events Center.

Another critical property parcel involved in these discussions is the Main Station Farm. Discussions began with the development of the Truckee River Flood Management Plan. In the past 90 years, there have been three 100-year floods, the most severe of which occurred in 1997. Extensive areas of Reno-Sparks were affected, causing \$450 million in property damage and \$690 million in total economic loss. The Truckee River Flood Management Plan was devised due to the community's need for a viable, comprehensive, long-term solution to flooding. The Community Coalition for Truckee River Flood Management was established in April 2000, with a goal for preparing and adopting a consensus flood management plan. The Coalition Executive Committee is comprised of Washoe County, the City of Reno, the City of Sparks, and the University of Nevada, Reno. Primary responsibilities include negotiating with the Army Corps of Engineers and

37. Information Only-Status Report – Master Plan/Truckee River Flood Management Project.

UNR – (Cont'd.)

the expenditure of funds from a special 1/8 cent sales tax levy on sales and property acquisitions. Washoe County is the lead agency, acting as the repository for the special sales tax funds and the primary interface with the Army Corps of Engineers. Of the various flood management alternatives being studied, they all share the common need for a flood detention basin at the University Main Station Farm.

The university acquired the Main Station Farm in 1956. It is a major research and teaching facility for the university (*approximately 1,200 acres*). The farm features cutting edge science in the areas of animal genetics, stem cell research, melanoma therapies, and water quality. Most of the farm is irrigated by treated effluent used to grow alfalfa, much of it used to feed wild horses as part of the horse adoption program. The farm is also home to Wolfpack Meats. Located at the Truckee River, the farm is bordered by the Sparks industrial area and the Hidden Valley home developments. In addition to the 1,200 acres, 113 acres of adjacent land is jointly owned with Dermody Properties. A convergence of community interests could make this complex flood management issue a win-win situation on several fronts for each of the interested parties. There are needs to implement a viable, comprehensive flood management plan; acquire large-scale water detention areas; restoration of wetlands; and improvement of water quality and habitats.

The RSCVA Livestock Events Center is located on state land, which is leased to Washoe County and managed by the RSCVA. The RSCVA requires a larger parcel of land to relocate and expand the Livestock Events Center (*home to the Reno Rodeo and the State Fair*). The Nevada Division of State Lands requires land for a new state office building in the Reno-Sparks area. They currently have a facility on the university's Valley Road property. The university is participating in the implementation of the flood management plan. They would like to acquire the RSCVA Livestock Events Center property (*the southeast cornerstone of the campus master plan*). The university would also like to unlock economic value associated with the Main Station Farm in order to continue implementing the campus master plan.

A Potential Scenario:

- · The university **could** grant flood easement to Washoe County at the Main Station Farm for a flood detention basin.
- · The university **could** receive title to 46 acres of state land known as the RSCVA Livestock Events Center.
- · The RSCVA **could** relocate the Livestock Events Center to a portion of the flood detention basin property at the Main Station Farm.
- · The Nevada Division of State Lands **could** acquire land to construct a state office building.
- · The university **could** develop certain Main Station Farm property to generate funds for campus master plan land acquisitions.

President Lilley related that throughout this process the university has employed several guiding principles:

37. Information Only-Status Report – Master Plan/Truckee River Flood Management Project.

UNR – (Cont'd.)

- · The mission of the College of Agriculture, Biotechnology and Natural Resources will not be compromised.

- · All transactions and conveyances will be subject to fair and adequate consideration.
- · Board of Regents approval.

President Lilley related that next steps included: appraising the value of the holdings of the various parties; the Army Corps of Engineers completing its flood plan; determining how to best accommodate the flood plan at the Main Station Farm; and investigating the viability of limited commercial development at the Main Station Farm in harmony with continued university use and flood remediation. President Lilley said the university was seeking additional farm property that is relatively near the main campus.

Regent Rosenberg asked whether the Livestock Events Center would become part of the university's agriculture school if a trade were agreed upon. President Lilley replied it would not necessarily be a part of the agriculture school, adding that it would be part of the overall campus. Short-term, it will be used for athletics (*indoor track arenas*), which are currently rented by the university. Long-term, it would become a new events center.

Regent Dondero joined the meeting via telephone.

38. Approved-Election of Officers - In accordance with Regents' Bylaws (*Article IV, Section 2*), the Board conducted an election of officers for FY 2005-2006. These officers will serve from July 1, 2005 through June 30, 2006.

Chair Anthony related that nominations would be accepted from Board members. Once the list of nominations was established, the Board would vote. The first individual to receive the majority of votes would become Board Chair and Board Vice Chair.

A. Chair – Regent Schofield nominated Regent Bret Whipple as Board Chair. Regent Rosenberg nominated Regent Linda C. Howard as Board Chair. No further nominations were offered. Chair Anthony closed the nominations.

Upon a roll call vote Regent Whipple was elected Board Chair. Regents Anthony, Derby, Dondero, Gallagher, Leavitt, Schofield, Whipple, and Wixom voted for Regent Whipple. Regents Alden, Howard, Rosenberg, and Sisolak did not. Regent Hill was absent.

B. Vice Chair – Regent Schofield nominated Regent Dorothy S. Gallagher as Vice Chair. Regent Sisolak nominated Regent Linda C. Howard as Vice Chair. No further nominations were offered. Chair Anthony closed the nominations.

38. Approved-Election of Officers – (*Cont'd.*)

Upon a roll call vote Regent Gallagher was elected Board Vice Chair. Regents Alden, Anthony, Derby, Dondero, Gallagher, Howard, Leavitt, Rosenberg, Schofield, Sisolak, Whipple, and Wixom voted for Regent Gallagher. Regent Hill was absent.

Regent Gallagher presented a token of the Board's appreciation to outgoing Board Chair Stavros S. Anthony and outgoing Board Vice Chair Jill Derby.

Regent Dondero agreed with Regent Gallagher that acting as Board Chair and Vice Chair was not an easy job and thanked them for their efforts.

39. New Business – Regent Alden strongly recommended creating a capital project committee to consider leases, acquisition, and property sale issues, adding that most boards across the country employ one. He also recommended removing the Board from the tenure approval process.

Regent Leavitt requested an agenda item making the Board Development Committee a standing committee.

Regent Whipple thanked the Board for their support, adding it was a tremendous honor, challenge, and

opportunity. He thanked Regent Howard for being gracious, adding that he was looking forward to working with her in the coming year. He thanked outgoing Board Chair Anthony and Vice Chair Derby for the wonderful examples they set during their terms. He also thanked Regent Gallagher for her willingness to work with him.

Regent Gallagher thanked the Board for their support.

Regent Schofield stated that those who succeed in life are team players. He commended Regent Anthony's firm but fair approach. He felt the Board had grown and come together to work as a team. He felt that continued efforts in this direction would help create the finest system in the nation. He thanked Chair Anthony and Chancellor Rogers for helping the Board operate as a team.

The meeting adjourned at 12:45 p.m. on Friday, June 24, 2005.

Suzanne Ernst
Chief Administrative Officer to the Board