

BOARD OF REGENTS

NEVADA SYSTEM OF HIGHER EDUCATION

Building D, Room D-152
Community College of Southern Nevada
6375 West Charleston Blvd., Las Vegas
Thursday-Friday, January 26-27, 2006

Members Present: Mr. Bret Whipple, Chair

Mr. Mark Alden

Dr. Stavros S. Anthony

Dr. Jill Derby

Mrs. Thalia M. Dondero

Mrs. Dorothy S. Gallagher

Mr. Douglas Roman Hill

Mrs. Linda C. Howard

Mr. James Dean Leavitt

Mr. Howard Rosenberg

Dr. Jack Lund Schofield

Mr. Steve Sisolak

Mr. Michael B. Wixom

Others Present: Chancellor James E. Rogers

Executive Vice Chancellor Daniel Klaich

Vice Chancellor, Academic & Student Affairs, Jane Nichols

Vice Chancellor, Information Technology, Lee Alley

Deputy Chief Counsel Bart Patterson

Special Counsel Brooke Nielsen

President Richard Carpenter, CCSN

President Stephen Wells, DRI

President Paul Killpatrick, GBC

President Fred Maryanski, NSC

Vice President Jowel Laguerre, TMCC

President Carol Harter, UNLV

Interim President Joseph Crowley, UNR

Vice President Connie Capurro, WNCC

Secretary of the Board Fini S. Dobyns

Also present were faculty senate chairs Dr. Darren Divine, CCSN; Dr. Paul Verburg, DRI; Ms. Linda Uhlenkott, GBC; Dr. Francine Mayfield, NSC; Mr. Kurt Hall, TMCC; Dr. Clint Richards, UNLV; Dr. Leah J. Wilds, UNR; Mr. Richard Kloes, WNCC; and Ms. Kathryn Weiss, NSHE. Student government leaders present included Mr. Cory Drumright, CCSN; 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.

Chair Bret Whipple called the meeting to order at 8:40 a.m. with all members present except Regents Anthony, Derby, and Sisolak.

Regent Alden led the pledge of allegiance.

Dr. Jerry Blankinship, Senior Chaplain for Sunrise Hospital, offered the invocation.

1. Chair's Report – Chair Bret Whipple introduced Vice Chancellor Jane Nichols to discuss College Goal Sunday.

Dr. Nichols reported that Nevada was beginning to realize the fruits of the labor in which the Board has engaged over a number of years to increase student opportunities for successfully entering NSHE institutions and obtaining financial aid. One such opportunity occurs this coming weekend. College Goal Sunday will be held at ten different sites throughout the state. National surveys indicate that most students and their families have an unrealistic expectation of college costs, as well as unrealistic expectations regarding the availability of financial assistance. College Goal Sunday offers an opportunity for student outreach to help provide valid information and support to enable students to enter NSHE institutions prepared and equipped with the financial assistance they require. Dr. Nichols noted that brochures and public service announcements had been prepared to advertise the event. She thanked the institutions for working diligently with the System office in preparation for this occasion. Regent Leavitt suggested the Regents attempt to attend different venues so as to provide as much coverage as possible.

With the assistance of Mr. John Kuhlman, Manager of Public Relations, Chair Whipple presented three recent public service announcements and expressed his eagerness to inform the public across the state about the Nevada System of Higher Education.

Chair Whipple proudly announced that Regent Howard had recently obtained her master's degree from UNLV.

Chair Whipple reported that Mrs. Fini Dobyns had requested to step down as Secretary to the Board and return to her previous position. A search will be conducted to locate a successor.

President Carpenter introduced CCSN student, Mr. Michael Sandoval. Currently dually enrolled at both CCSN and UNLV, Mr. Sandoval is working on a bachelor's degree in culinary arts management, while also working at Thomas Keller's Bouchon in the Venetian Hotel Casino. As a student, he has participated in many competitions and achieved many awards, including apprenticing with Team Las Vegas in the Culinary Olympics held in Erfurt, Germany. His ultimate goal is to establish himself as a Certified Master Chef and to work for a well reputed corporation.

A native Nevadan, Mr. Sandoval expressed his delight in participating in culinary competitions. After returning from Germany, he participated in the Western Regional Culinary Student of the Year competition. Upon winning, he advanced to the national competition placing second. He has since achieved a silver medal in a California cheese competition. In thanking his mentors he related they had opened a door of opportunity for him and other students by providing the ability to raise money to pay for the competitions. He said that CCSN had helped him tremendously, adding he was unsure of his outcome without his CCSN education.

Regent Howard asked about his ultimate goal. Mr. Sandoval replied his long-term goal was to own his own restaurant, with his largest goal to become a Certified Master Chef.

1. Chair's Report – (Cont'd.)

Chair Whipple reported that Professor H. Lee Barnes has taught English courses at CCSN since 1992; first as an adjunct and since 1997 as a full-time faculty member. He graduated from UNLV in 1989 earning a bachelor of arts with high distinction in English, and completed graduate work at Arizona State University in 1992, where he received a master of fine arts in creative writing. Prior to entering the field of higher education, he worked as a deputy sheriff, a narcotics agent, a private investigator, a construction laborer, and a casino employee. He served in Viet Nam in 1966 as a member of the Special Forces. In addition to many writing awards, he has been selected four times for *Who's Who Among American Teachers* and for the *2005 President's Award for Teaching Excellence* at CCSN.

Regent Howard left the meeting.

Mr. Barnes observed that CCSN is a teaching institution, adding that he spoke on behalf of those in the creative arts. While many have chosen to teach out of love of the classroom, they began with a desire to be artists. They teach aesthetics; theoretical and applied. Teachers coach, prod, and insist upon discipline in the work because that is what ultimately creates “art”. His novel, *The Lucky*, took 8½ years to write. Some of his short stories have been revised 30 times. Art demands this kind of attention from the artist. Over the past 6–7 years, he has produced a significant body of publications. He noted that he and his colleagues in the arts receive no funding for their projects and no additional merit pay. Art teachers are “doers” striving to leave a piece of themselves to endure over time.

Regent Howard entered the meeting.

Chair Whipple stated that agenda item #15 (*Discipline-Based Supplemental Faculty Salary Schedules, UNR & UNLV*) had been withdrawn.

2. Introductions – President Carpenter introduced Mr. Mark Bordwine, Chief Technology Officer-Collegis, now working under contract with CCSN. Regent Howard introduced Mr. Nate Waugh, her opponent for Regent in District One.

The meeting recessed at 9:10 a.m. (*for committee meetings and lunch*) and reconvened at 1:12 p.m., on January 26, 2006, with all members present except Regent Alden. Chair Whipple noted that the Investment Committee would reconvene in the meeting room later that afternoon.

1. Chair’s Report – (*Cont’d.*)

Chair Whipple expressed his thanks to Dr. Joseph Crowley for his willingness to serve as UNR’s Interim President. He then announced that Dr. Lois Becker would be leaving Nevada State College to work with former President Kerry Romesburg in Jacksonville, Florida. Chair Whipple asked Provost Ray Alden to convey the Board’s appreciation to President Harter for sharing UNLV’s graduation ceremony with NSC and thanked Dr. Carpenter and his staff for hosting the Board meeting. Chair Whipple announced that CCSN was hosting a special dinner for Regents and Presidents at Russell’s Restaurant that evening.

Chair Whipple introduced Mr. Ezekiel Gebrekidane, CCSN Student Senator, West Charleston Campus, to share his unique story. Mr. Gebrekidane stated that CCSN had

1. Chair’s Report – (*Cont’d.*)

rescued his life. He grew up in East Africa. His father came to the United States as a refugee, later sending for the family. Arriving in the U.S. at the age of 14, he learned to speak English and eventually received a full scholarship to Purdue University. He came to CCSN to take one class, Organic Chemistry, and was invited to conduct research with his professor. While working with disabled children on weekends, he was offered an opportunity to work in CCSN’s lab. He thanked CCSN for funding a trip to present his paper to the National Chemical Society. In 2004, he became a chemistry tutor. He related that CCSN had helped him excel academically. He was encouraged to run for student government and won by a majority. He has since applied for Pharmacy School and is awaiting admission. He thanked his professors for making a difference in his life and for providing such a marvelous opportunity.

3. Chancellor’s Report - Chancellor James E. Rogers discussed current NSHE events, including an update on the Academic Medical Center, relationships with K-12, and relationships with and responding to the needs of minority communities.

Chancellor Rogers reported that Vice Chancellor Nichols had accepted a two-year extension to her contract. He reported that the Legislature had been very generous to the System in the past session. Lease/purchase agreements were allowed, thereby avoiding the necessity for providing money on the front-end of building projects. The Legislature approved three projects, which are currently under discussion:

➤ An estimated \$50-\$60 million addition to UNR’s Judicial College. Chancellor Rogers has discussed the project with Mr. Irwin Molasky.

- · A campus building for CCSN being designed by The Swisher Group.
- · An NSC property to be built over a period of time, which will be a major project.

Chancellor Rogers then provided an update on the medical school and the Academic Medical Center, reporting that every possible development alternative is under consideration for both areas. The Academic Medical Center will need to include a hospital. Extensive discussions have been held with the mayor regarding what will be placed on land in downtown Las Vegas, possibly an impressive 55,000-sq. ft. structure at an estimated cost of \$1,000/sq. ft. Development on the downtown property will not include a hospital due to compatibility concerns with existing structures. Chancellor Rogers said they would attempt to develop a partnership agreement with the City.

Chancellor Rogers then discussed UNLV's 17-acre Shadow Lane Campus, the site of the dental school. He observed that it provided a natural place for development of the medical school and the Academic Medical Center. Southern Nevada has an abundance of for-profit hospitals, thus preventing the merger of non-profit hospitals into an Academic Medical Center as was done in Pittsburg. Discussions have been held with University Medical Center to determine the direction of the relationship between the medical school, the Academic Medical Center, and UMC. Discussions have also been held with the County regarding the potential expansion of the Shadow Lane campus.

Chancellor Rogers then discussed the medical school. Mr. Greg Hart, an expert from Minneapolis, has been hired to discuss development plans for the medical school; a primary Board objective. There is also a desire to develop an Academic Medical Center

3. Chancellor's Report – (Cont'd.)

in southern Nevada. Mr. Hart revealed that, in the early 1970's, there was a push by the federal government to develop medical schools in several states (*including Arizona, New Mexico, Utah, and Nevada*). Arizona has been very successful and now ranks among the top medical schools in the nation. Utah and New Mexico also have fine medical schools. Mr. Hart was unsure what happened to Nevada. Each year, these medical schools enroll approximately 150 students compared to Nevada's 50. Their medical school budgets range from \$700-\$900 million as compared to Nevada's total System operating budget of approximately \$950 million. Mr. Hart felt that Nevada's medical school was 35 years behind. In order to develop a competitive medical school, they will need to develop and raise a substantial amount of private money. Chancellor Rogers asked Mr. Hart to develop a plan for increasing the medical school enrollments from 50 to 60, 80, 100, 120 students/year, bearing in mind that the basic four-year program would be located in Reno with transfer to Las Vegas for the final two years. Chancellor Rogers requested a realistic projection. Mr. Hart estimated a \$400-\$500 million project cost. Chancellor Rogers said it would require a lot of people doing a lot of things. He recently notified Senator Bill Raggio of the potential \$500 million cost. He also spoke at an EDawn conference in Reno about the UNR President search and the importance for the next President to comprehend and embrace the development of the medical school. He related the need to EDawn for an unbelievable investment in the medical school in the coming years.

Regent Howard left the meeting

Chancellor Rogers acknowledged that he is obsessed with the medical school because it is a major project that will involve UNR and UNLV in a collaborative effort. He felt that development of such professional schools would lead to increased performance in other university areas. He affirmed that it was not his intent to relocate the medical school to Las Vegas, stressing that it would be a balanced effort. He reiterated a plan for the first two years to occur in Reno with 150 students and the remaining two years to be completed in southern Nevada. He said it would be a major project. He felt they were at a point where they were attempting to be more inclusive of those who should participate in this review. The Governor has established a health care committee, which will include System representation (*Executive Vice Chancellor Dan Klaich and Dean John McDonald*). UNLV's Dr. Paul Ferguson will also participate on the committee. Chancellor Rogers felt it was essential for the Regents to become involved. He recommended the formation of a task force to address these multiple projects. He was hopeful that Chair Whipple would establish a task force consisting of the UNLV and UNR Presidents, Executive Vice Chancellor Klaich, and two or three Regents.

Chancellor Rogers then addressed the GPA matter. He said it was difficult to keep up with these issues as they percolate to the surface and related there was no intent to force the issue upon anyone. He acknowledged that the GPA standard might not be the only standard to be employed for admitting students. He said there were various standards that could be used to admit students. One compromise was discussed for employing the changes in 2008 rather than in 2010. Chancellor Rogers was unsure which direction to pursue. He said they would not be rushed into a decision and they did not want to give the impression that they were insensitive to concerns expressed by minority communities. He felt the most important aspect was that a decision would be made at the appropriate time and bring it to the Board.

3. Chancellor's Report – *(Cont'd.)*

Regent Rosenberg asked what order of priority the design/build projects were on the capital improvement list. He was concerned about a lack of concern for undergraduate classroom space. He was disturbed by negative characterizations attributed to the School of Medicine due to its size. He said the size of the graduating class did not necessarily reflect the quality of the education received. He understood the medical school's major emphasis to be on rural medicine; different from any other medical school. He praised the integrity of past graduating classes, adding that he did not want anyone to think they were graduating anything less than top-tier doctors. Chancellor Rogers explained they were 35 years behind in responding to the growth of the area it serves. He agreed that 52 first-class students graduate every year, but the medical school has not grown to keep pace with the communities it serves. He did not mean to imply that the medical school was behind in quality.

Chancellor Rogers explained that the lease/purchase projects had been selected because they were outside the normal CIP projects, which are usually projects that are easier to propose to the Legislature. Executive Vice Chancellor Klaich recalled the Board had provided guidance to focus on budgetary development, initially around the themes of student access and student success. He said they had been conducting budget hearings at the campuses to develop materials that will be brought before the Board. He felt the Board's concern would be reflected in the biennial budget request on both the operating and capital sides of the request.

Regent Rosenberg encouraged the university provosts and community college presidents to provide the number of students who are turned away from classes, particularly at the undergraduate level. He said that space needs were critical. Chancellor Rogers said that Executive Vice Chancellor Klaich and President Carpenter had worked diligently to resolve the \$25 million classroom building for CCSN. Chancellor Rogers related that, in the future, they would like the state to pay for classroom construction while they used lease/purchase agreements to finance the specialty items. He said these projects would be in addition to their sensitivity to classroom needs. He acknowledged that CCSN has 35,000 students and that 25,000 have been turned away in one form or another. He felt they could grow to 60,000 with adequate space. Regent Rosenberg asked whether the Board should have been consulted for approval of the projects chosen. Chancellor Rogers replied that the Board's approval would be sought once plans were developed. He said the Board would be notified before anything final was done. The Board would be notified as to the total square feet, the cost, the contractor, and the plans and specifications.

