

UCCSN Board of Regents' Meeting Minutes December 1-2, 1995

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BOARD OF REGENTS

UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA

December 1, 1995

The Board of Regents met on December 1, 1995 in Hall of Fame Room
at Lawlor Events Center, University of Nevada, Reno.

Members present: Mr. Madison Graves, II, Chairman

Mr. Mark Alden

Ms. Shelley Berkley

Dr. Jill Derby

Dr. James Eardley

Mr. Joseph M. Foley

Mrs. Dorothy S. Gallagher

Mr. Daniel J. Klaich

Mr. David L. Phillips

Mrs. Nancy Price

Mrs. Carolyn M. Sparks

Others present: Chancellor Richard Jarvis

President Joseph Crowley, UNR

President Carol Harter, UNLV

Vice President Robert Silverman, CCSN

President James Randolph, WNCC

President Ronald Remington, GBC

President James Taranik, DRI

President Kenneth Wright, TMCC

Mr. Donald Klasic, General Counsel

Dr. Tom Anderes, Vice Chancellor

Dr. John Richardson, Vice Chancellor

Mrs. Sue Baker, Acting Secretary

Chairman Graves called the meeting to order at 9:55 A.M. Friday,
December 1, 1995, with all Regents present.

Also present were Faculty Senate Chairs or their representatives:

Scott Casper, UNR; Jerry Landwer, UNLV; Sonny Lyerly, CCSN; Larry
Hyslop, GBC; Steve Streeper, TMCC; Becky Seibert, System Adminis-
tration; Dick French, DRI; and Rick Riendeau, WNCC: and Student
Government Officers Glenn Booth, ASUN (UNR); Jeanine Powers, USA
(WNCC); John Pida, CSUN (UNLV); Karen Ronk, ASB (GBC); Barbara

Mc Millan, ACCSN (CCSN); John Cole, ATSM (TMCC); Julie Longtin, GSA (UNR); and Ken Harlan, GSA (UNLV).

Chairman Graves announced that the Secretary, Mary Lou Moser, was in the hospital with an emergency situation and would not be present for the meeting, and that Mrs. Sue Baker would be Acting Secretary.

1. Introductions

President Harter introduced Charles Cavagnaro, Athletic Director at UNLV, and Jeff Halvorson, Dean of Admissions and Registration, UNLV.

2. Chairman's Report

Chairman Graves spoke at the Girls and Boys Club at CCSN for the dedication of the evening day care program. The original target was to serve 100 children, but after four months of operation, the program has over 300 children during the hours of 5:00-10:00 P.M. The program is at no cost and tutoring, arts and crafts, sports, etc. are provided.

The Girls and Boys Club provide supervision for the program by hiring high school students who earn points toward schol-

arships at CCSN. Over 31% of the CCSN students are from 22-29 years of age, and 55% of those are female, mostly working mothers, so this program provides a tremendous opportunity for those seeking higher education. This program will be a model throughout the nation, and other UCCSN Presidents might want to consider such a program. Chairman Graves commended CCSN staff and President Moore and Michael Moore, Director of the Boys and Girls Club. They are considering having a nominal charge beginning next semester and with those funds the program would be expanded to the West Charleston Campus; they will also provide scholarships for those students in need who cannot afford the nominal charge.

Regent Alden stated that he serves on the Henderson Boys and Girls Club Board of Directors, where Dr. Moore and Dr. Meeks will be instituting the same program in Henderson. Regent Klaich suggested that as fees go up, CCSN might allow some parents to volunteer to work in the Center in payment for the fee.

3. Chancellor's Report

Chancellor Jarvis attended the Western Governors' Association meeting at the invitation of Governor Miller. The

group focused 1/2 of its meeting on the theme of Higher Education and Technology. There were about a dozen Governors from Western States in attendance. Many different ideas were discussed, some of which would be very useful for Nevada. Two things emerged, in which Nevada should play a part in shaping: 1) Governor Leavett, Utah, is promoting a "Smart States Initiative", which is a way for states to share and/or coordinate their programs such as information-technology based programs. The Chancellor discussed this idea with Marlene Lockhard, Nevada's Director of Information Systems, and they will hold follow-up meetings to determine how this will fit into Nevada, and 2) A resolution was passed at the meeting to create a "Regional Virtual Educational University", which had much to do with Governor Romer's interest to open up the educational enterprise to both traditional providers, such as UCCSN, and also to non-traditional enterprises. It was clear that Governor Romer was trying very hard to break what he calls the strangle hold that higher education has on credentialing in the way in which training and education is provided to greatly increasing populations. The Chancellor will provide further information in writing after debriefing the meeting with the Governor's staff.

The Chancellor expressed his great appreciation for the interest shown by Governor Miller and his staff and for the opportunity to work with them in participating in this regional initiative. It was an exciting meeting with a lot of possibilities for Nevada.

President Taranik related that he had been appointed by Governor Miller to serve on the Grand Canyon Visibility Transport Commission's Public Advisory Committee, which is hearing the public's concerns about the whole concept of clean air corridors. This corridor extends from Southern California through Clark County up through Denver. The final report is to be completed in March. Also, DRI faculty are serving on the technical advisory groups, alternative assessment committees, etc.

Presidents reported for their Campuses:

President Jim Randolph, WNCC, recognized Ms. Jeanine Powers, USA President, who has served two years. Jeanine is transferring to Simpson College in Redding, California. Ms. Powers introduced Sabrina Mc Kinley who will take over the Presidency of USA on January 1, 1996.

