

**UCCSN Board of Regents' Meeting Minutes**  
**Great Basin College, Elko**  
**Wednesday, August 5, 1998, (Social Room, College Community Center)**  
**August 6-7, 1998**

Members Present: Dr. Jill Derby, Chair

Mr. Mark Alden

Ms. Shelley Berkley

Mrs. Thalia Dondero

Dr. James Eardley

Mrs. Dorothy S. Gallagher

Mr. Madison Graves, II

Mr. David Phillips

Mrs. Nancy Price

Mr. Howard Rosenberg

Mr. Tom Wiesner

Others Present: Chancellor Richard Jarvis

Vice Chancellor Tom Anderes

Vice Chancellor Jane Nichols

General Counsel Tom Ray

President Richard Moore, CCSN

Interim President Peter Barber, DRI

President Ronald Remington, GBC

President John Richardson, TMCC

President James Randolph, WNCC

President Joseph Crowley, UNR

President Carol Harter, UNLV

Secretary Mary Lou Moser

Chair Jill Derby called the meeting of the Board of Regents to order at 8:15 p.m. on Wednesday evening, August 5, 1998 in the Conference Room of Berg Hall, Great Basin College, with all Regents present except Mrs. Gallagher. Dr. Derby expressed the appreciation of the Board for the dinner served by GBC Chef Xavier Leveau and his staff.

1. Closed Session - The Board moved to a closed session in compliance with NRS 241.030, for purposes of discussion of the character, alleged misconduct, professional competence, or physical or mental health of employee(s) of the UCCSN.

Ms. Berkley moved to go into closed session to discuss the character, alleged misconduct, professional competence, or physical or mental health of employees. Mr. Alden seconded. Motion carried.

The Board moved to a closed session and reconvened at 9:15 p.m.

Mr. Wiesner questioned what the problem was between UNR and TMCC. Chancellor Jarvis stated there had been a historical pattern between the institutions in which students have suffered; transfer is difficult. The Redfield campus has been the source of some difficulty this year and that involves all three institutions (UNR, TMCC, & WNCC). Statements heard in the past from community college faculty refer to poor transfer of courses and the universities not accepting community college faculty as providing quality education. This is a problem within the System. It goes on in Nevada as well as across the country in North American higher education. The Chancellor stated that it is his job to determine when this has reached an unsatisfactory level and it has reached that point this year.

Mr. Wiesner asked if all the presidents agree that there is this problem. The Chancellor answered that there is comparable language in parallel situations. However, Dr. Jarvis felt that there is a special situation and TMCC President John Richardson's background is from university culture and system offices and now that he is a community college president he fully understands both situations. Continuing, Dr. Jarvis stated he felt the two presidents have been willing to discuss this situation, but the conversations remain on the presidential level with the vice presidents, deans and faculty continuing in the past manner. The Chancellor stated he has admonished both presidents to make changes happen this year.

Chancellor Jarvis related he has asked the presidents and was also asking for Regent support; that if they hear from constituents they should follow through with the chancellor and president. Dr. Jarvis stated that he has conveyed to Dr. Richardson that he, Dr. Richardson, can make a difference in this situation. The Chancellor stated that the System has a process for handling this matter, but it is not being used, so he is pressing the issue.

Mr. Rosenberg stated that he felt this was a culture problem of long standing and that it wasn't a matter of the manner in which classes are taught. They are taught evenly at both institutions. He felt the problem lies with the attitude that the two institutions have toward their students and what their students need. The community college tends to nurture the student more than a university does and a lot of the problem for the student in the transition isn't the classes, although that is where it tends to be brought out. However, if that is recognized, then change can occur. Last week Mr. Rosenberg, Mr. Wiesner and Mrs. Dondero met with people from education at both CCSN and UNLV and learned of a number of things that need to be worked out between those faculties. Mr. Rosenberg stressed that it wasn't a matter of presidents working out the problems, rather it must be the faculties who must buy into the change. Dr. Eardley agreed.

Ms. Berkley stated she felt the matter has been handled correctly in that the presidents are on notice and have a year to make changes. In answer to a question concerning the schools in the southern part of the state, the Chancellor stated that change must occur throughout the System.

The meeting recessed at 9:20 p.m. and reconvened at 1:00 p.m. on Thursday, August 6, 1998 in the Great Basin College Theatre with all members present except Regent Berkley.