Regent Gallagher asked the Chancellor about the outcome if he planned all of these buildings only for the Board not to approve them. Chancellor Rogers acknowledged he would be chagrined. She felt it was proper for the Board to approve the contracts. Chancellor Rogers agreed, adding that they had not known the direction of the medical school or the Academic Medical Center until recently. He said they did not know enough at this point to come before the Board. He said they would keep the Board informed through each increment in the planning process.

Regent Alden entered the meeting.

3. Chancellor's Report – *(Cont'd.)*

Regent Gallagher felt the Board should provide the direction for the Chancellor's protection and that it should be discussed so that the Board was aware of the proceedings. Chancellor Rogers said they had just entered the discussion stage and would bring the matter to the Board before anything substantive was done.

Regent Dondero felt the Board had been informed only after announcements had been made to other organizations in the community. She felt the Board should be part of the process. Chancellor Rogers agreed and apologized. He explained that he had requested the Presidents bring forward recommendations for possible projects. He acknowledged that he should have informed the Board at that point. He related that the third project had not yet been finalized.

Regent Leavitt felt that Board members were excited about talking about the unmet medical needs throughout the state. He applauded the Chancellor for spearheading the discussion, adding that attention was long overdue. He said he looked forward to working with the Chancellor in future discussions. He said it was an exciting project that was monumental in scope. He felt that Board members felt an obligation and responsibility to be part of the process from early on. He felt that making it a collaborative process would make the Chancellor's job easier and would allow Regents to discharge their duties more faithfully. Chancellor Rogers related that he has referred people to Mr. Hart. This is the first time they have had a central figure providing the initial analysis. He has asked Mr. Hart to provide a preliminary view by February 12th or 13th. He said he would distribute the information once it was received. Chancellor Rogers said it was a monumental task and that if they did not act at this point they might never have another opportunity to do so.

Regent Derby appreciated the discussion, feeling that it observed the importance of keeping the Board well informed while the project is in its early stages. She felt the Board should consider the project within the context of the overall master plan. She was eager for the Board to sign off on what has been developed thus far. She felt it was important for the Board to know what lies ahead in terms of priorities. Chancellor Rogers said he first believed it would all need to be financed by the private sector. He has since learned that the County has certain bonding capacity that could be helpful. He has since spoken with Senator Raggio at the state level and Senator Reid about federal monies. He felt there could be several potential funding sources. He was pleased with the potential and promised to keep the Board informed.

4. Public Comment – Dr. Gary Peck, Executive Director, ACLU of Nevada, expressed his appreciation for the open-minded manner in which the Chancellor has considered the GPA requirements. He appreciated that the Board would address the issue in a carefully considered manner. Dr. Peck related there is no value more paramount in institutions of higher learning than free speech and freedom of expression. Due to a number of incidents that have occurred on various System campuses, it has become apparent to the ACLU that there is a big question about the entire matter of free speech policies with respect to public space on the campuses. The ACLU has requested information about the free speech policies at different institutions, which vary widely. Each institution has a different kind of policy, some designating limited spaces as free speech zones. The ACLU feels that the institution's entire public space should be viewed as a free speech zone unless there is a good reason for restricting a limited area. He said this was consistent with case law. He

4. Public Comment – (Cont'd.)

hoped the Board would include an agenda item to address the matter and develop System-wide guidelines for all campuses. Chair Whipple agreed to follow-up. Regent Rosenberg said that a number of UNR students were very concerned about this issue. He offered to provide information for inclusion on the March agenda.

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

A correction to the December minutes was noted; under the Budget & Finance Committee report, UNR's request to reallocate new space funding for utilities was not approved by the Committee and no action was taken.

(1) Approved-Minutes – The Board approved the minutes from the workshop held October 20-21, 2005, the regular meeting held December 1-2, 2005, as amended, and the joint meeting with the State Board of Education held December 2, 2005.

(2) Approved-Handbook Revision, Notice of Meetings – The Board approved bringing Handbook policy in line with the Open Meeting Law provision for providing notice of regular meetings at least three days in advance of the scheduled meeting. This was the second hearing of a proposed amendment to Regents' Bylaws (*Title 1, Article*

V, Section 6) (Ref. C-2 on file in the Board office) .

(3) Approved-Handbook Revision, Title 2, Section 6.9.6 – The Board approved an amendment to the NSHE Code (*Title 2, Section 6.9.6*) requiring, in the event a person charged advises that he or she will be accompanied by an attorney as advisor, that the administrative officer advise the Executive Vice Chancellor so that an attorney will be present at the hearing to represent and advise the administrative officer and to present the evidence on behalf of the administrative officer. This was the second hearing of a Code amendment (Ref. C-3 on file in the Board office) .

(4) Approved-Handbook Revision, Regent Compensation – The Board approved a revision to the Board of Regents' Bylaws (*Title 1, Article III, Section 8*) to conform to NRS 396.070(1), which provides Regents a salary of \$80 for each meeting attended. This was the second hearing of a proposed amendment to Regents' Bylaws (Ref. C-4 on file in the Board office) .

Regent Alden moved approval of the Consent Agenda, including the minutes from the regular meeting held December 1-2, 2005, as amended. Regent Gallagher seconded. Motion carried. Regent Howard was absent.

6. Approved-Amendment to Director of Intercollegiate Athletics Employment Contract, UNR (April 15, 2004-June 30, 2007) – The Board approved Interim President Joseph Crowley's request for an amendment to the employment contract for University of Nevada, Reno's Director of Intercollegiate Athletics, Ms. Cary Groth, extending the employment contract through June 30, 2010 (Ref. A and handout #6 on file in the Board office) .

President Crowley referred to the handout provided at the meeting, which provided an explanation of the contract amendment. The original recommendation stipulated that salary levels would increase by \$10,000 increments in each year of the three-year

6. Approved-Amendment to Director of Intercollegiate Athletics Employment Contract, UNR (April 15, 2004-June 30, 2007) – (*Cont'd.*)

extension, exclusive of merit or COLA (*Cost of Living Adjustment*) . Ms. Groth's current contract provides for salary increases inclusive of merit and COLA. The proposed change would provide merit and COLA for the three-year extension period, with the proviso for an increase if the total combined merit and COLA is greater than \$10,000. All other provisions of the contract remain the same. He explained the handout also provided a comparison with the UNLV Athletic Director's contract, which expires one year after Ms. Groth's. Next year, Ms. Groth will be in the final year of her contract. President Crowley explained that athletic directors are typically responsible for negotiating the coaches' contracts, who typically desire contract extensions in the year prior to expiration in order to carry out their responsibilities for recruiting student athletes and maintaining their coaching staffs. Ms. Groth is currently in negotiations with four coaches regarding the terms of their contract extensions. He felt it imperative in the interest of maintaining institutional control that Ms. Groth is provided with contract protection for the third year in order to negotiate from a position of authority, particularly with the major revenue producing programs. UNR's head football coach and UNLV's head men's basketball coach are compensated at a higher level than the athletic directors. He felt it was a matter of institutional control, observing that Ms. Groth is one of only five female athletic directors in Division I A. There have never been more than six in the country in Division I A. He said that Ms. Groth is nationally recognized for the quality of her leadership and that UNR was fortunate to have her in their employ and that she should be retained.

Regent Hill moved approval of the amended contract extension for UNR's Director of Intercollegiate Athletics. Regent Schofield seconded.

Regent Sisolak asked whether the \$10,000 increments included COLA and merit. President Crowley explained that it did not; if the total merit and COLA increase was greater than \$10,000, an adjustment would be made to increase her salary accordingly for any amount in excess of the \$10,000. Regent Sisolak observed that part-time faculty was not paid enough while they were approving this level of salary. He thought that everyone else received COLA in addition to their contract, and asked whether presidents received COLA in addition to their salaries. President Crowley recalled that they did, however, there were no guaranteed salary increase. He

explained that athletics was a different world and that athletic contracts were different from presidents' or faculty members'. Regent Sisolak did not want to discriminate between coaches and athletic directors. He asked why they would not receive COLA if everyone else did. President Crowley clarified that the \$10,000 increase from \$250,000 to \$260,000 would include COLA and merit if COLA and merit totaled less than \$10,000. However, an adjustment would be made if merit and COLA totaled more than the proposed \$10,000 increase. Regent Sisolak indicated that he understood. He asked whether anyone else would not receive a cost of living adjustment in addition to their increase. President Crowley replied that the contract had been structured in such a manner. Originally, the Board approved increases exclusive of merit and COLA for UNR's and UNLV's athletic directors.

Regent Sisolak asked whether Executive Vice Chancellor Klaich understood his question. He thought that coaches received COLA in addition to their contractual amounts. President

6. Approved-Amendment to Director of Intercollegiate Athletics Employment Contract, UNR (April 15, 2004-June 30, 2007) – (Cont'd.)

Crowley related that coaches frequently receive bonuses for levels of performance. He said that COLA and merit were less a part of the picture than for institution employees.

Regent Sisolak suspected that UNLV would return with a similar request. He expressed concern for the deficit that had been discussed in the Budget & Finance Committee. President Crowley said it was a moving target and that he could not say exactly where it was currently. One of the defining principles of membership in Division I A is that I A programs will break even or make a profit. Very few institutions in Division I A do that. Fewer than 12 institutions out of 117 Division IA will break even. It is a testimony to the increasing costs of I A athletic programs and a serious concern nationwide. The television funding reservoir is drying up. The NCAA has appointed a committee to examine the future of athletics with a heavy emphasis on the financial side. He agreed they need to do better. Regent Sisolak noted that the Chancellor had indicated that states were moving away from funding athletics. Many are moving to a self-supported environment. President Crowley said that UNR's budget was comprised of 30% state general fund support, with the remainder self supporting. Chancellor Rogers agreed that Regent Sisolak was correct. He observed that Arizona law prohibited the major universities from supplementing their athletic programs with other than scholarship grants. If the program does not make a profit, it is discontinued. President Crowley observed that the big question would be television revenue, which would not be there in the future.

Regent Derby said she was proud to have Ms. Groth as one of the five female athletic directors in Division I A. She also understood the public relations challenges regarding the salaries paid to coaches and athletic directors. She said the Board was challenged to educate the public about the manner in which positions were driven by the marketplace. She said she was proud of the level of leadership and indicated her support.

Regent Rosenberg observed that less than half of the salary was state money. President Crowley said that 30% of the athletics budget is derived from state general fund support. It is put into a pool with other sources of money. Salaries could come from the general fund or a mix of funding sources. Regent Rosenberg suggested that one dollar from the sale of every athletic ticket could be devoted to a budget for increasing the pay for Letters of Appointment. He expressed his support for Ms. Groth and President Crowley's recommendation. He was pleased with improvements made academically by student athletes. He observed that making such decisions in Las Vegas was difficult for those in Reno who had wished to come forward and speak. He requested that future decisions should be made nearer to the campus affected. President Crowley replied that he understood Regent Rosenberg's concern. He reminded the Board that it would need to consider the four coaches contracts, which he would not recommend approving until a decision had been reached on Ms. Groth's.

Regent Leavitt noted that Ms. Groth had brought national attention to the University of Nevada, Reno as well as the entire System. He requested a sampling of her achievements. President Crowley reported the following:

- · Female athletic director.

6. Approved-Amendment to Director of Intercollegiate Athletics Employment Contract, UNR (April 15, 2004-

June 30, 2007 – (Cont'd.)

- · Former co-chair of the commission formed by the Secretary of Education to review Title IX; a very contentious operation. Some perceived the objective to be placing greater limits on Title IX. This commission worked to ensure that the changes under discussion did not occur.
- · She is currently involved in the effort to combat subsequent changes.
- · UNR was recently designated by the Laboratory for Diversity in Sport as a Diversity in Athletics award winner. Only ten universities in Division I A are selected for the award.
- · UNR was also ranked first by the Kennedy Index for Division I A institutions.

Regent Alden felt Ms. Groth has done an excellent job and had to make some tough decisions. He indicated that his opposition was not related to her job performance. He agreed with Regent Rosenberg's comment about the venue. He observed that the compensation was fungible regardless of its source and he considered it the taxpayers' pocket. He did not object to the extension of the contract. He agreed with providing a comfort level for any athletic director. He explained that he was opposing the measure because he felt it was too much money.

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

President Crowley observed that UNLV had also been selected as one of ten institutions for the Diversity in Athletics award.

7. Approved-Employment Contract, Head Soccer Coach, UNLV – The Board approved President Carol C. Harter's request for a three-year employment contract for new Head Men's Soccer Coach Mario Sanchez, retroactive to January 9, 2006 and ending on December 31, 2008 (Ref. B on file in the Board office).

President Harter said that many excellent candidates applied for the position. Mr. Sanchez comes from the University of Akron and was in the final four of the soccer championships.

Regent Alden moved approval of the employment contract for UNLV's Head Men's Soccer Coach Mario Sanchez retroactive to January 9, 2006 and ending on December 31, 2008. Regent Sisolak seconded.

Regent Sisolak observed the coach would receive merit and COLA. Mr. Mike Hamrick, UNLV Athletic Director, replied that some of UNLV's coaches were treated differently. His contract, like that of the head football and head basketball coaches, has salary schedules for increases with no COLA or merit. These contracts were negotiated and agreed upon. Bonuses are also provided. In this particular case, the coach has the opportunity to earn merit and COLA. Mr. Hamrick said that merit would be awarded if the

7. Approved-Employment Contract, Head Soccer Coach, UNLV – (Cont'd.)

coach had a great season. Regent Sisolak asked whether more would be provided for winning a conference championship. Mr. Hamrick replied it did not apply with this particular contract. He said that merit was used to reward performance. Regent Sisolak wanted to be fair and equitable to everyone. He felt that everyone should be treated equally. He observed that some people were prevented from getting COLA and merit. He felt that it should be provided equally if presidents received it. Mr. Hamrick did not disagree, noting that he does not receive COLA or merit. Each contract is negotiated separately. Regent Sisolak did not want to discriminate against a little person who does not have an agent. He wanted everyone treated fairly. Mr. Hamrick agreed it was a market driven business. Four of UNLV's coaches were actively recruited by other universities. UNLV had to adjust their offers so as not to lose them.

Motion carried. Regent Howard was absent.

8. Approved-Pursuing Funding of Tuition Waivers for Community College Athletes – The Board reconsidered its prior action from the December 2005 Board meeting concerning fee waivers for community college athletes, including a discussion of any possible alternatives to fund community college athletic programs, whether through fee waivers or otherwise, including, but not limited to, requesting the Interim Finance Committee to

allocate a portion of athletic fee waivers currently authorized within the NSHE budget to support community college athletes.

Executive Vice Chancellor Klaich explained that a motion to rescind was not necessary since the discussions were significantly different, although they covered similar subject matter.

Regent Sisolak recapped that, prior to the last legislative session, tuition waivers were provided for student athletes at UNR, UNLV, and CCSN. During the last session, the Legislature denied WNCC's request for tuition waivers and discontinued CCSN's, while the two universities remained intact. He felt this placed an enormous burden on the institutions, the presidents, and students. He wanted to provide the same benefits to community college student athletes as those enjoyed by the universities. He acknowledged the Legislature's concern about offering tuition waivers to community college students. He felt the Board needed to send a message of support.