President Ken Wright, TMCC, reporting that TMCC is conducting searches for 2 Vice Presidents with decisions to be made by the first of the new year. They have begun a long-term planning effort under the leadership of Dr. Rita Gubanich. A 3-day conference is planned for the Spring which will incorporate 64 people, 30 of whom will be from outside the College, to assist in this comprehensive planning. TMCC is addressing facilities for the technology area.

President Jim Taranik reported that the Bechtel Corporation has been selected as the major contractor at the Nevada Test Site. Dr. Howard Wahl, President of Bechtel Europe, is on the DRI Foundation Board. Dr. Wahl arranged a trip for Dr. Taranik to meet the key participants of Bechtel San Francisco, which has an interest in doing some major developments in Nevada beyond the Nevada Test Site.

President Ron Remington related that GBC is bringing together the communities of the Great Basin. Beginning in Elko, a community master planning effort is underway, which involves city, county, school district, airport authority, convention center, Northeast Nevada Development Authority, and the College and the hospital to share general plans and to coordinate efforts and to be supportive of one another.

The potential is very great for a positive experience for the area.

Vice President Bob Silverman, CCSN, expressed thanks and appreciation to the Chancellor and the Regents, particularly Regent Graves, for their support, in the endeavor with the Girls and Boys Club effort. CCSN's Cheyenne Campus is now an officially designated Boys and Girls Club of the National organization. Vice President Robert Hoover, UNR, shared his master plan with the CCSN faculty which proved very helpful. They will be embarking on additional projects with UNR in the future. There will be a community celebration for the opening of the new building at the West Charleston Campus in early January.

President Carol Harter stated that UNLV has 14 committees writing goals, and will begin a review of the draft goals next week. Dr. Rebecca Mills was recently appointed as the Special Assistant for Planning, Assessment and Institutional Research to coordinate these planning efforts. 150 high school students attended Governor Miller's Science and Technology Day. They worked with faculty and University students in getting an orientation to University level science. A computer science team won a Western Regional compe-

tion and is now qualified to enter the national competition. Dr. Mary Patterson, Health Administration Program, represents 1 or 2 successful grantees for a potential \$6 million USAID grant that will take health administrators to Czechoslovakia and other underdeveloped or newly developing countries which don't know much about sophisticated health administration to assist them in applying these techniques. Discussions continue with Dr. Brian Cram, Superintendent of CCSD, for developing a professional practice school on the UNLV Campus. This would be a magnet school for the professional practice in teaching, and would combine UNLV and CCSD faculty on many projects and which would give student teachers an opportunity to intern at schools for children at-risk in K-8 grades.

President Joe Crowley, UNR, reported that the Manufacturing Assistance Program (MAP) is now being implemented. This program arises out of UNR's effort to expand the Land Grant model to encompass the entire spectrum of programs, and to borrow from that model a variant of the Cooperative Extension idea. The MAP program is done in cooperation with Truckee Meadows Community College and Western Nevada Community College. Two field agents have been hired; one is stationed at Old Town Mall (TMCC) and the other at the

Economic Development Office in Carson City, whose job it is to put the institutions in touch with the growing manufacturing industry in the northern part of Nevada and to let them know the assistance that is available to the companies from the 3 institutions. Thus far, the agents have dealt with 250 companies. As an example of their work, one initiative involved Total Quality Management, delivery advice to 6 companies who joined together in the effort. A second example is a company in the Carson-Douglas area that was experiencing difficulties with logistics. Through an agent, an intern from the Logistics Management Program who had done his Summer internship at the Ford Motor Company, was placed with the company. He was able to solve their problem, and has now become a paid employee of that company.

Mr. Ron Zurek is in charge of the program and plans to discuss the program with other UCCSN institutions to expand it into a Systemwide program. The University Press' Annual Book Fair and Signing was held the night before and was very successful. Authors were present to sign their books, and as an example Steve Trimble, the photographer of the book "Earthtones", and Ann Ronald.

Mr. Foley expressed his appreciation to DRI and their involvement with Bechtel Corporation. He related that he had

been instrumental in arranging for a meeting for the Chancellor with the top executives of Bechtel to explain their concerns and programs at the Nevada Test Site. The Chancellor related that all the UCCSN institutions were interested in working with Bechtel. That company was one of the big 6 companies in building Hoover Dam and they have been in this State since that time.

4. Regents' Workshop: Budget Development

Vice Chancellor Tom Anderes presented a workshop on the development of the UCCSN Biennial Budget Request for 1997-99. He distributed a handout, "Functions, Funding and Formulas", to be used as a guide during the whole budget process over the next several months. (Document on file in the Regents' Office.)

He posed a number of questions around which the discussion was held: What are the key dates in the Biennial Budget process? What are the most important pieces of the budget to understand? What are the expectations of the State regarding higher education? What are some trends that should be considered as budget decisions are made? What issues will likely be most visible in the budget development proc-

ess? Are the issues addressed in the Regent's Strategic Directions?

In answer to a question concerning enrollment projections from Regent Price, Dr. Anderes explained that UCCSN has an enrollment consultant who is visiting each Campus to discuss with the President and staff members the history, programs, future programs, and to obtain a flavor of past, present and a sense of the future. The consultant will confer with the Chancellor and the Council of Presidents to review his findings and recommendations. A uniform process will be developed through this consultant. Mrs. Price asked whether the State allocates funds based on projections, and that if the enrollment is not met, whether the System was still allowed the funds. Dr. Anderes replied that was the case.

Programs: Dr. Anderes related that the 1995-96 Operating Budget was built on programs, as was the last Biennial Budget Request. This is a structure which is used nationally. He reviewed the definitions of terms and formula variables in each of the programs: Instruction, Research, Public Service, Academic Support, Student Services, Operation and Maintenance of Plant, Institutional Support, and Scholarships and Fellowships.