Also present were Faculty Senate Chairs Dr. Diane Barone, UNR; Mr. William G. Culbreth, UNLV; Dr. Doris Dwyer, WNCC; Dr. Kenneth McGwire, DRI; Dr. Jack Smith, GBC; Dr. Maria Teirumniks, TMCC; and Mr. J. Scott Wiley, System Administration. Student government leaders present were Mr. Will Price, UNLV; Ms. Liza Micheli, GBC; Mr. Otto MacLin, GSA-UNR; Ms. Sandra Ransey, CCSN; Mr. John St. Clair, Treasurer-TMCC; and Ms. Daniela Gutierrez, Vice President-TMCC.

2. Introductions –Regent Alden introduced regent candidate Dr. John Ellerton from Regent Berkley's district. Dr. Derby welcomed DRI Interim President, Dr. Peter Barber.

- o Chair's Report – Dr. Derby discussed the following items:

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- New committee arrangements were initiated with this meeting. The Finance & Planning Committee is now a smaller stand-alone committee. This committee will be scheduled so that all regents may still attend if they so desire.
- Mr. John Kuhlman distributed the new UCCSN Strategic Directions document. Mr.

Kuhlman and Deputy to the Chancellor, Suzanne Ernst, published the revised document.

- The System budget includes an allocation of \$3 million for the Regents' Initiative for Teacher Education. A Task Force was formed to work with Presidents Harter & Moore and Clark County School District (CCSD) Superintendent Dr. Brian Cram. Three southern regents were assigned to the Task Force: Mrs. Thalia Dondero-chair, Mr. David Phillips, and Mr. Mark Alden.
- A new ad hoc committee was created to address Regent Development. The committee will:
  - Address New Regent Orientation Program
  - Assist with Regents' Retreat
  - Provide Information on Educational Opportunities

The new committee will consist of: Mr. Rosenberg-chair, Mr. Wiesner, and Dr. Derby.

- The Committee on Health Care Programs was discussed later in the meeting.

- Chancellor's Report – Chancellor Jarvis called for the presidents' reports:

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President Joe Crowley, UNR –

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- As a result of the last legislative session a committee was created to review the adequacy of coverage of the cooperative extension service for agriculture and rural communities. The committee, chaired by Mrs. Sarah Mersereau of Carson City, has agreed upon an agenda and will report to the Legislature. Dr. Crowley praised Mr. Bob Dickens for keeping the committee on target in a timely manner.
- UNR received a grant of \$700,000 from the National Endowment of Humanities several years ago. As a condition of the grant UNR had to match it 3:1 and create three endowed chairs for Western Traditions. UNR has raised \$2.1 million to match the grant thanks to the efforts of Vice President Paul Page.

President Carol Harter, UNLV –

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- The Fraternity of Executive Chefs of Las Vegas has named Ms. Jean Hertzman, College of Hotel Administration, the 1998 Chef of the Year.
- Biology Professor Stan Smith received a \$1.8 million research grant from the NSF for his research on Global Environmental Change. Professor Smith is conducting his research in collaboration with UNR and DRI. The research studies the effects of carbon dioxide on desert climates.
- English Professor Richard Wiley has published a new book entitled Ahmed's

Revenge. Professor Wiley was instrumental in initiating the Master of Fine Arts in writing program.

- The Senior Theatre program has been honored by Stage Directions magazine as one of the ten theatre companies that have made a difference for its pioneering work in senior adult theatre. The program was featured on 60 Minutes .

President Ron Remington, GBC –

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- GBC has received a \$4.5 million award from the Reynolds Foundation, which will be used to improve landscaping on the Elko campus. Ms. Jeanne Blach and Ms. Mara Van de Ven provided a walking tour of the campus highlighting its plans later that day.
- Ms. Jeanne Blach is assuming some of the marketing and planning efforts formerly performed by Ms. Val Easterly.
- A workshop was held in July for developing the teacher education curriculum proposed for GBC. One of the consultants from Kansas State University is an acknowledged expert in the field of rural education. Another consultant from West Ed is on the commission revising the NCATE standards. There was also a consultant from Utah Valley State College present. GBC faculty and staff participated with school district representatives in a lively discussion regarding curriculum, faculty concerns & issues, and support services required.
- Dr. Remington and Dr. Moore participated in the Mountain States Association of Community College Presidents. Dr. Remington is currently serving as president for that group. An ambitious faculty development program was discussed.

President Richard Moore, CCSN –

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- The Donald Reynolds Foundation is considering funding \$12 million for additions to the proposed science building. The additions include a planetarium, a DNA staircase, a 300 million-year wall of science, and five desert systems.
- Dr. Moore commended Dr. Harter for her collaborative efforts with CCSN on the teaching initiative.
- The Community College Athletics committee will hold its final meeting in Las Vegas August 7<sup>th</sup>.
- CCSN decreased their recruitment efforts yet are expecting a fall enrollment of 30,000 thanks in part to the efforts of Mr. Allen Ruter.