Regent Sisolak moved approval of directing the four presidents involved (*UNLV, UNR, CCSN, WNCC*) to derive a solution for funding tuition waivers for the two community colleges on an ongoing basis. Regent Anthony seconded.

Regent Alden expressed his support. He asked whether there were any tuition waivers in place for the current fiscal year. Regent Sisolak replied there were not. Regent Alden asked whether the motion could be made retroactive to the current fiscal year. Regent Sisolak was unsure that could be done. He clarified that his motion was to direct the four presidents to figure it out. He was unsure it could be done retroactively. He requested a legal interpretation. He wanted the students and donors to know the Board supports them.

8. Approved-Pursuing Funding of Tuition Waivers for Community College Athletes – (*Cont'd.*)

Regent Hill was concerned the motion stringently directed the presidents to meet and come up with a solution, which presupposed an outcome and the ability to derive something that may not be practicable within their constraints. He felt it was a little less collegial than he was comfortable with. He requested that Regent Sisolak clarify that the presidents could enlist the help of others to propose options. Regent Sisolak did not object. His original thought was that all tuition waiver funds could be divided on a pro-rata basis amongst the four institutions. He did not care about the method, but rather that the student athletes would be taken care of. Regent Hill said he was sympathetic to the student athletes and the issues faced by CCSN and WNCC. His objection to the motion was that it presupposes that at the end of the day they would have a solution and the solution would be clear that some money was changing hands from one institution to another. He did not object to directing them to confer and returning with proposed solutions. Regent Sisolak clarified that it was his intent that the two universities would come up with the money for the two community colleges. He did not care how they worked it out. He felt the student athletes already face many obstacles. Regent Hill questioned whether Regent Sisolak was telling someone that they would write a check, regardless of the amount or funding source. He objected to going in that direction.

Regent Rosenberg felt it was a matter of fairness. He too was nervous about directing the presidents to have a solution. He suggested the Board could "strongly encourage." He noted the Board had previously required administrators to develop a solution under threat of the Board determining the solution. He observed that times had changed, including the demographics and student bodies. There is a need for this now and it is the Board's duty to make such decisions about higher education. He felt it could be brought to the Legislature's attention in a respectful manner. He did not think it amounted to much money. Executive Vice Chancellor Klaich replied it amounted to a couple hundred thousand dollars. Regent Rosenberg felt it was worthwhile if it would help keep students in state. He felt the Board should do whatever was necessary, whether the universities had to relinquish a portion or requesting help from the Legislature.

Regent Gallagher asked whether the Board could take money that the Legislature had provided for a certain purpose and give it to another institution. Executive Vice Chancellor Klaich replied that some solutions could be determined illegal. For example, direct transfers of funds from one institutional budget to another are prohibited by statute. He felt that Regent Sisolak's motion intended to allow System Administration to consult with the presidents and devise manners in consultation with LCB if necessary to determine how it can be legally done.

Regent Wixom felt the Board should be cautious about directing the presidents to do something prohibited by statute. He wanted to be sure the Board was not putting them in an impossible situation. Regent Sisolak said he intended them to work with Executive Vice Chancellor Klaich.

Regent Anthony agreed with the wording of the motion. He indicated a desire to support athletics at the two community colleges with tuition waivers and for the four institutions to work together to determine appropriate options for Board consideration.

8. Approved-Pursuing Funding of Tuition Waivers for Community College Athletes – (Cont'd.)

Regent Schofield commended Regent Sisolak's proposal, adding that it was the right thing to do. He wanted the institutions to work as a team.

Regent Dondero asked about approaching the Foundations for funding. Executive Vice Chancellor Klaich did not believe the motion excluded such consideration.

Regent Leavitt acknowledged concern felt by any institution when taking from one to provide for another. He noted Nevada has a System of higher education and that they need to work together.

Regent Derby added her support for the spirit of the motion.

Regent Gallagher clarified that the Board was voting for a legal solution to the problem. Regent Sisolak felt that they would find a legal solution when working in consultation with Executive Vice Chancellor Klaich.

Chair Whipple commended Regent Sisolak for bringing the idea forward. He urged all parties to proceed with the utmost caution to avoid anything illegal.

Motion carried. Regent Hill voted no. Regent Howard was absent.

Regent Alden left the meeting

9. Approved-Handbook Revision, CCSN and GBC Collaboration for Nye County Service Area – The Board approved a revision to the Board of Regents' Handbook (*Title 4, Chapter 14, Section 11, Subsection 7*), which would provide for an expansion of Great Basin College's service area to include Nye County. CCSN and GBC will jointly provide programs and services to Nye County. GBC will provide the traditional credit-based instructional programs to Nye County. CCSN and GBC may both provide credit and non-credit based workforce and economic development program contracts in Nye County (*Ref. D on file in the Board office*).

President Carpenter reported that CCSN has struggled for some time to address the needs of people in Pahrump and Nye County. Attempts were made with the creation of a High Tech Center. Over the last five years, CCSN has been spending between \$300,000-\$350,000 more per year than provided funding levels. He and GBC President Paul Killpatrick began discussion about areas in which each institution specializes. There are major differences in the delivery and expectations for urban and rural institutions. He felt that GBC excels in addressing the needs of a rural environment. CCSN wishes to preserve its primary role in providing workforce development for the area. An agreement has been reached resulting in the proposal before the Board for action.

President Killpatrick assured the Board that discussion had been ongoing for some time and that this was not a hostile takeover, but rather, a cooperative venture between two colleges to better serve the needs of Nye County.

9. Approved-Handbook Revision, CCSN and GBC Collaboration for Nye County Service

Area – (Cont'd.)

Regent Anthony moved approval of the Handbook revision resulting in collaboration between CCSN and GBC for the Nye County service area. Regent Gallagher seconded.

Regent Alden felt it was a great concept, but questioned the use of formula dollars. He asked which institution would drive the formula. President Carpenter replied the formula drives approximately \$11,000 per FTE at GBC, but only \$5,200 per FTE at CCSN. Programs at the Pahrump Center will now be funded at the higher rate.

Regent Derby supported the motion and commended the presidents for collaborating. She asked about the caveat for CCSN retaining programs in workforce development for certain industries. President Carpenter replied that CCSN launched a new division of workforce and economic development. Staff is required to generate contracts equal to or greater than their compensation. Decreasing the size of their geographic service area hinders such efforts. Regent Derby established that it would be a joint effort between the colleges and would not limit GBC.

Regent Schofield felt it was a good example of teamwork that would benefit students. President Carpenter clarified that CCSN would be limited to contract type education (*i.e., Nevada Test Site*) for courses not open to the general public. Rarely would credit courses be offered. Such programs are customized to the customer's specific needs.

Regent Sisolak said he appreciated the collaboration. He asked whether the 125 FTE generating \$650,000 resulted in a profit or loss. President Carpenter replied they were losing approximately \$350,000. Regent Sisolak questioned why those same students would generate greater funding when under GBC's service area. Chancellor Rogers stated that Regent Sisolak was right because it costs more in that area to educate students, which was why CCSN was losing money. Chancellor Rogers assured him this was a legitimate means for funding such programs.

Regent Gallagher asked about the primary service provider aspect and whether NSC could provide some of this work. Chancellor Rogers replied it would not be done. Regent Gallagher asked why CCSN would be the primary provider of workforce development. President Carpenter replied that he and President Killpatrick had been trying to clarify that issue and had agreed to define the term at a later date. Chancellor Rogers felt that CCSN had greater capacity to do more things with more people. A definition is not necessary at this time to characterize something that will take years to develop. He felt they would need to work it out. President Killpatrick said they had agreed it was best at this time to leave it undefined. GBC is also eligible to apply for economic development programs. He said that both institutions would serve Nye County to the best of their abilities.

Executive Vice Chancellor Klaich observed that the details were yet to be determined. The two presidents have agreed to an overarching, organic deal based upon good faith and working together. Some issues will need to be worked out as they proceed and cannot be foreseen at this time.

9. Approved-Handbook Revision, CCSN and GBC Collaboration for Nye County Service

Area – (*Cont'd.*)

Chair Whipple recognized Nye County Commissioner Patricia Clark. Ms. Clark expressed her gratitude to the Board and commended the two presidents for looking out for Nye County's best interests.

Motion carried. Regents Alden and Howard were absent.

10. Approved-Supplemental Presidential Compensation, CCSN – The Board approved the CCSN Foundation providing funding in the amount of \$50,000.00 inclusive of fringe benefits, to the NSHE to supplement the compensation provided to President Richard Carpenter in his role as president of CCSN. A revised contract was provided to the Board for approval (*handout on file in the Board office*).

Chancellor Rogers reported that several Foundations had agreed to supplement their institution's presidential salary, adding that CCSN's Foundation had approached the System with this proposal.

Ms. Lisa Dove-Swisher, CCSN Foundation Development Chair, reported that the Foundation voted unanimously to supplement the salary of President Carpenter in the amount of \$50,000/year for the remainder of his contract.

The Foundation felt it was critical to maintain consistent leadership at CCSN while embarking on a major gift campaign and that President Carpenter was vital to the success of the campaign.

Executive Vice Chancellor Klaich reported that the Board was reviewing the contract for the fourth time and that no verbiage had been changed.

Regent Anthony moved approval of the proposed supplemental compensation to President Richard Carpenter. Regent Sisolak seconded.

Regent Hill recalled that the policy for supplementing presidential salaries required the Foundation to continue supplemental payments for the duration of the presidency. He interpreted this contract as extending only through the duration of President Carpenter's current contract. He objected to the Foundation's ability to discontinue payments. Executive Vice Chancellor Klaich replied that Regent Hill's recollection was incorrect. It was the intent to protect the Board. The Foundation's liability extends only through the duration of the current contract. If the payments should cease for any reason, the System bears no responsibility for continuing the payments. Regent Hill recalled differently. Chancellor Rogers said they would not put in the money. Regent Hill asked whether President Harter recalled a previous discussion. President Harter said that her recollection was the same as Executive Vice Chancellor Klaich's. Chancellor Rogers explained that the length of the supplemental contract coincided with the length of the underlying contract. If the Foundation does not renew their obligation it would end the supplemental compensation. They wanted to ensure it was the Foundation's obligation only and not that of the System's.

10. Approved-Supplemental Presidential Compensation, CCSN – (Cont'd.)

Regent Sisolak extended accolades to the Foundation, adding their action set a shining example for the System.

Regent Rosenberg said that he was opposed to foundations supplementing presidential income, adding that he felt President Carpenter was one of the best presidents in the System.

Motion carried. Regent Rosenberg voted no. Regents Alden and Howard were absent.

The meeting recessed at 3:30 p.m. and reconvened at 4:00 p.m., on January 26, 2006, with all members present except Regents Hill, Howard, Leavitt, and Schofield.

11. Information Only-Handbook Revision, University Admission Criteria/Student Success Model - Chancellor James E. Rogers led a discussion focusing on a comprehensive student success model. The discussion included an overview of (1) the background of this issue within the Board's Master Plan and emphasis on student success at all institutions; (2) data from the System as well as from K-12 relating to these issues; (3) an outline of potential budgetary implications and legislative priorities for the implementation of the model; (4) implications for mission differentiation and educational efficiencies; and (5) other potential Board actions related to this change (*Ref. C on file in the Board office*).

Chancellor Rogers explained that the first time this item appeared on the Board's agenda, many people assumed the Board would take immediate action to increase the grade point average. Chancellor Rogers offered to provide background information.

Chair Whipple related that Regent Howard had expressed a desire to be present for this discussion. He was aware there were speakers in the audience who were also interested in this item. He requested Board direction for proceeding. It was agreed to wait until Regent Howard was present.

Regent Schofield entered the meeting.

12. Approved-Handbook Revision, Department of Intercollegiate Athletics Complimentary Ticket Policy, UNLV – The Board approved proposed amendments to the Board's intercollegiate athletics complimentary ticket policy (*Title 4, Chapter 10, Section 21(1)*), specifically that which governs distribution of complimentary tickets

by UNLV's Department of Intercollegiate Athletics (Ref. E on file in the Board office).

President Harter observed that the proposed policy was very similar to UNR's. UNLV Athletic Director, Mr. Mike Hamrick, reported that the proposal resulted from a 1998 audit. Since then, the athletic department has been trying to develop a complimentary ticket policy. The policy would be audited annually by the Thomas & Mack Athletic Business Services department, which reports through a different line of authority than the Athletic Director. The policy is similar in nature to UNR's.

12. Approved-Handbook Revision, Department of Intercollegiate Athletics Complimentary Ticket Policy, UNLV – (Cont'd.)

Regent Alden moved approval of the proposed amendments to the UNLV Department of Intercollegiate Athletics Complimentary Ticket Policy. Regent Gallagher seconded.

Regent Sisolak asked about a policy preventing those who receive free tickets from giving the tickets to someone else, who then resells them. Mr. Hamrick replied that there was, adding that it was addressed in the coaches' contracts.

Regent Hill entered the meeting.

Mr. Hamrick related that the coaches were all aware of this prohibition and that the athletic department reviewed the policy annually. Regent Sisolak asked about tickets provided to student athletes. Mr. Hamrick replied that NCAA rules prevent institutions from providing student athletes with hard tickets. UNLV employs a pass list instead.

Motion carried. Regents Howard and Leavitt were absent.

10. Approved-Supplemental Presidential Compensation, CCSN – (Cont'd.)

Executive Vice Chancellor Klaich clarified that Regent Hill's recollection was correct that the policy regarding the supplemental pay of presidents is irrevocable during their tenure as president, as defined by the Board approved contract.

13. Information Only-Recommended Tuition and Fee Increases, 2007-2009 - Executive Vice Chancellor Daniel Klaich presented for information the recommendations of the Tuition and Fees Committee for tuition and fees adjustments for academic years 2007-08 and 2008-09. Final action on the proposed tuition and fee increases will be taken at the March 2006 meeting of the Board (Ref. F on file in the Board office).

Proposed Tuition and Fees 2007–2008 and 2008-2009

Introduction:

- Prior to 1996, no process existed for making gradual tuition and fee increases with any degree of predictability.
- As a result, tuition and fees were often increased in an irregular fashion. Years of no increase were sometimes followed by a large increase, ranging in magnitude from 10% to 36%.
- This result in an uneven burden on students and made it more difficult for students to plan their educational expenses.

Board of Regents' Process :

- Tuition and registration fees are set two years in advance by the Board of Regents, and the recommended amounts are used to determine estimated revenues for the next biennial budget.

13. Information Only-Recommended Tuition and Fee Increases, 2007-2009 –(Cont'd.)

- The Chancellor convenes a System-wide committee to review comparative data and to consider potential

adjustments to tuition and fee levels for the following biennium.

- Campus hearings are held to gather student input on the committee's initial recommendation.
- The Tuition and Fees Committee makes a final recommendation to Board for its consideration.