The meeting recessed at 11:00 A.M. and reconvened at 11:10 A.M.

with all Regents present.

4. Regents' Workshop (continued)

Vice Chancellor Anderes summarized the programs as a methodology of looking at various activities, grouping similar activities together, then as funds become available, programs and sub-programs can be identified. This will be the primary structure for the budget request to the Governor and the Legislature.

Formulas are just a mechanism to quantify the amount necessary or adequate to meet a level of service. In fact, the formula is a very minor subset of the intention and the purpose of the program and the activities within the program. The value of the formula is simply to tell everyone of the amount of money it takes to do something, and do it well, and if you are expending less than that amount, it provides an opportunity to point out that it is impossible to do the various activities within the program because of insufficient funds. That, then, points out where there is a problem. He gave an example of Student Services: To

adequately run the program, the amount should be \$1 million, but is funded at \$500,000. A determination must then be made as to where the underfunding occurs: financial aid, student health, student counselors, etc. Therefore, the program structure is used to justify where the funding gap occurs.

Mr. Foley stated that he has always felt the System should stress the needs of particular programs, rather than just stress that the formulas should be funded, and that the Legislature should be the ones to cut the programs. He continued that he felt the Legislature uses the formulas as an escape, that they do expect the program to be carried on whether or not it is fully funded. Dr. Anderes stated that he felt it was incumbent upon the System to provide for the Governor and Legislature how the funds for full funding of the gap would be spent. Mr. Klaich objected to asking the Legislature to cut programs. He agreed that the formulas are not perfect, but that they do work for the System at the Legislature.

Mrs. Price asked whether Presidents have unlimited ability to transfer funds. Dr. Anderes replied that they did not; that appropriations are based on expectations of the Legis-

lature on where the dollars will be spent. There is an accountability report that is presented to the Governor's Office and the Legislature on this matter. He continued that the Quarterly Analysis report now done within the System compares the amounts allocated with the amounts spent and excess transfers are picked up quarterly.

Mr. Klaich questioned the adequacy of the library formulas for UNLV's proposed library. Dr. Anderes stated that they should be revised mainly because of the proliferation of technology, but there are other formulas, too, which should be revised. The Board had requested a funding study; however, the Legislature did not appropriate funds for that.

The Chancellor has asked that the staff and the business officers review these formulas and send recommendations to the Council of Presidents. Mrs. Gallagher stated that the Finance and Planning Committee is also discussing forming a Statewide committee to review this matter. Dr. Derby asked that the Board be included in the discussions. Dr. Anderes stated that the formulas are only as good as the information fed into them, and since the ones currently being used are 10 years old, they should be reviewed. Also, there are a number of areas not under the formulas that are very vulnerable; i. e., Statewide Services, Continuing Edu-

cation, System Office, Computing Services, DRI, etc.

Dr. Anderes stated that 95% of the Operating Budget is State appropriation and fees. Legislatures across the country generally are most interested in funding those items related to instruction and the administrative support of instruction. There are some budgets which are the responsibility of the Board, such as Auxiliary Services, etc., which do not go to the Governor or the Legislature for approval. These are the Self-Supporting Budgets. This shows the relationship between the State and what it will support vs. what institutions will routinely do in terms of research, in terms of public service, and in terms of obtaining external dollars, but not directly related to that relationship with the State. The Board annually approves the Self-Supporting Budgets.

The System, as well as all other State agencies, must be aware of the State resources when building budgets. There are Statewide concerns with which the System can cooperate with the Governor.

The System has 3 levels of budgeting: the base budget, the maintenance budget and enhancements. The Board is also

responsible for identifying priorities for use by the institution in preparing their budgets, and should reflect a blend of System and institutional objectives derived from the short and long term plans of the institutions. The formulas developed in 1986 do not reflect the growth in the Community Colleges in this last decade, nor the growth in graduate education at the Universities.

Dr. Anderes discussed trends within the institutions and cautioned that these need to be analyzed by the institutions when building their budgets. Some of the Operating Budget changes in FY 96 from FY 90:

Reduction in State support as a percent of the Operating

Budget - 81% - 77%

Operating Budget has realized annual growth of 8.3%

General Fund has realized annual growth of 7.4%

Other funds have realized annual growth of 11.8%

Expenditures as a percent of Operating Budget:

Research has declined at all institutions

Student Services has declined at all institutions

except at UNLV

Institutional Support has remained relatively flat

or declined at institutions with enrollments

above 7000 FTE, and increased below 7000 FTE

Operation and Maintenance of facilities has in-

creased at all institutions except WNCC

Academic Support (including Library) has remained

flat or declined at all institutions except

GBC and TMCC

Instruction has declined at all institutions

Scholarships have increased at all institutions

Chancellor Jarvis reviewed key issues which must be addressed in budget preparation:

Access/Growth/Diversity - Dealing with growth of more high school students coming into higher education.

Nevada could be looking at 198% increase in number of high school graduates. Diversity must be a part of any discussion on growth. Also a part of this package is a balance between the sectors and the ease with which students can move through the 2-year and 4-year institutions, and the financial aid program.

Research and Graduate Education - While UCCSN retains a commitment to undergraduate education, there is also a major mission commitment to research and graduate edu-

cation, not only in enrollment in graduate programs, or in sponsored research, but in the fundamental way this System contributes to economic diversification within the State.

Planning - As targets of opportunity come up, the System must be able to respond within a planned framework.

Technology - The efficient delivery of education and the cost of delivery must also be taken into account. Administrative accountability generates an administrative computing need.