President Jim Randolph, WNCC –

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- The 1995 Legislature funded WNCC \$14.5 million, which has allowed the construction of five new buildings (four in Carson & one in Douglas County). The largest building, the Cedar Building, will be celebrating its grand opening August 20<sup>th</sup> at 11:30 a.m. It is a 70,000-sq. ft. \$9 million project that will add tremendously to the Carson City campus.

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President John Richardson, TMCC –

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- A "Keepsake Album of Children's Gems & Heirloom Recipes" was handed out to meeting participants. The album was produced by the E.L. Cord Childcare Center. The Center trains childcare providers in addition to caring for children. This fall TMCC will open a drop-in childcare center in the evenings on the Dandini campus in conjunction with the Boys & Girls Club of Reno-Sparks. The drop-in center will enable parents to attend classes in the evening and have supervised, professional childcare on the Dandini campus.
- If the Student Center is funded by the Legislature, the facility will include an expanded childcare center for both day and evening students. TMCC perceives childcare as an important mission of a community college.

Interim President Peter Barber, DRI –

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- The National Science Foundation (NSF) will fund a \$638,000 3-year program called NSTEP (Nevada Science Teacher Enhancement Project). The purpose of the project is to enhance the scientific research awareness and capabilities of Nevada's high school science teachers. Scientists from UNLV, UNR, and DRI will work with the high school teachers to help them bring research into the classroom. There is a plan to extend the work beyond the 3-year period when the NSF funding is expended.

Dr. Derby added a postscript to her chair's report by calling attention to item #3 in the White Packet, which identifies the charge to the Task Force on the Regents' Initiative for Teacher Education. There is also a charge for the Committee on Regent Development. Additionally, Dr. Derby congratulated and welcomed Mr. Tom Wiesner as the newly elected Vice Chair.

5. Approved Academic, Research & Student Affairs Committee Report - Chair Thalia Dondero thanked the institution presidents for submitting innovative new programs to the Committee. Mrs. Dondero reported the Academic, Research & Student Affairs Committee met on August 6, 1998 and heard a

report on distance learning from Dr. Katrina Meyer, Director of Distance Learning and Technology. The report provided an update on current activities, identified areas of probable changes for the UCCSN, and outlined the distance education budget request.

Mrs. Dondero moved approval of the report. Mr. Phillips seconded. Motion carried.

5.1 Approved New Programs - The Committee reviewed the following new programs and recommended approval. Ref. A on file in the Board office.

- Ph.D., Psychology, UNLV
- M.S. and Ph.D., Computer Engineering, UNR
- A.A.S., Dental Hygiene, TMCC
- A.S. Degree, TMCC
- A.A.S., Mental Health Services, TMCC
- B.A., Senior Adult Theatre, UNLV
- B.A., Art History, UNLV
- B.S., Early Childhood Education, UNLV

Mrs. Dondero moved approval of the new programs. Mr. Phillips seconded. Motion carried.

5.2 Approved New Organizational Units - The Committee reviewed the following new organizational units for CCSN and recommended approval. Ref. B on file in the Board office.

- Faculty Center for Learning and Teaching, CCSN
- Reentry Center, CCSN

Mrs. Dondero moved approval of the new organizational units. Mrs. Gallagher seconded. Motion carried.

6. Approved Audit Committee Report - Chair Tom Wiesner reported the Audit Committee met on

August 6, 1998. Mrs. Sandi Cardinal, Director of Internal Audit, reported that the institution bank reconciliations are up to date.

The Committee reviewed the Internal Audit Department 5-Year Plan and the Work Plan for 1998-99 with staff. A summary of the 1997-98 year revealed that 54 audits were completed. Two Audit Exception Reports were presented. 411 new audit findings, including financial statements, grants and contracts and internal audits were noted during the year. Of the 360 internal audit items, only 40 of the items have not been closed by the institutions.

Coopers & Lybrand performed a Quality Assurance Review with an unqualified opinion received. Coopers personnel spoke favorably of the quality of the Internal Audit Department. Three minor findings were noted. The Internal Audit Department requested and received approval as a qualified Internal Audit Department from the Nevada State Board of Accountancy. Staff members may seek approval as a Certified Public Accountant in the State of Nevada based on time employed in the department.