2005 Committee Membership:

Presidents:

- Dr. Carol Harter, UNLV
- Dr. Fred Maryanski, NSC
- Dr. Philip Ringle, TMCC

Student Representatives :

- Edward Johnson, UNR
- Anthony Filippo, NSC
- Jenny Martin, GBC

Committee Deliberations :

- Reviewed WICHE and NSHE historical data.
- Reviewed credit distributions by level and institution.
- Examined tuition structures in other states, including credit plateaus and credit caps.
- Reviewed letter of intent and discussed at length the distribution of registration fee increases between the state and NSHE institutions.
- Examined data on varying percentage increases for 2007-09.

Student Feedback:

- With the help of student body presidents, **seven** student hearings were held in November.
- The Committee's recommendation was formally presented to each group, followed by an opportunity for student questions and feedback.
 - Students were most interested in how fee increases will be used to benefit students.

Principles of the NSHE Master Plan:

- 3-way Compact is required to meet the goals of NSHE Master Plan:
 - NSHE
 - State of Nevada
 - Students
- "...Nevada must pursue a compact between the Regents, its colleges and universities, the state, and its students to step forward, support higher education, and build a bright future."
- NSHE in-state students pay approximately 20% of the cost of their education through registration fees. Nationally, students pay 21-31%, depending on the type of institution attended.

Regent Leavitt entered the meeting.

13. Information Only-Recommended Tuition and Fee Increases, 2007-2009 *-(Cont'd.)*

Student Fees as Percentage of State-Supported Operating Budget:

- Ranging from 18.95% in 1994-95 to 20.15% in 2003-04.

Tuition & Fee Comparisons :

- Nevada ranks fifth lowest in resident tuition and fees at public two-year institutions in the WICHE region.
- Nevada ranks second lowest in resident undergraduate tuition and fees at public four-year institutions in the WICHE region.
- Nevada ranks first lowest in resident graduate tuition and fees at public four-year institutions in the WICHE region.

Board Policy:

- Registration Fees – The charge for full-time attendance (*30 credits for undergraduate enrollment and 16 credits for*

graduate enrollment) is equivalent to the median of state averages published by WICHE for two-year and four-year colleges, respectively, using a three-year lag. Because WICHE does not differentially distinguish tuition and fees for upper-division courses at two-year colleges or for state colleges, the registration fees for these categories in the NSHE will be set at the midpoint between lower-division fees for community colleges and undergraduate-level fees at the universities.

- Non-Resident Tuition – Non-resident students must pay the full cost of instruction. This philosophy is commonly held among all states that support public higher education institutions with tax dollars.
- Financial Aid (*Student Access*) – In order to improve the access of all students to higher education, an amount up to 50% of all registration fee increases, net the amounts distributed to other fee categories, will be dedicated to student financial assistance. At least 90% is need-based, with the remainder for “access-oriented” financial assistance. Students should be assured that any increase in tuition and fees are balanced by appropriate increases in need-based financial aid.

Proposed In-State Fees:

- Community Colleges 2007-08 = \$54.75/credit (*\$2.25 increase, 4.3% increase*) .
- Community Colleges 2008-09 = \$57.25/credit (*\$2.50 increase, 4.6% increase*) .
- State College and Community College Upper-Division 2007-08 = \$85.75/credit(*\$6.75 increase, 8.5% increase*) .
- State College and Community College Upper-Division 2008-09 = \$93.50/credit(*\$7.75 increase, 9% increase*) .
- University Undergraduate 2007-08 = \$116.75/credit (*\$11.50 increase, 10.9% increase*) .
- University Undergraduate 2008-09 = \$129.50/credit (*\$12.75 increase, 10.9% increase*) .
- University Graduate 2007-08 = \$172.25/credit (*\$22.50 increase, 15% increase*) .
- University Graduate 2008-09 = \$198.00/credit (*\$25.75 increase, 14.9% increase*) .

Proposed Non-Resident Tuition:

- Non-resident students pay the in-state registration fees plus an annual flat tuition charge.
- Non-resident tuition for full-time students (*enrolled in 7 or more credits*) will equal the WICHE median for non-resident tuition (*using a 3-year lag*) times 120%.

13. Information Only-Recommended Tuition and Fee Increases, 2007-2009 –(Cont'd.)

- Non-resident tuition for part-time students (*enrolled in fewer than 7 credits*) will equal an amount calculated by multiplying the registration fees times 110%.

Chair Whipple left the meeting and Regent Howard entered the meeting.

Discounted Tuition Rates :

- Good Neighbor Tuition – Students enrolling under the Good Neighbor classification will, in addition to registration fees, pay a discounted tuition charge. Community college and state college Good Neighbor tuition is calculated by multiplying the registration fees times 60%. University Good Neighbor tuition is calculated by multiplying the registration fees times 110%.
- Children of Alumni Tuition – Undergraduate students enrolling under the Children of Alumni classification, in addition to registration fees, pay a tuition charge equaling an amount calculated by multiplying the registration fees times 60%.
- Distance Education – Non-resident students enrolled exclusively in distance education courses, in addition to registration fees, pay a tuition charge equaling the registration fees times 50%.

Financial Aid:

- Financial Aid Revenues – State general fund provides financial aid through the scholarship function of the NSHE budget. Student fee increases generate additional financial aid. By Board policy, at least 90% of such aid is need-based and the remainder is non-need based.

State-Funded Financial Aid : - Growing concern for distribution of fee increases.

- • Letter of Intent – The state’s concern that the portion of registration fee revenue allocated to the state is declining.
- • NSHE Institutions – The institutions’ concern that a greater portion of registration fee revenue remain at the campus in order to provide tangible benefits to students.

Chair Whipple entered the meeting.

- Nevada State Legislature Letter of Intent – “*Any future Regent-approved fee allocations to the state-supported budget that are below current cumulative percentages may not be supported by the Legislature in corresponding general fund appropriations.*”

Summary: – The recommended tuition and fees are:

- Less than the WICHE median with a 3-year lag.
- Still less than other comparable public institutions.
- Contributing to need-based financial aid.
- Accomplish the goals of the Master Plan
- Meet the expectations of the Legislature for students to do their part to support higher education in Nevada.

The Committee recommended that the Board reconsider the distribution of registration fee revenue such that institutions may retain additional dollars for lease-purchase agreements, debt reduction, and additional flexibility.

13. Information Only-Recommended Tuition and Fee Increases, 2007-2009 –(Cont'd.)

Regent Gallagher asked whether the state’s portion of financial aid ever increased. Executive Vice Chancellor Klaich replied it did not. Vice Chancellor Nichols indicated that the amount had been dedicated from the Estate Tax.

Regent Derby recalled the Board adopted the policy when considering the state has no money dedicated to need-based financial aid, recognizing its importance for diversity and lower income students. While she understood the students’ desire to see their money come back to them, she felt the Board should move cautiously since Nevada ranks lower than other states in terms of need-based financial aid. She was curious to know Nevada’s ranking in terms of how much need-based financial aid is made available. Regent Derby observed that the tuition increases were significant. She acknowledged the System was challenged with increasing costs and uncertain state funding, but felt that double-digit increases were significant.

Executive Vice Chancellor Klaich agreed the increases were large, but felt they were in line with peer institutions. He related that he and Vice Chancellor Nichols would bring forward a comprehensive review of access/financial aid and private/public partnership models that are available in other states, coupled with mentoring and early intervention, at a future meeting.

Chancellor Rogers related that some schools were experiencing 30-35% increases. Regent Derby was not comforted by that knowledge. Chancellor Rogers agreed the levels of increase were shocking. He observed that the presidents gained nothing by increasing out-of-state tuition, while the System retains 36% of in-state tuition increases. Chancellor Rogers recently discussed retaining a portion of out-of-state tuition increases with Senator William Raggio. Chancellor Rogers said they would approach the matter carefully so as not to price themselves out of business.

President Harter stated that the institutions retain only 36% of in-state tuition, but receive absolutely nothing from out-of-state tuition. UNLV’s portion totals \$28 million/year, UNR’s totals \$9 million/year, and CCSN’s totals \$4 million/year. She observed that it amounts to a state subsidy, reducing their general fund dollars. She estimated the state earns \$1,800/student in profit, which in turn reduces their general fund obligation. She felt they should all work together to change the policy. Chancellor Rogers explained they were working with the legislators individually to allow sharing a portion of the increases as partners.

Regent Sisolak asked why the Board could not simply institute fees (*i.e., technology fee, recreation center fee*) instead of tuition increases. Executive Vice Chancellor Klaich explained that earmarking fees in prior years contributed to the shrinkage of the overall amount of fees going to the state general fund. He advised proceeding with caution. He did not believe that earmarking fee increases for specific purposes would fool anyone. Regent

Sisolak equated it to establishing a financial aid endowment to be divided amongst the institutions. Executive Vice Chancellor Klaich explained that such discussions were only just beginning with the legislators. He related that proposed uses would need to accompany any requests for retaining a portion of the increased fees.

13. Information Only-Recommended Tuition and Fee Increases, 2007-2009 –(Cont'd.)

Regent Rosenberg suggested the advantages of creating an endowment be explained to the Legislature. Regent Gallagher recalled the Board had pleaded with the Legislature repeatedly to enable the Board to create an endowment with the Estate Tax to no avail.

Regent Alden stated he would not support a tuition increase that was higher than the current cost of living. He suggested separating the item to exclude resident fees.

President Carpenter observed that Wisconsin previously experienced a shortfall in the state budget, while the institutions simultaneously argued for retention of a greater portion of the increased fees. He felt it needed to be done in partnership with the Legislature, observing that the students' share of the burden continued to increase annually.

Executive Vice Chancellor Klaich acknowledged the work of System Administration employees Ms. Crystal McGee and Ms. Ginny Wiswell, in addition to the assistance of Vice Chancellor Jane Nichols and Mr. Tyler Trevor.

11. Information Only-Handbook Revision, University Admission Criteria/Student Success Model – (Cont'd.)

Regent Howard requested that members of the public be heard.

Ms. Lee Rowland, Public Advocate, ACLU of Nevada, thanked the Chancellor for his measured comments on this subject. She felt it was a contentious issue and one that is due respect and time. She said that relying upon pure numbers-based systems would likely not achieve the articulated goal. She acknowledged allusions to grade inflation, but felt that a purely numbers-based approach would only aggravate the effects of this issue. She noted the ACLU had advocated in favor of providing extra weight for honors classes and advanced courses. She felt the current method included a disincentive for K-12 students to take such courses. She advocated consideration of recognizing individual student achievement or overcoming adversity. She explained the ACLU's interest was inspired by a connection between GPA increases and household income, which was racially and geographically connected. She felt the increase would have a disproportionate effect on students of color, and that a careful and measured approach was necessary. She related there was a community perception the Board was renegeing on a previous agreement.

Chancellor Rogers recalled that information concerning grade inflation had been received from the Clark County School District. Later, it was discovered the information was not complete or correct. In spite of grade inflation, CCSD claims they can demonstrate that the performance of students has increased proportionately. Chancellor Rogers felt that a thorough examination was warranted. Discussions will continue once the new Superintendent is selected. Chancellor Rogers related he has reviewed the ACLU's suggestions and the System will begin gathering the statistical information, to include a review of grade point average, grade inflation, actual performance, and performance standards. He said the desire is not to arrive at a set of conclusions that are not reasonably accurate.

In reference to a letter from the Latin and Urban Chambers of Commerce, Regent Howard said it was not true that a proposal created by her and Presidents Harter and Crowley did not include input from others. Regent Howard related that it was not a proposal, but rather

11. Information Only-Handbook Revision, University Admission Criteria/Student Success Model – (Cont'd.)

a public agreement. She did not feel the need to apologize, adding that her bosses are the people who elected her. When she makes a decision based on something that she believes in, she does not need someone to come forward and claim that she has not met with them. She said she represents a constituency and not individuals in

special interests. If anyone has any concerns about decisions she has made as an elected official, her telephone and cell numbers, as well as her e-mail address have been made public. She said she is a policy maker and not someone who caters to special interests. She said she would work with those who approach her collectively with concerns. She felt it was time for the System to come to a compromise and not to cater to one group. She did not feel it was right to blame the presidents.

Ms. Rowland stated that both Regent Howard and Chancellor Rogers had been accessible and accommodating in terms of being measured about the process and inclusive. She urged that to continue. She maintained there was still time to implement the increased admissions standards after a review of data.

Regent Alden stated that Regent Howard was elected by her constituents and he agreed with everything she has done. When it came time to vote, he may not agree with anyone. He said that Regent Howard is a good public official, he lauded her for what she has done, noting that it did not mean he had to agree with it.

Regent Rosenberg stated there is an awful lot of damage being done without the increase taking place. He is losing students who are not ready to perform at the college level. He congratulated Regent Howard and Presidents Harter and Crowley for at least discussing the matter.

Regent Wixom felt they had missed the point regarding student success. The issue for the Board is where students succeed. He then shared some figures he obtained from UNR. In Fall 2002, UNR admitted 112 students with a high school graduation GPA of 2.50-2.74. During their first semester their GPA was 1.85. By Spring 2004, there were only 59 students remaining. In Fall 2002, UNR admitted 130 students with a high school graduation GPA of 2.75-2.99. By Spring 2004, 136 students remained. A lower attrition rate is associated to those students entering with a higher GPA. His concern was that students who leave with a higher GPA do so generally to transfer, while those students with a lower GPA are lost forever. He urged the Board not to lose track of this issue during the course of their deliberations and to consider where students will succeed.

Regent Hill asked the ACLU to return the following day. Regent Hill agreed that sending unprepared students to college was a disservice. Students who flunk out of college often continue to view themselves as failures. He felt the confidence and mental image that students develop will dictate what they do for the rest of their lives. He felt they were destroying human beings by sending them into failure mode. He did not agree that increasing the admissions standards would disproportionately affect people from lower socioeconomic groups.

The meeting recessed at 5:08 p.m., on Thursday, January 26, 2006, and reconvened on Friday, January 27, 2006, at 8:10 a.m. with all members present except Regents Anthony and Sisolak. Chair Whipple thanked President Richard Carpenter and Faculty Senate Chair Dr. Darren Divine for hosting a lovely dinner the previous evening, as well as the tour of the planetarium.

11. Information Only-Handbook Revision, University Admission Criteria/Student Success Model – (Cont'd.)

Regent Alden thanked Regents Hill and Wixom for their comments concerning the GPA. He felt strongly that such issues should be discussed in a town hall meeting setting.

Regent Hill asked about the ACLU's position regarding the university admissions criteria. He asked whether the ACLU opposed the Board increasing the required GPA.

Regent Anthony entered the meeting.

Dr. Gary Peck, Executive Director, ACLU of Nevada, felt the statistics quoted the previous day were incomplete, inconclusive, and probably did not meet the minimum standards of social science research methods. He felt it would be misguided to predicate any decisions based upon those kinds of statistics. He felt the statistics and the argument (*for increasing admissions standards*) missed the main point of the position for which the ACLU is advocating with respect to GPAs and other criteria that might be used when considering admission decisions. He did not think it would be unreasonable for members of certain segments of the community to view

the previous days' comments as having some element of paternalism inherent in them (i.e., "you are going to fail, we don't want you to fail, hence, we don't want to let you into our two flagship institutions because then you will have to carry the stamp of failure around for the rest of your life.") .