Higher Education Relationship with the State - Need to look at how higher education will enhance the State; must build a partnership to help meet these needs.

Tuition and Fees - What part of the fees should the student pay?

The Chairman and Chancellor commended Dr. Anderes and his staff for the presentation on the budget development system.

The meeting recessed at 12:20 P.M. for lunch and reconvened at

2:17 P.M. with all Regents present.

5. Accepted Report of Audit Committee

Chairman Mark Alden reported that the Audit Committee met on November 28, 1995 to review the UCCSN Consolidated FY 95 Financial Statements and Management Letter. However, Deloitte & Touche were unable to attend and make their presentation so no action was taken. The Committee did discuss one management comment and agreed that without further information they were unable to determine why it had been included in the Letter. The Committee will meet again December 12, 1995.

Mr. Alden moved to accept the report. Mrs. Gallagher seconded. Motion carried.

6. Accepted Report of Campus Environment Committee

Chairman Jill Derby reported that the proposed Campus Environment Committee met on November 13, 1995. The Board is to ratify the establishment of the Committee at this meeting, but had met with the understanding that ratification would be complete. The November 13 meeting was a gen-

eral discussion on the structure and plan for the Committee.

The discussion centered around organizing the Committee into 3 sub-committees that would deal with the 3 primary issue areas: Status of Women, which has already been functional for 5 years, with Dan Klaich as Chairman; Diversity, with David Phillips as Chairman; and Safety, with Shelley Berkley as Chairman. It was agreed that 2 meetings per year would be devoted to each of the 3 topics. The next meeting will be December 14 and will be devoted to Safety.

Dr. Derby moved acceptance of the report. Mr. Klaich seconded. Motion carried.

7. Accepted the Report of the Academic, Research & Student Affairs Committee

A) Chairman Berkley reported on the meeting of the Academic, Research & Student Affairs Committee held November 13, 1995. 3 information items were discussed:

1) System Tuition and Fee Committee

The Committee agreed that there were no additional guidelines other than those already in place. The

concern was that the Tuition and Fee Committee will keep in mind that tuition is a part of the budget, the System needs to educate Legislators and the general public to the needs of tuition increases when they do occur, tuition increases should be proposed in regular small increments as opposed to not having increases for several years, but then having a large increase, increases should be tied to programs and/or other needs of the institutions, and increases impact student access.

2) The Gift of Land to UNR

The Committee heard a report on the gift of land and generally felt it was a very exciting prospect for the future, and the collaborative effort between UNR, TMCC and WNCC would be a magnificent undertaking.

3) The next meeting will be December 13, 1995 in Las Vegas.

Ms. Berkley moved approval of the report. Mrs.

Gallagher seconded. Motion carried.

B) Accepted the Western Nevada State Peace Officer Academy, WNCC. The Academy will provide State-mandated training for cadets who are planning a career in law enforcement or corrections. The 30-week program, to be offered at least twice a year, will provide evening and weekend classes which will be available to both the civilian and law enforcement communities. The two existing programs offered by the State and TMCC are daytime academies, open only to law enforcement affiliates, and are currently operating at maximum capacity. Current faculty, local officers and Police Officers Standard Training Instructors will provide the training in the program.

Support for the Academy will be through the assessment of enrollment fees of \$2125 per cadet, and WNCC's part-time instructional budget. It is anticipated that 25-30 cadets will enroll in each class. (Additional information is on file in the Regents' Office.)

Mrs. Berkley moved approval of the Western Nevada State Peace Officer Academy, WNCC. Mrs. Gallagher seconded. Motion carried.

C) Approved Criteria for Regents' Outstanding Student

Award. Following direction at the October, 1995 Board meeting, the Chancellor had prepared alternative models for the Regents' Outstanding Student Awards as a prize, as a scholarship tied to continuing study in Nevada, and a combination. (Ref. C is on file in the Regents' Office.)

Ms. Berkley moved for approval of Model 1 - no restrictions on the award. Mrs. Price seconded.

Mr. Graves stated that he was very pleased with the amount of \$5000 for the award rather than the \$500 originally given. In answer to a question from Mr. Klaich, it was explained that 8 awards are given annually: 1 per Campus for undergraduates plus 1 for graduate students at the Universities. He stated he would be voting no because of his preference for Model 2 where the student would need to stay in Nevada to further his/her education. Dr. Derby stated that the Committee's decision for Model 1 was that there are no restrictions for other comparable awards given by Regents. Mr. Klaich argued that these awards went to employees of the System who would be staying in the

State. Ms. Berkley stated that for someone to be an outstanding student, that person would be pretty well involved in the Campus and the education they are receiving, and if they choose not to stay in Nevada for whatever reason, wondered what would happen. Mr. Graves suggested that Model 3 would answer the question. That model gives \$2500 to the student who wants to go out of State, but if they stay in State they receive \$5000.

Mrs. Price argued for Model 1, stating that the student would come back to the State because of the way they were treated.

Mr. Alden moved to approve Model 3: an unrestricted prize of \$2500, plus an additional scholarship/prize supplement of \$2500 contingent upon continuing study or employment in Nevada the following year. Motion died for lack of second.

Ms. Berkley moved to approve Model 2: \$5000 scholarship whose goals are both: a) to recognize excellence in academic accomplishments, leadership ability, service contributions and potential for continued success, and b) to promote continued study and contribution to the State of Nevada. Mr. Klaich seconded. Motion

carried.

8. Acceptance of Finance and Planning Committee Report

Mrs. Gallagher reported on the Finance and Planning Committee meeting held November 17, 1995.