Two student interns were hired in the northern office, which provides the opportunity for students to receive hands-on experience prior to graduation. One of the students was hired to fill a recent vacancy in the department. Two new students have been hired to work as interns this summer and during the next school year.

The Committee also reviewed its charge and procedures for the coming year.

Mr. Wiesner moved acceptance of the report. Mr. Phillips seconded.

Mrs. Price mentioned that the time interval for audits has grown from 5-year to 8-year intervals. Only one auditor has been requested in the current budget, though the Audit Committee requested two additional auditors. Mrs. Price stated there was a difference in interpretation of what an internal auditor's role could be with regard to foundations. She expressed a desire to discuss this issue at some time in the future.

Motion carried.

6.1 Approved Internal Audit Reports - The Committee reviewed the following Internal Audit reports as presented and recommended approval.



Ref. C on file in the Board office.

- Distance Education, CCSN
- Continuing Education, CCSN
- Student Services Department, GBC
- Cash Receipts and Account Receivables, GBC

Mr. Wiesner moved approval of the internal audits. Mrs. Gallagher seconded. Motion carried.

7. Approved Campus Environment Committee Report - Chair Howard Rosenberg reported the Campus Environment Committee met on August 6, 1998 to discuss the activities of the Committee for the coming year. There are six meetings scheduled and topics include:

- Report on progress toward UCCSN Diversity Goals
- Report from campus Status of Women/Gender Equity committees including discussion of issues
- Report on Campus Safety issues
- Discussion of childcare issues on the campuses
- Spousal support programs for new hires to UCCSN
- Computer use policy

A combined meeting may be held with the ARSA Committee to discuss the computer use policy and the consensual relations policies.

Mr. Rosenberg moved acceptance of the report. Mr. Phillips seconded. Motion carried.

8. Approved Finance & Planning Committee Report – Chair Mark Alden reported the Finance & Planning Committee met on August 6, 1998 and a discussion was held on how funding can be increased or balanced between institutions during the budget development process.

Mr. Alden moved approval of the report. Mr. Wiesner seconded. Motion carried.

8.1 Approved System Salary Schedules - The Committee reviewed the revised salary schedules that were updated to reflect the cost of living adjustments approved by the legislature and recommended approval.

Mr. Alden moved approval of the revised salary schedules. Mr. Wiesner seconded. Motion carried.

9. Approved Distinguished Nevadan Committee Report - Chair Dorothy Gallagher reported the Distinguished Nevadan Committee met on July 2, 1998 to review the procedures for the Regents' Distinguished Nevadan award and recommends changes to the procedures as found in Ref. D on file with the permanent minutes.

9.1 Approved Handbook Revision, Distinguished Nevadans - The Committee reviewed the policy on Distinguished Nevadans (Title 4, Chapter 1, Section 11) and recommended revisions as contained in Ref. D on file in the Board office.

Dr. Eardley asked in reference to item #3 if institution presidents could nominate individuals, with Dr. Derby clarifying that a president could bring their suggestion to a Regent who could then bring forth a nomination for Distinguished Nevadan. Mr. Rosenberg stated that the Board members would take suggestions from anyone but that only a Regent could nominate someone for the award.

Dr. Derby asked in reference to item #4 whether more than five individuals would be notified in accordance with the provisions of the Open Meeting Law for a closed session discussion on an individual. Mrs. Gallagher replied that it was the Committee's intent that only five names would be brought forward for discussion.

Mr. Graves expressed his feeling that the Regents' Reception should continue to include the honorary degree and presidential medallist recipients.

Ms. Berkley entered the meeting.

Dr. Derby asked the Committee what did not work well with combining those awards at this reception, with Mrs. Gallagher responding there is an excessive cost to holding these events twice yearly (one in the north and one in the south.) Mr. Graves stated he did not feel that cost was a good reason to split up the events. Dr. Eardley agreed with Mr. Graves. Mr. Rosenberg stated the Committee had intended to highlight the "Regents' Award" as something distinct and separate from the campus awards. Mrs. Price commented that at some point the state will be too large to handle the number of people with one reception. She added that the individual campus recognition might allow each individual to stand out more. President Crowley commented that the campuses could not logistically hold their receptions at any other time of year, Regents would find it difficult to attend in large numbers and the event would lose its luster. Dr. Crowley added that if cost was a consideration the institutions would be willing to share in the cost. Mr. Rosenberg recommended amending item #6 to include the honorary degree and presidential medallist recipients.