Ms. Lee Rowland, Public Advocate, ACLU of Nevada, clarified that the ACLU was not advocating for letting every student with below a 2.75 GPA into college. She noted that the statistics quoted by Regent Wixom were based upon any student admitted with a 2.50 or 2.75 GPA. The ACLU is advocating for a system that does not limit itself to only numbers and evaluates students on a different level. The current system only provides for a 5% review of such students, though many more succeed. She felt that other factors should be considered beside the GPA. She said the Board was taking a polar approach to the GPA issue knowing that it has negative effects for both income and race. She felt a more flexible system was warranted.

Chancellor Rogers related that the GPA would not be the sole consideration. He said they did not want to admit students who would fail. The question is to determine what tests are used to determine who will or who won't fail. He said they would continue to evaluate many standards. Ms. Rowland stated that increasing the GPA bound NSHE to a system that does not allow for the possibility of considering other factors. She recommended a review of other universities that have an automatic admission standard. She hoped discussions would be held with other professional schools where this has worked. Chancellor Rogers assured her that they were.

Dr. Peck realized that no one was proposing looking exclusively at numbers, but it was obvious that when considering weighting factors that the GPA is the largest consideration.

11. Information Only-Handbook Revision, University Admission Criteria/Student Success Model – (Cont'd.)

The ACLU proposes thinking in different ways about different criteria and a different weighting scheme. He said they need to think carefully about the other criteria that can be used for students who have less than a 3.0 GPA. These criteria needs to be very clearly defined, carefully considered, precise, systematically applied, and applied in a manner that is fair to all in the community and takes into account the value of diversity.

Regent Hill stated the real issue was whether they are being racist by raising the GPA requirement. He hoped that it was not the belief that the community colleges were something less than the universities. Dr. Peck stated that there are differences between the community colleges and the universities. The System is somewhat stratified, which is why people look at whether or not community colleges are operating as a pipeline to universities. When reviewing statistics, one must consider whether or not they are complete, conclusive, and meet social science standards. Dr. Peck felt that statistics indicate that community colleges do not do a very good job of being a pipeline to the universities. With respect to the failure rates, the ACLU is not advocating for automatic admission of people with lower GPAs, but rather the universe of people under consideration are the people who are admitted in the context of a system that he does not believe is adequately rigorous, precise, and systematic, which explained why they were deliberating about how to move to a different system. He felt their position was straightforward and he appreciated the Regents were taking their suggestions seriously.

Regent Derby stated that she has enjoyed the spirited and helpful discussion. She felt that Dr. Peck and Ms. Rowland made a persuasive case. She felt they were all aligned in their commitment to student success. She felt it was important to have the 3.0 cutoff point, but questioned what to do with the students that fall below that level. She agreed that diversity is one of the Board's highest goals, and felt that with the state's changing demographics it was even more important to address that diversity concern. She felt that relying solely upon numbers would not work.

Regent Leavitt presented the following scenario: Assume the universities currently have an open admission policy requiring a 2.0 GPA upon high school graduation. Students would be required to maintain a 2.0 GPA. Students earning a 1.8 GPA after the first semester would be granted a one semester probationary period to bring their GPA back to 2.0. Revenue would be devoted to student success and advising. He asked how that would impact System resources. Dr. Peck replied he had not contemplated that kind of admission system, nor had they advocated for it. The ACLU wants students admitted who are believed to have a good chance of succeeding. He felt there were better ways of predicting that than simply considering the GPA. He acknowledged concerns

about the allocation of limited resources, which he felt was a Board issue.

Vice Chancellor Nichols encouraged the Board to imagine a world where every Nevada high school graduate can go to the university. Every high school student would believe they were going to the university and there would be no incentive for them to work hard in high school, nor would it matter what courses they took. The System would make a lot of money from registering these students, but most students would not make it through the first semester. Most students would be unable to get into a class. The extra money would

11. Information Only-Handbook Revision, University Admission Criteria/Student Success Model – (Cont'd.)

not be sufficient to create enough classes for the uncontrolled enrollment of freshmen. Thus, the need for enrollment management.

Vice Chancellor Nichols reminded the Board that students who do not meet admission requirements to the universities may apply for special consideration under the alternative admission program. The number of students admitted under these criteria may not exceed 10% (*not 5% as previously mentioned*) of the previous year's freshman enrollment. The criteria for admission under the alternative admission program are:

- · A combination of test scores and grade point average that indicate potential for success;
- · Special talents and/or abilities such as, but not limited to, the visual or performing arts or athletic abilities;
- · Other evidence of potential for success;
- · Improvement in the high school record;
- · Overcoming adversity or special hardship; or
- · Other special circumstances.

**University Admissions Criteria
Student Success and Access to Higher Education**

NSHE Master Plan:

- · Plan emphasizes **efficiency** by clear mission differentiation and educating students in the place that best matches their goals and abilities.
- · **Student-focused System** ...where all students have the opportunity to participate and succeed at every level of higher education.
- · Opportunity and Accessible Education for all ...address the **unique educational needs** of a highly diverse and non-traditional population.

AB 203 Legislative Study - Issues facing the NSHE include:

- · Accommodating growth.
- · Getting more students through the education pipeline.
- · Responding to workforce needs.
- · Developing a workforce for the future.
- · Diversifying the economy by increasing capacity and competitiveness in research.

AB 203 Legislative Study - Recommendations related to success and access:

- · Limit enrollment at the universities by becoming more selective and admit only students who are prepared and can take advantage of an academic institution focused on research and economic development.
- · NSC should accommodate the bulk of growth in four-year enrollments.
- · Community colleges should build student services and offer lower division courses for baccalaureate degree for more students.

Student Success and Access :

- · Nevada college-going rate increased from 39% in 1994 to 56% in 2004.
- · Overall enrollment in NSHE increased from 66,000 to 101,000 students, a 53% increase from 1994-2004.
- · Millennium Scholarship is exceeding all expectations.

11. Information Only-Handbook Revision, University Admission Criteria/Student Success Model – (Cont'd.)

Student Success and Access: (Cont'd.)

- · **Student Access is Improving!**
- · However, NSHE's graduation rate in 2004 was 45% for the universities and 10% for the community colleges.
- · **By any measure, we have far to go on Student Success.**
- · Regent Linda Howard's study, Identification of Causal Factors that Influence Graduation Rates at 4-Year Institutions: Fair and Useful Measures for UNLV.
- · Factors contributing to student success are:
 - · Early intervention and focus on first-year.
 - · Positive faculty/student interactions and good advising.
 - · Positive interactions with classmates.
 - · Good advisement and appropriate placement.
 - · Academic and social integration development assistance.
 - · Counseling and help with overall adjustment to campus environment.
 - · Assessment at entry, including measures of ability and preparation, such as high school GPA, and variables such as socio-economic status, age, ethnicity, gender, marital status, etc.
 - · Exit interviews by department of students who do not persist.
 - · Reasons for low retention include:
 - · Part-time attendance by students;
 - · Inadequate financial aid;
 - · Insufficient student support and services, especially in the freshman year; and
 - · Inadequate academic readiness and then inappropriate placement in courses or institutions.
 - · The university admission standards should establish the baseline of academic readiness required to be successful at UNR and UNLV.
 - · Student success will increase when admission standards direct students to the appropriate institution based on academic preparedness.

Students who earn associate-level transfer degrees from NSHE community colleges exhibit high levels of success.

- · On average, 42% of AA, AS, or AB degree recipients transfer to UNR, UNLV or NSC in the semester immediately following graduation.
- · Of those who transfer, 65% will attain a Bachelor's degree in three years (*based on 2001-02 graduating cohort*).
- · Students who enter the universities academically prepared are more likely to succeed.
- · When 2010 admissions criteria are applied to the current population of university students, we find that:
 - · Student retention increases substantially, throughout every ethnic minority group; and
 - · Graduation rates increase at UNLV by 9% and UNR by 5%.

11. Information Only-Handbook Revision, University Admission Criteria/Student Success Model – (Cont'd.)

Student Success and Access: (Cont'd.)

Students entering Fall 2002 with a 2.5–2.74 high school GPA had an average cumulative GPA at the end of the subsequent terms as follows:

GPA # Enrolled % Retained

Fall 2002	1.85	112	
Spring 2003	2.03	89	79%
Fall 2003	2.06	65	58%
Spring 2004	2.09	59	53%

Students entering Fall 2002 with a 2.75–2.99 high school GPA had an average cumulative GPA at the end of the subsequent terms as follows:

GPA # Enrolled % Retained

Fall 2002 2.31 230
Spring 2003 2.44 194 84%
Fall 2003 2.41 156 68%
Spring 2004 2.48 136 59%

Students entering Fall 2002 with a 3.0–3.24 high school GPA had an average cumulative GPA at the end of the subsequent terms as follows:

GPA # Enrolled % Retained

Fall 2002 2.57 451
Spring 2003 2.62 391 87%
Fall 2003 2.65 330 73%
Spring 2004 2.68 302 67%

Students entering Fall 2002 with a 3.25–3.49 high school GPA had an average cumulative GPA at the end of the subsequent terms as follows:

GPA # Enrolled % Retained

Fall 2002 2.84 447
Spring 2003 2.85 403 90%
Fall 2003 2.85 337 75%
Spring 2004 2.85 306 68%

Students entering Fall 2002 with a 3.5 and above high school GPA (*40% of the entering class*) had an average cumulative GPA at the end of the subsequent terms as follows:

GPA # Enrolled % Retained

Fall 2002 3.30 819
Spring 2003 3.33 764 93%
Fall 2003 3.32 688 84%
Spring 2004 3.30 667 81%

- · Clear pathway to success for all students.
- · Early recruitment and direction for all students, but particularly first generation, low socioeconomic and minority students.
- · Engagement of parents in preparing students for higher education.

11. Information Only-Handbook Revision, University Admission Criteria/Student Success Model – (*Cont'd.*)

Student Success and Access: (*Cont'd.*)

- · Adequate support and remediation for students who are not college-ready, in high school if possible.
- · Clear partnership with P-12 about academic expectations.
- · Exploration of dual credit options.

Appropriate Criteria?

- · Greatest predictor of college success is the course of study a student completes in high school, especially highest level of mathematics.
- · Current university admission criteria prescribe a rigorous course of study, including:
 - 4 units of English.
 - 3 units of Social Studies.
 - 3 units Mathematics.
 - 3 units Natural Science (*2 with labs*).
 - **13 Required courses.**
- · These course requirements match the new Millennium Scholarship core curriculum that the Board voted to implement in 2010.
- · The Gateway curriculum in Washoe County School District exceeds this by requiring 4 years of

mathematics.

- · Student success best predicted by adequate preparation in high school.
- · Under new criteria, students must complete the 13 required courses with a minimum weighted GPA in these courses.
- · Fall 2006 = 2.75 GPA.
- · **Proposed:** Fall 2007 = 3.0 GPA (*instead of Fall 2010*).
- · Why not use overall GPA?
- · Avoid encouraging students to take “easy” courses to boost GPA, but not courses that contribute to college preparedness.
- · Overall GPA appears to have some upward movement for high school students in Nevada.

Regent Sisolak entered the meeting.

Clark County School District had 52% of standard diploma recipients with a 3.0 GPA or higher in 2001-02, compared with 56% in 2004-05. Washoe County had 55% of standard diploma recipients with a 3.0 GPA or higher in 2001-02, compared with 57% in 2004-05.

- · New proposal allows students to qualify based on GPA or ACT/SAT scores.
- · Because high school grades may inflate over time and may not always accurately depict the abilities of applicants, the ACT/ SAT scores provide a stable and useful complement for high school GPA's.
- · The ACT (22) and SAT (1040) are achievement test batteries designed to measure skills taught in a typical college preparatory high school curricula.

How do these criteria compare to similar Western research universities?

- · University of New Mexico* Sliding scale of GPA, ACT/SAT, and class rank

11. Information Only-Handbook Revision, University Admission Criteria/Student Success Model – (*Cont'd.*)

Appropriate Criteria? (*Cont'd.*)

- · University of Utah* 2.6 and ACT 18
- · University of Arizona Top 25% class rank
- · Arizona State* 3.0 GPA and ACT 22
- · University of Oregon* 3.0 GPA & sliding ACT/SAT
- · University of California* Sliding scale of GPA, SAT/ACT
- · Cal. State University 3.0 GPA or sliding scale

Most (*) consider students for admission with minimum criteria. No automatic admission if students qualify.

Regent Alden observed they were discussing criteria for full-time students. Vice Chancellor Nichols related these were criteria for admissions. She observed conditions exist under which people can take courses at the university and earn credits even when not admitted. The data presented related to admitted students. Regent Alden presented a scenario where an out-of-state high school graduate could attend the universities taking six credits or less, observing that over a period of time they could be admitted as a full-time student. Vice Chancellor Nichols agreed that students could be admitted after proving their ability to handle college level work. Regent Alden stated NSHE has a great system of higher education. He observed that many students enter the universities without attending a community college, though many success stories result from the two-year/community college experience.

Appropriate Criteria? (*Cont'd.*)

- · Academic preparedness translates into better grades in college and higher levels of retention and graduation (*ACT, Crisis at the Core, 2004*).
- · 83% of students deemed *college-ready* by ACT Assessment scores return to college after the first year.
- · Clear pathway to baccalaureate success for all students at all levels is imperative.
- · State colleges and community colleges offer successful pathways.

Implementation Date?

- · First change is already set for Fall 2006.
- · Recommendation is to implement second change in Fall 2007, based on:
- **Enrollment Management** – rationale such as that in AB 203 Study.
- **Master Plan** – direct students to the institution that best matches their abilities.
- **Student Success** – clear pathway for all students to succeed.

Universities:

- · With raised admission standards, universities must work more aggressively with P-12 to support early intervention programs to ensure at-risk students have opportunity to meet new standards (*such as Gear Up*).
- · According to national data, at-risk students are:
- · Minority.
- · First generation college students.
- · Low socioeconomic status.
- · Information to every Nevada high school student outlining new requirements and necessary actions they need to take to be admissible to a university.

11. Information Only-Handbook Revision, University Admission Criteria/Student Success Model – (Cont'd.)

Universities : (Cont'd.)

- · A “partnered” admissions process by which students not prepared for the university are offered admission at the institutions for which they are qualified along with information on future transfer options.

State & Community Colleges :

- · Ensure proper advising, placement, support, and encouragement for students for whom the state or community college is the most appropriate place to begin their collegiate experience.
- · Place appropriate emphasis on associate degree and transfer for baccalaureate degrees.
- · Focus on excellent teaching and student success.

Chancellor & System Administration:

- · Annual audit of transfer practices to ensure a seamless transfer system is in place.
- · Inform the Board on the impact of admission changes.
- · Appropriate information to all Nevada students from grades 6-12 on pathways to college success, such as the “How To Get Into College” brochure.