A. Information items discussed:

- 1) The Committee reviewed the actuarial report on the System's Self-Insured Compensation Program. It has been determined that if the System's programs ended, the liability of the System would be approximately \$3.6 million. There are reserves to offset some of this liability. Historically, \$400,000 per year has been paid from this fund to assist the Radiation Safety Program, which should be funded by the State. Request was made at the 1995 Legislature for funding to no avail. The System will again request funding in the 1997-99 Biennial Budget Request. Further study of the System SIIS Program is underway.
- 2) Discussion was held on materials for the workshop to be given at the Regents' December 1, 1995 meeting.

3) Gift of Land to UNR. The Committee heard a report on the gift of land to UNR. It was suggested that a System representative be appointed to the Planning Committee.

4) Tuition and Fee Policy: In addition to the policy guidelines, it was suggested that consideration be given to regular small increases rather than a large increase every several years.

Mrs. Gallagher moved acceptance of the report of the Finance and Planning Committee. Mr. Klaich seconded. Motion carried.

B. Approved System Administration FY 96 Self-Supporting Budget - At the October 1995 meeting the Board approved a revised budget structure for System Administration.

Vice Chancellor Anderes had presented the System Administration FY 96 Self-Supporting Budget, on file in the Regents' Office as Ref. E.

Mrs. Gallagher moved approval of the FY 96 Self-Supporting Budget for System Administration. Mr. Alden sec-

ended. Motion carried.

C. Approved Resolution for Bank Loan, WNCC-Minden Site - At

the October, 1995 meeting the Board authorized President Randolph to seek bids for a bank loan of up to \$800,000 to begin construction on a building at the WNCC-Minden site.

RESOLUTION #95-11

WHEREAS, the University and Community College System of Nevada (the "University") intends to borrow \$800,000 from Zion National Bank (the "Bank") pursuant to a letter from the Bank received November 29, 1995, in response to a solicitation of bids therefor (the "Proposal", attached hereto) for the purpose of financing the improvements for Western Nevada Community College, such borrowing to be evidenced by a note signed by the appropriate officials at the University (the "Note").

President Randolph stated that the Legislature had provided WNCC with \$1.5 million for a building to be constructed on a site donated to the College by Bentley Nevada in an industrial park located in Douglas County.

The projected cost of the building is \$2.3 million.

WNCC must raise the additional \$800,000, which necessitates a loan until pledges from the fund-raising effort are realized. Under terms of the gift of land, construction must begin with a 2-year period, hence the need for the loan. Vice President Bill Davies, WNCC, presented the plans for the 15,000 sq. ft. building, which will have 8 classrooms, faculty offices, computing laboratory, science laboratory, distance learning and a small learning resource area. Furnishings and equipment will come from a separate budget. Ground breaking is scheduled for March, 1996.

There are about 800 students taking classes in the area at present and enrollment is expected to go to 1000.

A coordinator will be assigned to manage the activities, and classes will be conducted by part-time faculty.

Dr. Derby moved approval of a tax-exempt bank loan from Zion National Bank for up to \$800,000 at 5.1% interest.

Mrs. Gallagher seconded. Motion carried.

Dr. Derby stated there is a great deal of enthusiasm for the project in Douglas County. Mr. Graves commended

the staff for their efforts on this endeavor.

D. Approved a Self-Supporting Budget for Intercollegiate Athletics at UNLV. Since the time of the presentation to the Finance and Planning Committee, a number of questions have developed about the budget. President Harter, Vice President Norval Pohl and Athletic Director Charles Cavagnaro have been in office a very short time, 5 and 4 months respectively. They have set goals for the Athletic Department: 1) To integrate athletics into total University life. 2) To provide a first-rate educational experience for student athletes. 3) To increase the graduation rate for student athletes. 4) To maintain competitiveness at the Division I level by having adequate funds for team travel and recruitment competitively across the country, etc. 5) To fund the maximum number of authorized NCAA scholarships for each sport. 6) To develop a financially sound and responsible athletic budget.

The President and Athletic Director were presented with a 15% gap between projected revenue of \$9.1 million and projected expense of \$10.6 million, which left a shortfall of \$1.5 million. This shortfall was not from one

year, but from an increasing gap between revenue and expenses over a period of 4 to 5 years. The President asked the Athletic Director to bring the budget into line within 2 years.

President Harter explained the sources of revenue for the Department. Mr. Cavagnaro made considerable reductions in the original budget, but there still remained an \$800,000 deficit. A decision was made to consider a loan to the Department from other sources of the University, to be paid back within 2 years with a 5.5% interest charge. That still left a \$300,000 problem. \$215,000 of that amount will be coming from an internal loan from within the Department which also will be paid back within 2 years. Plus, originally, it had been proposed that \$85,000 in gift income directly donated to particular individual sports be used, again, as a loan, to try to balance this budget. This particular issue caused a great deal of concern. That idea was then rescinded, and UNLV has substituted 3 other items to make up the \$85,000 deficit by reducing the budget further: 1) Another 1/2% operating reduction, bringing that to 10.5% across the board. 2) Freezing part-time wages for part-time help during the year. 3) Us-

ing dollars from unused, unfilled scholarships.

President Harter explained that loans would be repaid over this 2-year period from moving to the WAC Conference, which causes considerable increase in revenues.

A lengthy discussion followed. Vice President Pohl indicated that there will be changes in the budgeting process for athletics which will provide the internal control needed and it will be in place by next year. The Board was assured that donor funds would not be used in making up the deficits.

Mr. Foley moved the acceptance of the loan of \$500,000 and that the balance of the program be re-studied and presented at the earliest possible date. Mr. Alden seconded.