Dr. Crowley suggested in reference to item #8 that institutions should have discretion to award honorary degrees at other times during the course of the year. Mr. Rosenberg stated the Committee intended to set limits so as not to cheapen the award. Mrs. Gallagher stated that those requests would have to come before the Board. Dr. Harter stated it would be beneficial for the institutions to have the flexibility to determine recipients throughout the year instead of only by December 31<sup>st</sup>. Dr. Crowley suggested that UNR and UNLV return with proposed language to address this issue at the next meeting, with Chair Derby agreeing.

Mrs. Price stated it was not always necessary to issue the maximum number of awards each year. She proposed the development of a set of criteria that maintains the integrity of the degree. President Crowley and Mrs. Gallagher agreed.

Ms. Berkley requested a definition of item #2. Mrs. Gallagher explained that the Distinguished Nevadan Awards shall be limited to a total of five (5) per year with one awarded to a person in Northern Nevada, one in Rural Nevada, one in Southern Nevada and two on an "at large" basis. Ms. Berkley commented that it was dramatically different from current procedures, with Mrs. Gallagher responding that it was done to keep the value of the award.

Dr. Crowley stated that with the changes made to item #6, there was no need for item #10. Mrs. Gallagher agreed to strike the item from the list.

President Crowley suggested adding language to item #4 that allowed for extenuating circumstances for nominating a Distinguished Nevadan Award at any time during the year. Dr. Derby asked if such a nomination would be counted as one of the five total. Mrs. Gallagher stated that would be determined on a per case basis. Mrs. Price suggested leaving the language to serve as a strong guideline to limit the number of recipients. Ms. Berkley expressed her concern for limiting the number of recipients causing the award to go to individuals who have given the most money to the institution. Mr. Rosenberg disagreed strongly adding that the committee's intent was to limit the number of recipients to keep the award special. He suggested that each institution has the ability to award Presidential medals and honorary degrees and can make the decisions as to whom they are awarded. He added that a policy is needed to show that the awards really mean something significant.

Mrs. Gallagher moved acceptance of the report with an amendment to item #6 to include Honorary Degrees and Presidents' Medallists and omission of item #10. Mr. Wiesner seconded. Motion carried. Ms. Berkley voted no.

10. Approved Consent Agenda - Approved the Consent Agenda with the exception of item #11.

Mrs. Gallagher asked for clarification of item #8 as to how it was decided that there are sufficient funds to establish the endowment. Mr. John Gallagher, executive director of UNLV Foundation, responded that it was dependent upon the amount of money paid out of the endowment fund every year. He explained they determined how large a fund was needed at 4.5% to pay a given amount each year. Mr. Rosenberg asked if there was a minimum limit required to establish an endowment. Mr. Gallagher stated that each institution sets the limit for named endowments; UNLV's is \$50,000 and UNR's is \$10,000.

(1) Approved Minutes - Approved the minutes of the meeting held June 18-19, 1998.

(2) Approved Emeritus, UNLV - Approved emeritus status for the following as recommended by the president:

UNLV –

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Dr. Thomas L. Clark

Posthumous Emeritus Professor of English

effective upon approval

Dr. J. Kent Pinney

Emeritus Professor of Marketing

effective upon approval

(3) Approved Tenure on Hire, UNLV & UNR - Approved tenure on hire for the following as recommended by the presidents:

▪ UNLV -

Dr. Peter Huntoon as full professor in the Department of Environmental Studies, effective July 1, 1998 (Dr. Huntoon will assume chairmanship of the department on this date.)

Richard L. Brown as Law Library Director/Professor of Law, effective July 1, 1998.

Carl Tobias, Professor of Law, effective August 1, 1998.

B. UNR -

Dr. William E. Sparkman, Dean of the College of Education, with tenure in the Department of Educational Leadership, effective July 1, 1998.

Dr. David G. Thawley, Dean of the College of Agriculture and Director of Experiment Station, with tenure in the Department of Veterinary Medicine, effective September 14, 1998.

(4) Approved Tenure, UNLV - Approved tenure as recommended by the president. Ref. C 4 on file in the Board office.

UNLV - \* indicates recommending for both promotion and tenure

Anthony Cocco\*, College of Business; Accounting

(5) Approved Promotion, UNLV - Approved promotion as recommended by the president. Ref. C-5 on file in the Board office.

UNLV - \* indicates recommending for both promotion and tenure

Anthony Cocco\*, College of Business; Accounting

(6) Approved Appointment, Southwest Regional Laboratory - President Harter and Chancellor Jarvis recommended the appointment of Dr. John Readence to the Southwest Regional Laboratory Board through May 1999. By this appointment Dr. Readence would also serve on the Board of Directors of WestEd.