Board of Regents:

- · Establish accountability measures for all NSHE institutions that measure student success, including transfer success.
- · Budgetary implications to consider:
- · Adequacy of student services budget.
- · Budgetary focus on student success, not just access.

Legislature:

- · Adequate funding of need-based financial aid so that all students can go to college.
- · Continuing funding of Millennium Scholarship for merit-based incentive.
- · Adequate funding for institutions to achieve their mission and goals.
- · Community colleges and state college– more students and more student services.
- · Universities – research and graduate program emphasis.

Discussion - Focus must be on:

- · Managing enrollment growth within state and student resources.
- · Improving student access AND success.
- · Supporting mission differentiation of all institutions.
- · Building student support services that enable all students to be successful.

Other Potential Board Actions :

- · If increasing admission standards is the right action, what should they be and when should they be implemented?
- · How should the budget request reflect these policy changes?
- · Should transfer policies be reviewed to ensure that all can have access to the baccalaureate degree?

11. Information Only-Handbook Revision, University Admission Criteria/Student Success Model – (Cont'd.)

Mr. Tom Rodriguez, Latin Chamber of Commerce, said he agrees with everything that Vice Chancellor Nichols presented. He participated in the negotiation to implement the 3.0 GPA requirement in 2010, which would allow the school district and Nevada State College time to grow and provide access. He did not feel this was the proper way to solve the problem. The state is experiencing tremendous demographic changes. The Clark County School District has 100,000 Hispanic students; 62% are minorities. He felt they should be discussing what needs to be done to create greater access. He felt this was a short term solution to a long term problem. He related that Regent Howard had discussed her proposed compromise with him. He related that no one opposes the 3.0 GPA. However, a deal was made to implement the increase in 2010. He felt there was no compelling reason to implement earlier. He emphasized there was an agreement and that he did not understand why it had to be changed now. He felt it was a matter of the integrity of the Board who had given its word contractually.

President Carpenter noted that GPA and ACT or SAT scores have been used as statistically reliable predictors of student success in American universities for decades. He related this was a matter of student access and student success. He expressed a need to link university admissions standards and community college transfer policy in these discussions. He recalled that Regent Leavitt had expressed a need to view this as a single system of higher education with multiple entry points, and not as a collection of semi-autonomous, competitive colleges. Any one of the multiple entry points can lead to any exit point or completion to which any student aspires. Students who transfer from CCSN to UNLV are more likely to graduate than students who begin at UNLV. He recommended a focus on one system, multiple entry points, improving student success and access to the entire System for all.

Chancellor Rogers felt the mistake made was to bring the concept forward without providing full disclosure for the public. Chancellor Rogers said that he and System staff would meet with anyone at anytime to discuss these issues and determine whether refinement is necessary.

Regents Anthony and Rosenberg left the meeting.

14. Information Only-Tuition and Fees, School of Medicine, UNR, 2007-2009 - Interim President Joseph Crowley presented for the Board's information a recommendation for 2007-2009 tuition and fees for students in the University of Nevada School of Medicine. The proposal included consideration of a set-aside from the proposed increase to be used for need-based financial aid in the medical school (Ref. H on file in the Board office).

President Crowley reported that the School of Medicine sets its tuition and fees apart from the remainder of the university. They are impacted in part by the WICHE institutional averages (*resident students*). They are attempting to reach the WICHE median for the small number of non-resident students. The SOM proposes a 9% per year increase in resident tuition and fees for each year of the 2007-2009 biennium. A 5% per year increase is proposed for each year of the 2007-2009 biennium for non-resident tuition and fees.

14. Information Only-Tuition and Fees, School of Medicine, UNR, 2007-2009 –(Cont'd.)

Regent Sisolak asked why non-resident fees were increasing by only 5%. President Crowley promised to provide an answer by the next meeting. Unfortunately, Dean McDonald was not present to answer such questions. Regent Sisolak asked whether medical students could become a resident after admission. President Crowley replied that they could after living in Nevada for one year. The tuition is then averaged over a four-year period. Regent Sisolak asked whether the same was done for all professional schools. President Crowley replied that UNR only offered it for medical school students. Regent Sisolak asked whether UNLV followed the same practice. Mr. Gerry Bomotti, Vice President, Finance-UNLV, replied that he did not believe that UNLV followed the same practice. President Harter offered to provide a definitive answer after the meeting. Regent Sisolak asked Chair Whipple to have the Board address this matter in the future.

15. Information Only-Tuition and Fees, William S. Boyd School of Law and School of Dental Medicine, UNLV, 2007-2009 - President Carol C. Harter presented a recommendation for the fee structure for 2007-2009 biennial request of the William S. Boyd School of Law and UNLV School of Dental Medicine; and changes to the NSHE Procedures and Guidelines Manual (*Chapter 7, Sections 3(A), (B) and 4(A)*) as follows (Ref. G on file in the Board office) :

- A. A 10% increase for the School of Law in FY08, followed by an additional 5% increase in FY09; and
- B. No changes in the School of Dental Medicine fees

President Harter related that both schools and tuition committees have compared these rates with other institutions in the Mountain West area and determined that UNLV's rates are less than the averages of other schools in this region. She felt the increases were appropriate. The School of Dental Medicine rates are already high. In-state dental students pay \$22,500 per year, while out-of-state students pay \$45,000 per year.

Regent Anthony entered the meeting.

Regent Sisolak asked why the law school's FY09 increase was only 5% and whether an additional increase could be used for financial aid. President Harter replied they had already done very well in the last year by retaining as much of the additional fee monies for various purposes in the law school, including financial aid and the library. She felt any further increase would be excessive.

Regent Sisolak indicated that Senator Raggio had questioned the smaller increase for the second year of the biennium. Executive Vice Chancellor Klaich clarified that the issue with respect to the Boyd School of Law during the last legislative session was the grandfathering in of established tuition for the class that had been accepted. Law school tuition was increased by 25% in the last biennium. Because that increase was so much greater than might have normally been expected, the law school made a decision not to implement it for any students already accepted. The Legislature took exception to that policy. The issue was not the amount of the increase, but that it did not apply to everyone. Pursuant to those discussions, the law school requested a 10% increase for those students already admitted and a 25% increase for new students.

Regent Rosenberg entered the meeting.

15. Information Only-Tuition and Fees, William S. Boyd School of Law and School of Dental Medicine, UNLV, 2007-2009 - (*Cont'd.*)

President Harter stated that the rates had increased fairly steeply over several years and UNLV was attempting to remain close to other western state schools.

Mr. Troy Fox, a student at the Boyd School of Law, felt the current price for the Boyd School of Law was incredibly reasonable, and that the staff and faculty are incredible. He asked why tuition had increased 33% in two years. He could understand such an increase if there was difficulty recruiting the desired faculty or completing building projects, but he felt the school already has excellent faculty and staff and they are not losing key positions. He questioned why another increase was necessary and expressed a fear that it creates disgruntled alumni who are later approached to give back to the school. He felt that students are not seeing the benefit of such an increase. The number of scholarships has not increased. Students perceive this as having to ask for more money for their education.

Chancellor Rogers estimated the law school budget at \$11 million. The school must compete to retain the faculty it has recruited. He contributes regularly to the law school and felt the school needs the money. He said the tuition would not be increased unless it was absolutely necessary. He said the education was of great value as the school has top faculty and is considered a top school. While trying to keep the tuition as low as possible, this increase represents the students' share of the burden. Mr. Fox stated that a memo circulated amongst students indicated the increase was justified by an inclination to be near the median anticipated non-residential tuition. He hoped for an ideal to do what is best for the students. He felt the students would be more open if the reasons had been presented to them. Chancellor Rogers observed that a new moot court was being constructed and the

school had fine quality faculty. The school compares well with any other law school in the nation. He said that Dean Morgan had done an outstanding job of raising money, adding there are tremendous costs in running a law school. The tuition would be even greater without the generous contributions received thus far. The students must carry their share of the cost.

Regent Sisolak left the meeting.

16. Approved-Resolution #06-02: Final Approval of Bank Financing and Follow-Up to December Board Approval, UNLV – The Board approved President Carol C. Harter’s request for formal approval of Resolution #06-02 to finalize bank financing up to the sum of \$11,500,000 for the construction and acquisition of various capital projects on the UNLV campus. The Board approved the solicitation of this financing, up to the \$11,500,000 limit at their December 2005 meeting (*Ref. J on file in the Board office*).

Regent Alden moved approval of Resolution #06-02 to finalize bank financing up to the sum of \$11,500,000 for the construction and acquisition of various capital projects on the UNLV campus. Regent Gallagher seconded.

Regent Alden established the item had sustained appropriate System legal and financial review. Executive Vice Chancellor Klaich confirmed that it had.

16. Approved-Resolution #06-02: Final Approval of Bank Financing and Follow-Up to December Board Approval, UNLV – (*Cont’d.*)
Motion carried. Regent Sisolak was absent.

Regent Sisolak entered the meeting.

17. Approved-Request to Solicit Bank Financing, UNLV – The Board approved President Carol C. Harter’s request to solicit bids for a 10-12-year bank loan of approximately \$4,825,000, the proceeds of which will be used to fund the replacement of the chillers at the Thomas and Mack Center (*Ref. K on file in the Board office*).

Regent Alden established the item had sustained appropriate System legal and financial review. Executive Vice Chancellor Klaich confirmed that it had.

Regent Alden moved approval for UNLV to solicit bids for 10-12-year bank loan of approximately \$4,825,000 to replace chillers at the Thomas and Mack Center. Regent Gallagher seconded.

Regent Howard questioned why this expense was necessary if the Thomas and Mack Center is privately funded. Vice President Bomotti explained that payment would come from event revenues and not state funds.

Motion carried.

18. Approved-Resolution #06-03: Advanced Dental Education, Building Contract and Financing Authorization, UNLV – The Board approved authorization to award a contract to a design build team and Resolution #06-03 to issue Certificates of Participation to finance the Advanced Dental Education Building project. At the December 2005 meeting of the Board, Regents approved proceeding with this project (*Ref. L on file in the Board office*).

Regent Alden established the item had sustained appropriate System legal and financial review. Executive Vice Chancellor Klaich confirmed that it had sustained an exhaustive review, including bond counsel and System consultants.

Regent Alden moved approval of authorization to award a contract to a design build team and Resolution #06-03 to issue Certificates of Participation to finance the Advanced Dental Education Building project. Regent Anthony seconded.

Regent Alden stated that he was not originally a fan of the dental school, but felt it had become a huge success story for Nevada.

Regent Wixom noted that this particular transaction employs an innovative approach to financing, which he felt was an exciting opportunity for the Board that could serve as a template for future transactions. Mr. Bomotti stated that the design-build, installment purchase, and structure of both activities were unique to UNLV and the first time that

18. Approved-Resolution #06-03: Advanced Dental Education, Building Contract and Financing Authorization, UNLV – (Cont'd.)

such a transaction had been conducted. This is a pilot transaction and they are very happy with the manner in which the design-build proposal went forward. UNLV employed an installment purchase because the Shadow Lane Campus is currently a tax exempt status.

Mr. John Swendseid, Swendseid & Stern and System Bond Counsel, related that the transaction was structured as an installment purchase agreement rather than a lease-purchase, thereby avoiding a requirement for providing the lender a security interest or any interest in the land. There is no lease, sub-lease, or land lease to anyone else, thereby avoiding any issues associated with a lessor getting control of the land and using it for a purpose that is incompatible with university uses. An excellent AA- interest rating was also achieved. He said the template for doing things outside of the bond area worked very well this time.

Executive Vice Chancellor Klaich stated that the Board had devoted much time hypothetically discussing the financing situations. President Harter and Mr. Bomotti were bringing forward a real project that was thoroughly vetted. He said it would likely become a demonstrated success story.

Ms. Kathleen Payne, Director, Banking and Investments-System Administration, explained the differences between this transaction and a revenue bond. No revenues were pledged and it did not require legislative authorization.

Regent Wixom expressed his excitement with the project. This addresses all the issues that have been discussed over the past seven months and serves as an important template for future transactions. He said it was an exciting model.

Motion carried.

The meeting recessed at 9:36 a.m. and reconvened at 10:01 a.m., on January 27, 2006, at which time the meeting recessed again at 10:02 a.m. for a brief Investment Committee meeting, and reconvened at 10:20 a.m. with all members present except Regents Derby and Schofield.

19. Information Only-Nevada State College Strategic Plan - President Fred Maryanski presented for information the Nevada State College Strategic Plan(2006-2011) , including information on the college's mission, core values, demographics, performance metrics, external measures, program priorities and future plans (Ref. *M* on file in the Board office).

Purpose:

- · Define mission, core values, metrics, decision-making principles.
- · Establish academic priorities.
- · Project enrollment and revenue growth.
- · Create a hiring plan.

NSC Mission - Educate the next generation of professionals for the State of Nevada.

19. Information Only-Nevada State College Strategic Plan – (Cont'd.)

Core Values – *i*Teach logo

- · Innovation.
- · Teaching Excellence.
- · Economic Development.

- · Assessment.
- · Customer Service.
- · Heritage.

Regent Derby entered the meeting.

Decision-Making Principles :

- · Each endeavor/activity that receives support must identify the core values to which it contributes, the weight of its contribution, and the metric by which its contribution can be measured. The allocation of resources must achieve a balance to insure the strengthening of all values. Measured progress toward values must be a factor in future resource allocation, business, and organizational decisions including managerial evaluations. Metrics must be externally understood, calculable, and reflective of the nature of the value.

Metrics:

- · Innovation - Nationally recognized programs.
- · Teaching Excellence - Faculty and student surveys, student-to-faculty ratio, percent classes by tenure-track faculty, faculty diversity.
- · Economic Development - Total job placement, foundation assets, employer surveys, business partnerships/CBL sites, degrees granted by major.
- · Assessment - Student outcomes upon graduation, professional board pass rates.
- · Customer Service - Survey of student engagement, six-year graduation rate, job placement/graduate school, first to second year retention, enrollment.
- · Heritage - Minority student %, graduation rate by ethnicity, minority faculty/staff %.

NSC Profile :

- · FTE History
 - May 2003 just under 200 FTE.
 - May 2004 400 FTE.
 - May 2005 just under 1,000 FTE.
 - Fall 2005 just over 1,000 FTE.
- · Demographics - The majority of students are 17-23 years of age, followed by 30-40, 24-29, 41-61, 16 and under, and 62 and over.
- · Market Share – Of the 10,000 CCSD graduates, UNLV receives just over 2,000, the other NSHE institutions receive approximately 1,800, and NSC receives approximately 109. NSC feels a responsibility to address the very large market of students not continuing to college.
- · NSC/UNLV Majors
 - NSC has more education, nursing, undeclared and non-degree students than UNLV.

19. **Information Only-Nevada State College Strategic Plan – (Cont'd.)**

- UNLV has more liberal arts, law enforcement, business, and sciences students than NSC.
- NSC also has a high school program.
- · Ethnicity – NSC is committed to providing access to a quality education to all ethnicities in the Las Vegas valley. NSC must respond to the challenge of increasing participation by Hispanic and African-American students.
 - 13% Hispanic students (compared with 22% in Clark County) .