Ms. Berkley questioned why the Board was trying to micro-manage the solution to this problem. She suggested that the Administration should continue its review of the problem and find the additional revenue needed. Mrs. Gallagher stated that she agreed the Board should not be micro-managing this Department.

She agreed that all Regents had phone calls concerning the use of donor money to solve this problem and they should request assurance those funds would not be used.

President Crowley offered that the debate on the matter is evidence of the need to support the recommendation of the President. He continued that athletics is the single most visible part of a University. There is a national movement, in which both he and President Harter have been deeply involved over the last 10 years, to restore institutional control to athletic programs, and the absolute focus of that control is the President.

The role of the Board is to ask proper questions, and to provide guiding principles. This Board has assigned to President Harter a tremendously difficult task to balance a budget that has been out of balance, and to take control of a program that needs to be controlled by the institution and the President. 3 professionals have been charged with bringing forth a proposal to the Board, and have done so. There is great risk, symbolically, beyond the particular issues discussed at this meeting, in not supporting the proposal of the President. Mr. Graves thanked President Crowley for his comments.

Motion failed on roll call vote:

Aye: Alden, Foley, Price

Nay: Berkley, Derby, Eardley, Gallagher, Klaich,
Phillips, Sparks

Mr. Klaich moved to approve the Athletic Department budget together with the 2-year deficit reduction plan as presented, with the following conditions: that no donor funds be used in the reduction with the exception of \$6000 that Vice President Pohl identified this date, that the impact of any of the reductions outlined this date would be mitigated with the use of unanticipated and unbudgeted revenues, and that a report be given to the Board at the first meeting following the close of the FY 95-96 year on the proposed budget plan and the actual implementation of the budget plan for the Athletic Department. Mrs. Gallagher seconded. Motion carried. Mr. Alden voted no.

The Board recessed at 3:35 P.M. and reconvened at 3:45 P.M. with all Regents present except Mr. Alden and Mr. Foley.

9. Approved the Report of the Investment Committee

The Investment Committee met on November 13, 1995 and November 30, 1995 to review policies and procedures for the endowment funds. These changes will be presented for Board action at its January, 1996 meeting.

A. Approved Investment of Certain Funds - The Committee

allocated the expenditure of \$4 million of additional investment funds: \$1 million to Sanford Bernstein, \$1 million to the Global Bond Fund and \$2 million to International Equity. These allocations are in accordance with the guidelines.

Mrs. Janet Mac Donald explained the investment guidelines have been focused on the Regents' control of the investments in the establishment of spending authority and the asset allocations. Mrs. Edna Brigham related that the guidelines had not been reviewed or modified since 1983 at the inception of the endowment. The original guidelines were written in a generic manner for all managers, but over time it has become apparent that specific guidelines are needed for each manager. Therefore, individual working papers have been pre-

pared for each manager. Also, policies were needed to govern the investment of any large, additional sums that come to the Regents between the quarterly meetings of the Committee. This does not change the investment policy, but outlines for the staff the priorities for investments.

Mrs. Sparks pointed out that this is a very hard-working Committee. This endowment has gone from \$20 million in 1983 to over \$135 million to date. The Committee has been very conservative and very much aware of the responsibility of a public institution.

Mrs. Berkley moved for approval of the minutes of the November 13, 1995 meeting. Mr. Phillips seconded. Motion carried.

10. Approved the Consent Agenda

Approved the Consent Agenda, identified as Ref. G, with the authority to change the order of business as needed.

1. Approved the minutes of the regular meeting held October 20, 1995.

2. Approved tenure on hire for the following:

a) Dr. Yaakov L. Varol in the Department of Computer Sciences. Dr. Varol will assume duties as Chairman of the Department of Computer Science effective January 1, 1996.

b) Dr. Ole J. Thienhaus, M. D. as Professor of Psychiatry in the School of Medicine. Dr. Thienhaus will also serve as Chairman of the Department of Psychiatry and Behavior Science effective January 1, 1996.

3. Approved Advisory Board members at WNCC. 3 sub-groups of up to 15 members each have been established for Carson City, Churchill County and Douglas County. The 3 sub-groups will meet quarterly with the 4th meeting a combined meeting of the 3 groups.

Carson City:

Tom Baker	John Sheldon
Midge Breeden	John Singlaub
Al Escalante	Steve Smith

George Hawes	Ted Stokes
Weldon J. Lary	Walter Sullivan
Chuck Malone	Mary Walker
Maxine Nietz	Margie West
Robert Scott	

Churchill County:

Bonnie Carter	William Lawry
Sue Chambers	John H. La Voy
Dan Corcoran	Marion La Voy
Elmo De Ricco	Roberta Linderamn
Ron Flores	Jane Pieplow
Virgil M. Getto	Ken Tedford, Jr.
Richard Lattin	

Douglas County:

Andy Aldax	John Laxague
Hal Butler	Penny Nicely
Barbara Byington	Andy Rice
Bob Centanini	Sherry Smokey
Pendery Clark	Vicki Hafen-Scott
Monica Hilgarth	Bruce Van Cleemput

Kathy Hone

Evelyn White

Judy Keele

4. Approved Handbook changes, Title 4, Chapter 14, Section 12, System Transfer Guide and Master Course File. Ref. C-4 filed in the Regents' Office.

5. Approved a Handbook change, Title 4, Chapter 17, Section 8, Refund Policy to comply with Federal regulations. Ref. C-5 filed in the Regents' Office.