(7) Approved Appointment, Far West Laboratory - President Crowley and Chancellor Jarvis recommended the appointment of Dr. William Sparkman, Dean of the College of Education, to the Far West Laboratory Board through May 2000. By this appointment Dr. Sparkman would also serve on the Board of Directors of WestEd.

(8) Approved New Endowment, UNLV - Approved creation of the Terry Evans Memorial Scholarship Endowment for

students in the field of Biology. The family has requested this endowment be established and the major donor concurs. There are sufficient funds to establish the endowment.

(9) Approved Bylaw Changes, CCSN - Approved changes to CCSN Bylaws as contained in Ref. C-9 on file in the Board office.

(10) Approved Lease Extension, UNR - Approved a one-year extension of the current lease between the Board of Regents and the Department of Labor for the land and buildings at the Sierra Nevada Job Corps Center, September 1, 1998 through August 31, 1999.

(12) Approved Capital Improvement Fee Funds, TMCC - Approved use of Capital Improvement Fee Funds at TMCC for the following projects:

Remodel space, Red Mountain Bldg. Office of Multicultural

Affairs & Human Resources office. \$73,548

Purchase 200 sled base desks and 31 accounting style tables

with 62 accompanying chairs for classrooms,

Red Mountain Building. 18,662

TOTAL: \$92,210

(13) Approved Easements - Approved the following easements:

A. Parties: Board of Regents/UNLV and Las Vegas Water District; Clark County; Clark County Sanitation (7 Easements).

Effective: Board approval date, indefinitely.

\$\$: \$1.00 each easement to UNLV.

Purpose: 1. Las Vegas Valley Water District Easement-Harmon Avenue.

2. Clark County Sanitation District Easement-Harmon

Avenue.

3. Grant of Easement to Clark County for transition lane and public turn-around-Harmon Avenue.

4. Dedication of right-of-way to Clark County-Harmon Avenue.

5. Clark County Sanitation District Easement-Dorothy Avenue.

6. Grant of Easement to Clark County-Dorothy Avenue.

7. Sidewalk Easement to Clark County-Harmon Avenue.

B. Parties: Board of Regents/CCSN and City of Las Vegas (Grant of right-of-way).

Effective: Board approval date, indefinitely.

\$\$: \$1.00 to CCSN.

Purpose: Street light easement/right-of-way located on the east side of Torrey Pines, south of Del Rey alignment.

C. Parties: Board of Regents/CCSN and City of Las Vegas (Grant of right-of-way).

Effective: Board approval date, indefinitely.

\$\$: \$1.00 to CCSN.

Purpose: Pedestrian access easement/right-of-way on the east side of Torrey Pines.

D. Parties: Board of Regents/CCSN and Nevada Power Company (Grant of Easement).

Effective: Board approval date, indefinitely.

\$\$: \$1.00 to CCSN.

Purpose: Grant of easement for KNPR Line Relocate Phase 2.



(14) Approved Interlocal Agreements – Approved the following Interlocal Agreements:

A. Parties: Board of Regents/UNR and Nevada Welfare Division (Interlocal).

Effective: October 1, 1998 to September 30, 1999.

\$\$: \$79,941 to UNR.

Purpose: Nevada's Food Stamp/Nutrition Education Program.

B. Parties: Board of Regents/UNR and Nevada Health Division (Interlocal).

Effective: July 1, 1998 to June 30, 1999.

\$\$: \$10,000 to UNR.

Purpose: Rape Prevention Education Program.

C. Parties: Board of Regents/School of Medicine and Nevada Division of Environmental Protection (Interlocal).

Effective: July 1, 1998 to June 30, 1999.

\$\$: \$30,695 to Medical School.

Purpose: Analytical services provided by the Nevada Bureau of Laboratory and Research.

D. Parties: Board of Regents/School of Medicine and Washoe County Juvenile Services (Interlocal).

Effective: January 1, 1998 to June 30, 1998.

\$\$: \$7,083 to Medical School.

Purpose: Psychiatry Residency Program.

E. Parties: Board of Regents/School of Medicine and Washoe County Juvenile Services (Interlocal).

Effective: July 1, 1998 to June 30, 1999.

\$\$: \$14,173 to Medical School.

Purpose: Psychiatry Residency Program-Amendment.

F. Parties: Board of Regents/UNLV and Nevada Health Division (Interlocal).

Effective: July 1, 1998 to June 30, 1999.

\$\$: \$10,652 to UNLV.