Academic Priorities:

- · Nursing.
- · Teaching.
- · Business.
- · Psychology.
- · Law Enforcement.
- · Applied Science (2+2).

FTE Projections – NSC experienced a large increase between 2004 and 2005 due primarily to the STEP

program, a dual enrollment program in which high school students work towards a teaching degree in four years. Currently the first two years are taught at CCSN. NSC believes it can handle an influx of 300 students per year.

Hiring Projections – The hiring plan is presented with the understanding that adjustments will be required as actual enrollments will not precisely follow statistical projections, and the performance of individual units will influence future allocations. The hiring plan provides a realistic strategy by which NSC can fulfill its mission of educating the next generation of professionals who will become the leaders of the State of Nevada.

Review Process:

- · Faculty Business Plan Review Committee.
- · NSC Foundation Board.
- · President’s Council.
- · Senior Staff.

Strategic Plan Summary – The plan sets a course for the next five years based upon mission, values, priorities, and data.

NSC’s Master Plan (approved by the Board) - Nevada State College will offer the upper division courses leading to a baccalaureate degree at community colleges throughout the state.

Community College-NSC Plan :

- · CCSN – Cheyenne, West Charleston, and Summerlin campuses, as well as discussions with the Latin Chamber of Commerce.
- · TMCC – Redfield Campus.
- · WNCC – Carson City, Fallon, and Fernley campuses.

Regent Howard noted she had spoken with President Maryanski about doing something with the African American community, an area of high need for higher education resources, and asked why it was not included. President Maryanski replied there is a long-term plan to use the Cheyenne Campus to address the needs of the minority community.

19. **Information Only-Nevada State College Strategic Plan** – (Cont’d.)

In the short-term, NSC is relying upon the leadership of the African American community to identify a site where NSC programs could be offered. Regent Howard expressed concern for an emphasis on partnerships with various chambers of commerce and business interests’ involvement in academia. She said she would oppose the efforts of special interests in business and corporations to control higher education. She said she did not agree with what President Maryanski was doing. President Maryanski expressed a commitment to work with Regent Howard and the African American community to identify potential program offerings. Regent Howard noted the A.D. Guy Center is an education center and not a chamber. President Maryanski said he would be happy to work with Regent Howard to look at the facility and identify the resources that would allow NSC to implement programs there. Regent Howard expressed a desire to see the commitment in writing. President Maryanski felt they both needed to take steps to move toward a feasible status. Chair Whipple offered to include the matter on another agenda or to visit one-on-one regarding this matter.

NSC at the Community Colleges :

- · Full articulation with associate degree programs.
- · NSC dedicated space operated and maintained by host community college.
- · Unified NSC management structure.

Regent Schofield entered the meeting.

Schedule:

- · First business class at CCSN in March 2006.
- · Teacher preparation program already in place at WNCC. Elementary education courses at CSSN.
- · Implementation at all sites by Fall 2006.

Chair Whipple thanked President Maryanski for his flexibility and openness.

Regent Derby felt that Nevada State College is very important to the System's future. She was pleased with the plan. When considering admissions requirements it is important to offer a reasonable alternative (*a four-year campus with a football team*) for students desiring a four-year experience. She felt it was important to support the college and expressed her appreciation for the plan as presented and urged the Board to support it. President Maryanski said they would continue to develop the main campus in Henderson.

Regent Leavitt was also impressed with the strategic plan. He requested more information about the campus conflict resolution center. President Maryanski replied that Dr. Karen Heller, who directs NSC's center for students with learning disabilities, has an aptitude for conflict resolution. It was felt important to have someone to help resolve differences between students and faculty. As the college grows, a more elaborate program may be developed. Regent Leavitt asked whether the position was similar to an ombudsman. President Maryanski replied that Dr. Heller's responsibility is to resolve conflict between two individuals in a completely confidential manner.

19. Information Only-Nevada State College Strategic Plan – (*Cont'd.*)

Regent Rosenberg observed that NSC would soon be accredited and was pleased the college had survived. President Maryanski thanked Presidents Crowley and Lilley, as well as UNR for their continued sponsorship, which will continue for another few years. NSC has gained financial aid independence and will no longer need to rely upon UNR for processing, which will reduce the burden somewhat. Regent Rosenberg recalled there had been some resentment when NSC was initially proposed. He felt that UNLV should be congratulated for extending its assistance as well. President Maryanski agreed that UNLV and President Harter had been very helpful. NSC faculty and staff often call UNLV for advice.

Regent Dondero said the report was wonderful. She expressed a concern about sufficient classroom space. President Maryanski replied that the Interim Finance Committee had recently approved a change in scope for a 42,000-sq. ft. building (*Liberal Arts*), which will include five science labs, six classrooms, and faculty offices. Space has been leased in downtown Henderson for three classrooms and two nursing teaching labs. Discussion are ongoing with the City and developers to construct another building for an additional seven classrooms.

Executive Vice Chancellor Klaich reported that during recent budget hearings a number of capital projects for NSC were outlined that will already be full once the projects are completed.

Chair Whipple asked about the transfer of credits from other Nevada institutions. President Maryanski replied that under common course numbering NSC accepts all of the credits. Due to an issue with the B courses at the community colleges a Bachelors of Applied Science degree was created. Through articulation those credits are accepted and students move on to a four-year degree. He related that technical skill credits do not transfer alone, but would as part of the associate's degree. Vice Chancellor Klaich noted the importance of advisement and mentoring to avoid unnecessary course repetition.

Ms. Connie Capurro, Vice President, Academic and Student Affairs-WNCC, thanked NSC on behalf of President Lucey for the educational opportunities NSC provides to students via distance education delivery and instructors in WNCC classrooms, allowing students the opportunity to complete the teacher preparation and education degree.

20. Information Only-Presentation by Senator Dina Titus - Senator Dina Titus shared her vision for the future of education in Nevada and her commitment to improving education in Nevada (*Ref. Q on file in the Board office*).

Senator Titus reported that she had made education her life, feeling that quality education is the key to the future of the state and the nation. A recent *U.S. News & World Report* ranking placed Nevada's universities in the lower tier highlighting the need for the next Nevada Governor to be committed to building an education infrastructure that will last for generations. WestEd ranks Nevada 47th in the nation for high school dropout rate, per pupil funding levels, and percentage of students enrolled in colleges. The challenge of funding higher

education must be embraced as a community, employing innovative, bold, and bipartisan efforts. While serving in the Legislature, Senator Titus supported hundreds of programs designed to enhance higher education. She also sponsored the bill allowing

20. Information Only-Presentation by Senator Dina Titus – *(Cont'd.)*

DRI to enter into a creative partnership with the Department of Energy expanding the Las Vegas campus and creating the Atomic Testing Museum. She served on the Formula Funding Committee and opposed the bill calling for appointed Regents. She said no one is more qualified or committed than she to help move Nevada forward in the field of higher education. Senator Titus shares concerns regarding TABOR/TASC and voted against it in the Senate Finance Committee. Colorado University at Boulder lost sixteen tenured professors in 2003 to other institutions offering higher salaries. In 2002, Colorado State closed six academic programs and lost 286 faculty and staff. In the past two years, funding for need-based grant aid has been reduced 13%. Community colleges received no increase in enrollment funding for 2004-05. Colorado has since repealed TABOR. She expressed support for viewing K-16 education as a seamless transition. She supported the use of surplus revenues as a long-term investment in the education infrastructure.

Senator Titus felt there should be more progress towards funding the formula at 100%. The professional schools need more flexibility to make adjustments and to direct money where it is most needed. A transparent budgeting system needs to be considered allowing institutions to keep more tuition dollars on the campuses where they are generated. She advocated in favor of the carry-forward of some, if not all, unexpended state funds.

Senator Titus recommended that non-resident tuition be increased, since Nevada is one of the lowest in the country. Some of the new revenue could be devoted to a scholarship fund for new teachers, new nurses, and new emergency first respondents.

Senator Titus advocated the continued capital expansion programs in order to meet the needs of Nevada's growing, divergent population. She felt they should eliminate the State Public Works Board and streamline the construction timetable to save taxpayer dollars. She felt that local governments should help fund the institutions that benefit their communities. She favored stronger public-private partnerships, which can be used to develop an academic medical center, promote renewable energy, and update the fiber optic network to assist with economic development in rural Nevada.

Senator Titus acknowledged the challenges ahead are complicated and will require new ideas and System experience. She said that education changes lives and her commitment to public education is a central value that sets us apart.

Regent Alden agreed the State Public Works Board should not interfere with efficient building. He thanked Senator Titus for her bravery in expressing what is right, though not necessarily politically correct. Senator Titus acknowledged a prior need for the SPWB, but felt it was currently out of date. Construction management professionals can now be hired to manage the work more efficiently.

Chair Whipple agreed with funding from local governments. Senator Titus related that with many systems local government provides funding, especially to the community colleges. She felt the dialog should be started. Growth funds local government much more than it funds the state. Some money should be returned to the state services provided, including education.

20. Information Only-Presentation by Senator Dina Titus – *(Cont'd.)*

Regent Schofield noted that money drives everything, yet teachers are paid extraordinarily low salaries. Senator Titus felt that Nevada is very prosperous and that education should be made a substantive priority. She felt that teachers should be compensated at an appropriate level, though creative offerings could include: home financing assistance, hiring bonuses, and continuing education opportunities. She felt a review of benefits was also necessary.

Regent Howard asked Senator Titus to cite specifics from her tenure as senator where she helped to assure that

all students have access to education and resources. Senator Titus replied that class size reduction and Affirmative Action efforts had contributed. A recent example is the debate over the Millennium Scholarship. She opposed narrowing the pool of those who would qualify, feeling instead that students should work harder to retain it.

21. Information Only-San Diego State University College Community Redevelopment Project and Town Center - Steven Bloom, Chief Operating Officer of the San Diego State University Foundation, and Frederick W. Pierce, President of The Pierce Company, Inc., made a presentation to the Board highlighting one of the country's premier public-private partnerships and town center development relating to higher education (*Ref. N on file in the Board office*).

Capturing Economic Impact of Universities through Real Estate: San Diego State University - Redevelopment Case Study

Presentation Outline:

Frederick W. Pierce, IV, President, The Pierce Company, Inc.
Steven A. Bloom, COO, SDSU Research Foundation

- · Capturing Economic Impact – Revenue Generating Opportunities.
- · Developing Shared Programmatic Uses for Public & Private Industry.
- · Integration of Public Transportation.
- · Use of Public-Private and Public-Public Partnerships.
- · Capital Outlay Financing.
- · Demonstration through SDSU Redevelopment Case Study.

Factors Driving SDSU Redevelopment :

- · Future growth of SDSU.
- · Master Plan the surrounding area.
- · Remove blight and upgrade the gateway to the campus.
- · Identify University-supporting and shared land uses.
- · Physically expand the campus.
- · Provide public improvements.
- · Address neighborhood and community relations issues.
- · Dynamic mixed-use projects complement campus special event venues.
- · Lifestyle/Entertainment uses welcome community to the campus; positive for community relations and fundraising.
- · Major revenue generating opportunities; Disney World model of capturing economic impact.
- · Public-Private and Public-Public joint venture opportunities.
- · Integration of Public Transit MV East trolley line (*\$500 million*).

21. Information Only-San Diego State University College Community Redevelopment Project and Town Center – (*Cont'd.*)

Parallels to Nevada State College:

- · Substantial anticipated enrollment growth.
- · Growth generates demand for broad mixture of land uses.
- · Vision for master planned implementation of state-of-the-art campus.
- · Need for partnership and collaboration with City and local community.
- · Finite State and local resources to support capital and operating budgets.
- · Debt capacity and credit constraints of the institution.
- · Use of value and cash flow generated to support academic mission.
- · Third party development expertise necessary for implementation.

Capturing Economic Impact - Revenue Generating Opportunities:

- · Student Housing (*market rate and subsidized "affordable"*).
- · Fraternity and Sorority Housing.
- · Faculty/Staff Housing.
- · Retail and Entertainment Centers.
- · Theaters (*w/shared classroom use*).
- · Hotels and Conference Centers.
- · Campus-Serving Religious Centers.
- · Academic Facilities (*USGS Model*).
- · University Office and Research Parks.
- · Student Recreational Facilities.
- · Integration of Public Transportation.

History of College Community Redevelopment Project:

- · Identification of Need and Demand for Redevelopment.
- · Initial Market and Planning Studies.
- · Developer Selection.
- · City/RDA and Community Collaboration.
- · Creation of Redevelopment Project Area & Plan.
- · Processing of Entitlements (*EIR, MPP, PFFP*).
- · Land Acquisition/Individual Projects.

San Diego State University : (*San Diego Campus Only Fall 2005*)

- · 33,000 Students (*main campus*).
- · 27,000 Undergraduates; 6,000 Graduates.
- · 60% Female; 40% Male.
- · Median Age: Undergraduates - 22.7; Graduates - 30.8.
- · 6,400 Faculty/Staff.

Redevelopment Project – Entitlements:

- · \$800 Million Development.
- · 131 Acres - 5 Areas.
- · 3,100 Units - Up to 9,000 Residents.
- · 300,000-sq. ft. Retail/Entertainment.
- · 710,000-sq. ft. Office/R&D.
- · 300 Room Hotel/Conference Center.

21. Information Only-San Diego State University College Community Redevelopment Project and Town Center – (*Cont'd.*)

A review of various projects was provided.

Partnerships: Developers :

- · Pure Private Sector Approach (*McKellar & Janss*); Conventional Financing; No/Limited Educational Experience
- · Educational Developer Approach:
 - Fee Developer (*dedicated to education*).
 - SDSUF Owner.
 - Tax-exempt Debt.
 - Exemption from Property Taxes.
 - Optimal Economics to SDSUF.
 - Integrated Approach with Foundation.

Partnerships: Public/Public :

- · Creation of Redevelopment District – SDSUF, RDA, City, Community.
- · Processing Permits – SDSUF/TPC through City/RDA.

- · Consensus Building – SDSUF/TPC with Community Groups & City.
- · Implementation – Development Agreement with SDSUF & RDA.
- · Condemnation – RDA on Behalf of SDSUF.
- · Financing – RDA Tax Increment Sharing & Affordable Housing Funds.
- · Public Transit – University, MTDB, Federal Transportation Admin.
- · Infrastructure – SDSUF/TPC, CALTRANS, SANDAG, City.

Capital Outlay Financing - Development and Construction:

- · Rating Agency/Accounting Evolution & Impacts on Balance Sheet, Credit Treatment and Debt Capacity.
- · Risk/Return Trade-Offs Re: Borrowing Entity & Developer.
- · The Paseo: System Bonds, SDSUF Bonds or 501(c) 3 Bonds.
- · Non-Profit vs. For-Profit Development.
- · Resources – Public-Public, Public-Private, Public-Nonprofit.

President Maryanski related that Arizona State University had referred him to the SDSU project. Staff from NSC and the City of Henderson visited San Diego and were excited to share what they had discovered.