6. Approved the following Interlocal Contracts:

A. UCCSN Board of Regents/UNR and the Nevada Division of Child and Family Service Administration (Interlocal Contract)

Effective Date: October 1, 1995 through September

30, 1996

Amount : \$31,929 to UNR

Purpose : Services to victims of crime pursuant to the Victims of Crime Act.

B. Board of Regents/UNR and the Nevada Division of

Wildlife (Interlocal Contract)

Effective Date: February 1 to March 15, 1996

Amount : \$7,650 maximum to UNR

Purpose : Lodging and meals to be provided by
University Inn for event scheduled
February 5-8, 1996.

C. Board of Regents/UNR and the Nevada Division of
Environmental Protection (Interlocal Contract)

Effective Date: December 13, 1995 through August 1,
1996

Amount : \$135,000 maximum to UNR

Purpose : Business Environmental Program/Air
Pollution Prevention Services.

D. Board of Regents/UNR and the Nevada Division of
Wildlife (Interlocal Contract)

Effective Date: July 1, 1995 through June 30, 1996

Amount : \$16,000 maximum to UNR

Purpose : Mountain quail restoration in
Nevada.

E. Board of Regents/School of Medicine and the Nevada

Division of Mental Hygiene and Mental Retardation

(Interlocal Contract)

Effective Date: July 1, 1995 through June 30, 1996

Amount : \$2,925,533 maximum to Med School

Purpose : Psychiatry salaries.

F. Board of Regents/UNLV and the Clark County Depart-

ment of Family and Youth Services (Interlocal Con-

tract)

Effective Date: Date signed by last party to June

30, 1996, and may be extended for

a one year period upon renewal of

the program upon written agreement

of the parties.

Amount : \$15,000 to UNLV

Purpose : Public Child Welfare Training

Program.

G. Board of Regents/CCSN and the Nevada Department of

Motor Vehicles (Interlocal Contract)

Effective Date: Date approved by Board through

June 30, 1996

Amount : \$30,000 to CCSN

Purpose : Motorcycle Safety and Education
classes.

Dr. Eardley moved to approve the Consent Agenda and to change the order of items as necessary throughout the meeting. Mr. Phillips seconded.

Mr. Klaich asked for a correction to the minutes of October 29, 1995 meeting with respect to the Law School. He supports the continuation of the Law School Study, but has made no commitment to the School pending results of the study.

Mrs. Price referred to item 18 of the minutes to reflect that the Chairman had agreed to write a letter to the Attorney General. Chairman Graves stated that he would address that matter.

Motion carried.

11. Approved the Appointment of the Vice President of CCSN

Approved the appointment of Mr. Gordon Howatt as Vice President for Finance and Administration, effective December 4, 1995. The Chancellor had approved a salary of \$89,000 effective with the appointment.

Mrs. Gallagher moved to approve the appointment of Mr. Gordon Howatt as Vice President for Finance and Administration at CCSN, effective December 4, 1995. Mr. Phillips seconded. Motion carried.

12. Accepted a Gift of Land, UNR

Accepted the gift of land from the Redfield Foundation to UNR for the purpose of establishing a Campus of the University of Nevada, Reno, to be used jointly by the Western Nevada Community College and Truckee Meadows Community College.

President Crowley reminded the Board that a few years ago there had been a discussion about a gift of land from the Redfield Foundation to TMCC, but when some legal matters arose, the Regents took no formal action and the offer was withdrawn. UNR became concerned with the growth of the southern Reno area, and assigned Dr. Neal Ferguson to ex-

plore where UNR might have a presence in the area. Discussions were held with the Redfield Foundation and the 2 Community Colleges with the resultant gift of land presented at this time. Dr. Crowley related that he was tremendously excited about the prospects for this venture, feeling this could be a most unusual model in developing cooperative ventures for the 3 institutions.

Dr. Neal Ferguson related that this site is 60 acres of prime commercial land which has been appraised at \$9.2 million. The property is to be developed over the next 25 years. This will enhance the potential for higher education by placing a facility in a high demographic growth area. Planning so far is consistent with the Board's Strategic Directions by this collaborative effort of the 3 institutions. This Campus will be placed in an area with the greatest potential for economic diversity as any site in northern Nevada. The appraisal for the site identifies 20,000 houses in a design basis over the next 10 years within a 2-mile radius of the proposed Campus.

Dr. Ferguson clarified that the Board is asked to approve a contract with the Redfield Foundation which lays out general guidelines. The Board will have ample opportunity to

provide detailed guidance as the 3 institutions embark on a joint planning process. A suggestion had been made that a member of the Chancellor's Office be added to the Advisory Committee, but that could not be incorporated into the contract presented here. However, the Redfield Foundation has sent a letter acquiescing to the addition of a member to the Advisory Committee, which would now include 7 members.

If the contract is approved, planning will continue to enable breaking ground by December 31, 2000. This is the first check point. If ground is not broken, the site may revert to the Redfield Foundation. The Campus must be fully built out in 25 years as projected, in the neighborhood of 500,000 sq. ft. If this does not occur, the Redfield Foundation could take back the property in proportion to that which has not been built.

The next check point for the Regents is in the Biennial Budget process and the academic master planning for each of the institutions.

Dr. Eardley moved to approve the contract for the gift of land from the Redfield Foundation to UNR for the purpose of establishing a Campus of the University of Nevada, Reno,

to be used jointly with Western Nevada Community College and Truckee Meadows Community College. Mr. Phillips seconded.

Dr. Derby stated she was very enthusiastic about the collaborative aspect and suggested that a memorandum of understanding with all parties be drawn. Mr. Graves stated this was a tremendous gift from the Redfield Foundation and a tremendous opportunity for the Campuses. Mr. Klaich encouraged the same collaborative effort in Clark County, and suggested that CCSN and UNLV be included in some of these deliberations. Mr. Graves stated that discussions are already underway in southern Nevada for a similar arrangement.