Purpose: Rape Prevention Program.

G. Parties: Board of Regents/TMCC and Washoe County; Sheriff of Washoe County; City of Reno; Reno Chief of Police; City of Sparks; Sparks Chief of Police; Nevada Department of Motor Vehicles and Public Safety; Nevada Highway Patrol (Interlocal).

Effective: Period of one year from date of execution.

\$\$: None.

Purpose: Provide TMCC Department of Public Safety with expansion of its jurisdiction and rendering of mutual assistance to other law enforcement agencies.

H. Parties: Board of Regents/TMCC and Nevada State Job Training Office (Interlocal).

Effective: July 1, 1998 to June 30, 1999.

\$\$: \$41,660 to TMCC.

Purpose: Displaced Homemaker Program.

I. Parties: Board of Regents/WNCC and Nevada State Job Training Office (Interlocal).

Effective: July 1, 1998 to June 30, 1999.

\$\$: \$38,766 to WNCC.

Purpose: Displaced Homemaker Program.

J. Parties: Board of Regents/CCSN and (1) City of Boulder Police Department; (2) City of Henderson Police Department; (3) City of Las Vegas Department of Detention and Enforcement; (4) City of Las Vegas Fire Department; (5) City of Las Vegas Marshal's Office; (6) City of Mesquite Police Department; (7) City of North Las Vegas Police Department; (8) Clark County Park Police; (9) Clark County School District Police Department; (10) Nevada Department of Motor Vehicles and Public Safety; (11) Las Vegas Metropolitan Police Department; (12) Nevada Adult Parole and Probation; (13) Nevada Division of Wildlife; (14) Nevada Department of Investigations; (15) Nevada Highway Patrol; (16) North Las Vegas Municipal Court; (17) Nye County Sheriff's Office; (18) Nevada Gaming Control Board; (19) Nevada Attorney General; (20) UNLV Department of Public Safety (Interlocal Agreements).

Effective: July 1, 1998 to June 30, 1999.

\$\$: \$1,140 per recruit

Purpose: CCSN Law Enforcement Academy recruits.

Mr. Graves moved approval of the Consent Agenda with the exception of item #11. Mrs. Gallagher seconded. Motion carried.

10. Approved Consent Agenda – (Continued)

(11) Approved Gift, UNR - Approved acceptance of a gift in the form of a deed from the Athletic Association of the University of Nevada to the Board of Regents for the benefit of the University of Nevada, Reno Athletic Department. The deed is for the improvements and additions to the west side of Mackay Stadium including, but not limited to, the stadium executive boxes and press box, restrooms, elevators, HVAC systems, furniture, fixtures, furnishings, equipment, warranties with respect thereto and the rents, issues and profits derived from the skyboxes.

Mrs. Price requested clarification. President Crowley explained that the president informs the Board that the institution is expanding the stadium and/or building or making additions. The Athletic Foundation builds the building or expands the stadium and then makes a gift of that project to the university. The Board typically accepts the gift on behalf of the institution. Mrs. Price expressed concern as to the appropriateness of this item appearing on the Consent Agenda and requested the dollar amount. She stated the Board could obligate themselves to on-going maintenance costs by virtue of receiving the gift via the Consent Agenda. She added that she did not like the fact that the Foundation made the decision to move forward with this

project and then sought the Board's approval after the fact. Dr. Derby stated that the Chancellor informed her that this is a standard method of doing business. Dr. Crowley responded that it is a routine Consent Agenda item. Mrs. Price stated that the manner in which foundations are structured allows them to alter the power of the Board; the point being the understanding of who is making the decision. Dr. Crowley responded that the institution makes the ultimate decision, but that if Mrs. Price felt that it was a decision that the Board should make they could alter the manner in which they conduct business with no problem. Mrs. Price asked again for a dollar value on this item. Dr. Crowley stated that when the decision was made for UNR to become a 1A institution the stadium had to be expanded. Building and selling skyboxes financed the cost of expansion. He added that it is difficult to put a value on the gift. Mr. Graves stated that he would like to know the value of the gift so the Board could convey its thanks.

Mr. Graves moved approval of acceptance of a gift in the form of a deed from the Athletic Association of the University of Nevada, Reno to the Board of Regents for the benefit of the University of Nevada, Reno Athletic Department. Mr. Wiesner seconded.