Regent Sisolak could understand how this would work for the state college, but questioned the time involved when it was necessary to condemn property via eminent domain. Mr. Pierce replied it was a very lengthy process. Regent Sisolak asked how many were litigated. Mr. Pierce replied the matters are not yet resolved.

Regent Rosenberg expressed his appeal for the idea.

Regent Alden suggested returning to the original design for NSC and turning the project over to such a developer. Regent Sisolak noted a point of order, stating that the discussion had strayed from the agenda item's intent.

Regent Wixom asked about how many dollars were generated for the university system and how many were projected. Mr. Pierce replied that it is based upon the scale of each of the

21. Information Only-San Diego State University College Community Redevelopment Project and Town Center – (Cont'd.)

projects, as well as the capital structure. The Paseo project was originally estimated at 40% conventional financing and 60% tax exempt. Due to a capital structure comprised of 85% tax exempt bonds, 7% taxable bonds, and the balance for the equity in the foundation-owned land, it will now generate \$5 million per year in cash flow after debt service. It was a \$330 million project on 11 acres. Smaller projects are generating hundreds of thousands of dollars, ranging from \$250,000-\$300,000 per year dependent upon the size of the project. Regent Wixom said the System is challenged with recruiting educators and housing and housing expenses. He asked whether they had explored incorporating housing into a project. Mr. Pierce replied that they had. They are typically successful on land in which the university has no basis. The university can discount the land, sell a unit to a faculty member and put an equity share on it. The university then has the right to repurchase the house. He said they had done it at CSU-Monterey Bay, Cal State-Fullerton, and a few others. They are also considering a model for K-12 housing. Regent Wixom asked them to pass the information on to President Maryanski.

Regent Dondero asked about the timeframe involved. Mr. Pierce replied that it was dependent upon whether the university controls the land and the entitlement process. Once an environmental impact report is conducted, the project can move forward quickly. Typical projects take 12-18 months to build. Regent Dondero asked whether that included sewer, water, etc. Mr. Pierce replied that it depends on the amount and its location. Often, infrastructure construction can parallel the on-site construction. He estimated revenue could be generated within 3-4 years.

Regent Derby asked about a partnership with the City of Henderson. President Maryanski replied NSC has 500+ acres, while the City has 100+ acres in that area, including the proposed light rail terminus. They have agreed to jointly master plan that space. On the first building project, the City will provide the infrastructure from the Dawson building to the Liberal Arts building.

The meeting recessed at 12:09 p.m. and reconvened at 12:35 p.m. with all members present except Regents Gallagher and Leavitt.

22. Approved-Audit Committee Recommendations and Report - Chair Douglas Roman Hill reported the Audit Committee met January 26, 2006, and heard the following reports:

- · Mr. Ron Zurek, Vice President, Administration and Finance-UNR, reported on detailed information regarding the recent Fire Science Academy capital debt reduction transaction. This information was requested by the Committee in December 2005.
- · The Committee discussed a December 2005 recommendation from PricewaterhouseCoopers to consider whether separate auditor opinions are needed for each institution financial statement. The System will request bids from the external audit firms to determine the cost savings. The institutions prefer to have separate auditor opinions for each institution.

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

- · Ms. Sandi Cardinal, Assistant Vice Chancellor, informed the Committee that PricewaterhouseCoopers had informed Regent Hill and the System of their intent to terminate their contract. A Request for Proposals will be issued to solicit bids for external audit services.

Regent Hill requested Board action on the following Committee recommendations:

- · Minutes – The Committee recommended approval of the minutes from the December 1, 2005, Audit Committee meeting.
- · Internal Audit Reports - The Committee recommended the approval of the following Internal Audit Reports:
 - ✓ · Libraries, UNR (*Ref. A-2 on file in the Board office*).
 - ✓ · Accounts Payable, UNLV (*Ref. A-3 on file in the Board office*).
 - ✓ · Enrollment Management, UNLV (*Ref. A-4 on file in the Board office*).
 - ✓ · Center for Applied Mathematics and Statistics, UNLV (*Ref. A-5 on file in the Board office*).
 - ✓ · Public Safety and Human Services, CCSN (*Ref. A-6 on file in the Board office*).
- · Audit Exception Report - The Committee recommended approval of the Audit Exception Report for the six months ended December 31, 2005, (*Bound Report on file in the Board office*).
- · Medical School Practice Plan - The Committee recommended approval of an update on the practice plan for the years ended June 30, 2004 and 2005, (*Bound Report on file in the Board office*).

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

Chair Whipple questioned the basis for PricewaterhouseCoopers terminating the contract. Regent Hill replied that statutory law passed during the last legislative session stipulates the System can use PWC audit reports in any manner subsequent to initial payment. PWC was charging for each subsequent release and they felt the new requirement creates additional liability for them. Ms. Cardinal reported that approximately fourteen firms have expressed interest in responding to the RFP, which clearly expresses the new expectation. The Audit Committee will select the auditing firm.

Regent Wixom asked whether NSHE was obligated to require the auditors to allow the subsequent release of audit reports. Executive Vice Chancellor Klaich clarified the statute wording provides that the auditor's reports may be used without consent. Any contractual provisions to the contrary violates public policy. Regent Wixom asked whether NSHE had the option to enter into an agreement with an auditing firm that required the auditing firm's approval of a subsequent audit release. He was concerned that since PWC had a concern for this requirement that other firms would as well. Executive Vice Chancellor Klaich said he had not researched the matter, but felt there were autonomy issues that could be explored. He said they would review the matter prior to finalizing the process.

Regent Alden asked whether the RFP would include a request for total audits as well as individual institutional audits. Ms. Cardinal replied that the process was changed to individual audits in 1986 or 1987. Regent Alden

supported fewer audits for less cost. Ms.

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

Cardinal stated there may be an issue with the accreditation agency, which may require separate audits.

Chair Wixom asked about the cost for external auditing. Ms. Cardinal replied it cost between \$325,000–\$350,000 per year.

Motion carried. Regents Gallagher and Leavitt were absent.

23. Approved-Budget and Finance Committee Recommendations and Report - Chair Steve Sisolak reported the Budget and Finance Committee met January 26, 2006, and heard the following reports:

- · Calendar year 2005 summer school budget to actual comparison for each university and college of the NSHE.
- · Self-supporting budget revisions for the second quarter of fiscal year 2005-06.
- · State-supported operating budget transfers for the second quarter of fiscal year 2005-06.

Regent Sisolak requested Board action on the following Committee recommendations:

- · Minutes – The Committee recommended approval of the minutes from the December 1, 2005, Budget and Finance Committee meeting.
- · Mid-Year Fiscal Year 2005-2006 Self-Supporting Budgets & Summer School Budgets Calendar Year 2006 - The Committee recommended approval of the NSHE mid-year fiscal year 2005-2006 self-supporting budgets and the summer school budgets for calendar year 2006 (Bound Report on file in the Board office).

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

24. Approved-Student and Academic Affairs Committee Recommendations and Report - Chair Howard Rosenberg reported the Student and Academic Affairs Committee met January 26, 2006, and reviewed and directed staff to return with revisions to the Millennium Scholarship core curriculum. The Committee also reviewed and began discussions on a proposal to require students who begin their baccalaureate studies at a community college to complete an associate degree prior to transfer to the universities.

Regent Rosenberg requested Board action on the following Committee recommendations:

- · Minutes – The Committee recommended approval of the minutes from the December 1, 2005, ARSA Committee meeting.
- · New Program Proposals – The Committee recommended approval of the following new program proposals:
 - ✓ · Ph.D. in Geography, UNR (Ref. SAA-4 on file in the Board office).
 - ✓ · BS in Informatics, UNLV (Ref. SAA-7 on file in the Board office).
 - ✓ · M.S. in Informatics, UNLV (Ref. SAA-8 on file in the Board office).
 - ✓ · Ph.D. in Informatics, UNLV (Ref. SAA-9 on file in the Board office).

24. Approved-Student and Academic Affairs Committee Recommendations and Report – (Cont'd.)

- · New Unit Proposals – The Committee recommended approval of the following new unit proposals:
 - ✓ · Applied Geophysics Center, UNLV (Ref. SAA-5 on file in the Board office).
 - ✓ · School of Informatics, UNLV (Ref. SAA-6 on file in the Board office).
 - · Elimination of Program, AAS in Dental Hygiene, TMCC – The Committee recommended elimination of the AAS in Dental Hygiene at TMCC (Ref. SAA-10 on file in the Board office).

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

Regent Derby expressed a desire for the full Board to participate in the conversation regarding a proposal to require students who begin their baccalaureate studies at a community college to complete an associate's degree

prior to transfer to the universities. Regent Rosenberg related that some states require an AA for those students beginning their programming at the community college level prior to transferring to a four-year institution. This was an informational item that will create a lot of discussion.

Motion carried. Regents Gallagher and Leavitt were absent.

25. Approved-Cultural Diversity and Security Committee Recommendations and Report - Chair Linda C. Howard reported the Cultural Diversity and Security Committee met January 26, 2006. Staff presented information highlighting the contents of the *2004-05 NSHE Diversity Report*. The presentation included an overview of diversity related performance indicators, ethnic/racial distributions of students, staff, and faculty, as well as additional measures related to remediation, Millennium Scholars, and completion rates by ethnicity. The Committee also discussed plans for future meetings and devised a list of potential agenda items aimed at addressing cultural diversity issues throughout the System.

Regent Howard requested Board action on the following Committee recommendations:

- · Minutes – The Committee recommended approval of the minutes from the December 1, 2005, Cultural Diversity and Security Committee meeting.

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

Regent Leavitt entered the meeting.

26. Approved-Investment Committee Recommendations and Report - Chair Thalia M. Dondero reported the Investment Committee met January 18, and 26, 2006, and discussed future meeting dates and the number of meetings required per year.

Regent Dondero requested Board action on the following Committee recommendations:

- · Minutes – The Committee recommended approval of the minutes from the November 9, 2005, Investment Committee meeting.

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

- · Moyer Student Union Building Utility Easements, UNLV – The Committee recommended approval of two rights of entry and limited subsurface easements for the purpose of installing and maintaining utilities to the new Moyer Student Union building currently under construction on UNLV's Maryland Parkway campus (*Ref. INV-2 on file in the Board office*).
- · Student Recreation Center Utility Easement, UNLV – The Committee recommended approval of a right of entry and limited subsurface easement for the purpose of installing and maintaining the primary electrical feed to the new Student Recreation Center currently under construction on UNLV's Maryland Parkway campus (*Ref. INV-3 on file in the Board office*).
- · Property Purchase–Ruby Mountains Manor, GBC – The Committee recommended approval for GBC to purchase the Ruby Mountains Manor Property for \$100,000 (*Ref. INV-4 on file in the Board office*).
- · The Committee recommended approval to allow Regency Auto Spa, Inc., Lessee of property donated to DRI located at 4590 Maryland Parkway, Las Vegas, Nevada, to obtain a loan on their leasehold estate of the property contingent on certain conditions being met by the Lessee.

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

Regent Sisolak commended Regent Dondero for her hard work with this Committee. President Wells thanked the Committee and legal staff for providing critical guidance on the Regency Auto Spa, Inc. issue.

Regent Wixom noted that Great Basin College had provided the requested preliminary title report.

Motion carried. Regent Gallagher was absent.

27. Approved-Research and Economic Development Committee Recommendations and Report - Chair Jill Derby reported the Research and Economic Development Committee met January 19, 2006, and reviewed and discussed the following items:

- · The Committee charge.
- · The *2000 Battelle Report: A Technology Strategy for Nevada* .
- · The *2001 Rand Report: The Road Less Traveled – Redesigning the Higher Education System of Nevada* .
- · AB 203 Report: *Legislative Committee to Evaluate Higher Education Programs* .
- · An update on research proposals contained in the Chancellor’s 2005 State of the System Address.
- · The Georgia Research Alliance.
- · Institutions were asked to provide a report regarding current research and economic development initiatives to be presented at the next Committee meeting.
- · Staff was asked to provide performance data on NSHE Master Plan targets and workforce development funding at each of the institutions.

27. Approved-Research/Economic Development Committee Recommendations/Report (Cont’d.)

The Committee took no action.

Regent Derby moved acceptance of the report. Regent Rosenberg seconded. Motion carried. Regent Gallagher was absent.

28. Approved-UNR President Search Committee Recommendations and Report- Chair Stavros S. Anthony reported the ad hoc UNR President Search Committee met January 6, and 20, 2006, and requested Board action on the following Committee recommendations:

- · Responsibilities of Committees – The Committees recommended approval of the responsibilities of the Committees.
- · Search Firm Request for Proposal – The Committees recommended approval of the development of a request for proposal after deciding that a search firm should be used.
- · Calendar – The Committees recommended approval of a calendar for the search process.
- · Minutes – The Committees recommended approval of the minutes from the January 6, 2006, meeting.
- · Selection of Search Firm – The Committees recommended approval of hiring a search firm and a budget for search firm fees and related costs.
- · President Leadership Statement and Related Materials – The Committees recommended approval of the materials for the UNR president search.
- · Advertising Options – the Committees recommended approval of publications to place the UNR President advertisement.
- · Budget Request – The Committees recommended approval of the budget request.

Regent Anthony moved approval of the Committee recommendations and acceptance of the report, including a recommendation for the use of an executive search service. Regent Rosenberg seconded.

Executive Vice Chancellor Klaich noted the contractual template for the agreement of executive search services was the same proposal approved by the Board for Greenwood and Associates in connection with the last search conducted. Greenwood’s name has been replaced with A.T. Kearney. The contract includes provisions for all of the Board’s previous concerns. One exception: the agreement provides for four equal payments based upon the accomplishment of search milestones. There are also limitations regarding expenses that may be incurred without approval. An exception has been provided requiring no related parties. An additional provision was included that if the candidates are unsatisfactory to the Board, they can be rejected and the search begins again for costs only.

Regent Alden appreciated the guarantee that if the person leaves the position within one year, the search will be conducted again for costs only. He urged the entire Board to support the search.

Executive Vice Chancellor Klaich stated the firm was a unanimous recommendation from both committees.

28. Approved-UNR President Search Committee Recommendations and Report– (Cont'd.)

Regent Hill observed there was no provision that the search firm only receive payment from NSHE. Executive Vice Chancellor Klaich expressed his confidence in Mr. Pimentel's integrity. Regent Hill requested that such a provision be included, adding that a letter from Mr. Pimentel would suffice.

Chair Whipple thanked Regent Anthony for chairing the Committee.

Motion carried. Regent Gallagher was absent.

29. New Business – Regent Dondero felt it was important for property matters to be presented to the Investment Committee.

Regent Sisolak commented on the UNLV Martin Luther King celebration, adding that it was very well attended. Regent Howard stated it was a wonderful event that included the National Executive Director of the NAACP, Mr. Bruce Gordon.

Dr. Lois Becker reported she was leaving NSC for a position in Florida. Regent Sisolak thanked her for her service.

The meeting adjourned at 1:10 p.m.

Fini S. Dobyns
Secretary of the Board