In answer to a question from Mrs. Sparks concerning State funding, Dr. Ferguson stated that this project must come through the regular budget requests from the System to the State. President Crowley related that UNR has a property acquisition account which could be used to begin water, electrical needs, etc. Mrs. Price stated this was a good gift, but that there was not a long-term view for support. She asked for Campus site definitions guidelines for new Campuses. She continued that the donor should not drive what is done here, that it should be the Board driving the

plan.

President Crowley observed that this is a long-range view, inasmuch as the western Governors have identified a great increase in high school graduates -- 198% for Nevada. UNR is land-locked and space for growth is very limited. This property helps to solve that problem.

Motion carried. Mrs. Price voted no.

13. Accepted the Report on the Legal Relationship between UCCSN

Campus Foundations and the Board of Regents

Mr. Graves related that at the October 1995 meeting he had agreed, under duress, to write to the Attorney General requesting an opinion on the constitutional authority of foundations in regard to the Board of Regents. In follow-up, Mr. Graves had requested of the Chancellor that General Counsel prepare a position paper on this matter. General Counsel prepared such a paper, contained in Ref. I filed with the permanent minutes. Mr. Graves explained that after reviewing this positional paper, he did not feel he should make such request of the Attorney General in that this paper is very explicit. Further, he wanted the Board to take ac-

tion on this matter.

Mrs. Gallagher moved to accept Counsel Donald Klasic's position paper on the constitutional authority of the Regents with the Foundations, with the understanding that the Board adopts this as its legal standing of the Board on Foundations within the UCCSN, and that this account would put the matter to rest. Mr. Phillips seconded.

Mrs. Price stated that this opinion is not different, except in some editorial comments, from the opinion the Board had prior to her coming onto the Board. She continued that she had contacted the Attorney General, and the matter has been investigated. There is a State law that as a single Regent she was unable to make a request for an opinion, but such request must come from either the Chairman of the Board or the Board. Mrs. Price stated that when legal counsel is available a Board can rely on that counsel, but it also has the responsibility for making a judgment on its own. She stated she has long had a difference of opinion, and has in many forums, and under horrible circumstances, tried to make her case. She continued that she feels she represents a population of this State, that it is her duty to do this, and that since the investigation has been done, although

she does not know the outcome but guessed that with the way the State law is written and the upholding by the Ethics Commission decision, it may very well not come out this same way. However, she stated she felt she has an obligation to do what she can to call for this opinion.

Motion carried. Mrs. Price voted no.

Mrs. Price again requested the Chairman to write the letter to the Attorney General. Mr. Klaich, speaking to Mrs. Price's last statement, stated he respected Mrs. Price's opinion on this, but that he felt she was not reporting the opinions of the other members of the Board. He agreed that she had brought this matter up in a number of ways with a number of votes and that she had failed to persuade. Continuing, Mr. Klaich stated that there comes a time when putting something to rest would allow Mrs. Price to draw a conclusion about the correctness of her opinion by her failure to persuade, and that he personally was unable to see anything that was duty-bound or positive about the campaign she continues upon when she continues to fail to persuade.

Mrs. Price stated this was not a political issue, but rather a legal issue, and feels she has an obligation to continue

her efforts. In a clarification to Dr. Derby, Mrs. Price stated she was referring to the Ethic Commission's decision on the Massamino contract, which upholds the State law, and basically Mr. Klasic's opinion. Mrs. Price continued that her challenge to the Constitution would override State law, if it were correct, but based on the things that have happened within the State, it is not likely. The investigation she was referring to was her request to the Attorney General to look at this question, with a copy of the request and backup material being sent to each of the Regents. The Attorney General's Office did the investigation; however, could not reply to Mrs. Price because of the State law which said that a single person could not make such a request.

14. Board of Regents Handbook

Chancellor Jarvis referred to the Regents Handbook, about which Mrs. Price has stated it is probably one of the most user unfriendly documents ever invented. He presented the first phase of a project to put the Handbook on disc and soon to be on the Internet. He acknowledged Sharon Brush and Tamela Gordon from the Chancellor's Office and Steve Foster from Computing Services who made this project possible. By January, it is hoped the project will be on the

Internet.

15. Approved Board of Regents Bylaws, Standing Committees

At the September 1995 meeting the Board approved Standing Committees for FY 1995-96. Chairman Graves requested changes in certain names and charges for some of the committees. The first reading of the changes occurred at the October 1995 meeting, with action to be taken at the December meeting. (Ref. J filed in the Regents' Office.)

Mrs. Gallagher moved to accept the changes to the Board of Regents Bylaws with regard to Standing Committees. Dr. Derby seconded. Motion carried.

16. Postponed Report on Fall Enrollment Report

Because of a lack of time at this meeting, it was agreed to postpone the report to the next meeting.

Mrs. Berkley moved to postpone. Mr. Phillips seconded. Motion carried.

17. Public Comment

Mrs. Gallagher, who recently had knee surgery, stated she was able to observe outcomes of the System during her confinement. The two surgeons are graduates of the University of Nevada Medical School, a number of the nurses in attendance were from UNR and TMCC and were "absolutely excellent".

A short time ago, the Board had long discussions on physical therapy and the orthopedic clinic on the UNR Campus, which has turned out to be a "shining star". She related there is a great deal of pride in some of the things the Board has accomplished.

18. New Business

None

The meeting adjourned at 4:35 P.M.

Mary Lou Moser

Secretary

12-01-1995