Mrs. Gallagher asked if UNR had made a presentation before the Board regarding this issue with a full explanation? Dr. Crowley responded that they had. Mrs. Gallagher asked if this situation was pertinent to Athletics? Dr. Crowley responded that it was. Ms. Berkley asked if the Foundation Board forced this decision upon the institution? Dr. Crowley responded no, that it was an institutional decision that was supported by the Intercollegiate Athletics Board, Faculty Senate, and Alumni Association. Mr. Rosenberg clarified that it wasn't the Foundation but the booster organization, with Dr. Crowley responding that it was. Mr. Rosenberg stated that he believed this item would not have proven problematic if it had not appeared on the Consent Agenda. Dr. Crowley stated that the Board was under no obligation to accept the gift, but that the booster organization would then own the skyboxes.

Motion carried. Mrs. Price voted no. She is grateful for the gift and thanked the donors but voted no because of its appearance on the Consent Agenda.

Dr. Derby stated that in trying to streamline the meetings and to allow time for important policy discussion, she had asked that items of this nature be included on the Consent Agenda. She added that any item may be removed for discussion. Mrs. Price asked again for a value of the gift, with Dr. Crowley responding that he would send it to the members of the Board.

11. Approved Resolution - Approved a Resolution in honor of former Regent William Morris, on file with the permanent minutes.

Mr. Graves read Resolution 98-4 honoring former Regent William Morris.

Ms. Berkley moved approval of the resolution. Mr. Phillips seconded.

President Crowley recommended amending the resolution to recognize Mr. Morris' support of academics.

Ms. Berkley moved approval of the resolution as amended to recognize Mr. Morris' support of academics. Mr. Phillips seconded. Motion carried.

Ms. Berkley stated that Mr. Morris maintained a great rapport with the students at UNLV. Mr. Alden acknowledged Bill Morris as a true Nevada patriot for academics and athletics. Mrs. Price stated that Mr. Morris helped her achieve a better understanding of foundations.

12. Approved Resolution, UNLV Golf Team - Approved a Resolution in honor of the UNLV NCAA Champion Golf Team, on file with the permanent minutes.

Mr. Wiesner read Resolution 98-5 honoring the UNLV Golf Team.

Mr. Wiesner moved approval of the resolution. Ms. Berkley seconded. Motion carried.

Mrs. Dondero commented that it was a shame the golf team was not present to participate in this honor. Dr. Derby stated the Resolution would be printed and mailed to each member of the team. Mrs. Price suggested putting the resolution on the website. Ms. Berkley asked for another press release that included the Board's Resolution. Mr. Wiesner commented that it is a huge accomplishment. Mrs. Dondero asked if they could be honored again at the next meeting in Las Vegas. President Harter suggested that they could be honored at half-time of the football game. Dr. Harter stated she would work out a way for the Regents to meet the remaining members of the team. Mr. Rosenberg stated that the media does not always recognize these things as important news. Mr. Alden asked what the team GPA was, with Dr. Harter responding that it was a 3.0. Dr. Derby concluded the discussion by stating that the Board would work with Dr. Harter to determine a way for the golf team to be further honored by the Board of Regents.

Motion carried.

13. Approved Resolution, Sale and Issuance of Universities Revenue Bonds - Approved the sale and issuance of Universities Revenue Bonds as recommended by Bond Counsel.

Director of Banking and Investments, Mr. Tim Ortez, reported that the System had solicited bids for sale of \$7.3 million in universities revenue bonds. \$2 million represents funding for a parking garage at UNR and \$5.3 million represents re-funding of previous universities revenue bonds issued by UNLV. The lowest bid was received from Zions Bank at an average interest rate of 4.53%, which will realize a savings to UNLV of \$438,700.

Resolution 98-6

Mrs. Gallagher moved approval of the resolution. Mr. Alden seconded. Motion carried.

- o Approved Resolution, Sale and Issuance State General Obligation Bonds – Approved the authorization of the sale and issuance of State of Nevada General Obligation University Project Bonds (slot tax supported) as recommended by Bond Counsel.

Director Ortez reported that this item represents the sale of pavilion bonds. The proceeds from these bonds will be used for the renovation of the Thomas & Mack Center and Boyd Stadium as well as a number of small projects at UNR. The bond issuance size is approximately \$55 million and will be issued through the state treasurer's office in October-November, 1998.

Resolution 98-7

A Resolution designated by the short title "10-1-98A State Go Bond Resolution"; concerning the University and Community College System of Nevada; authorizing the sale and issuance of the "State of Nevada, General Obligation (limited tax) University System Project Bonds (revenue supported), series October 1, 1998A"; providing the purpose for which such bonds are issued; providing duties, privileges, powers, liabilities, disabilities, immunities, and rights pertaining to the foregoing; providing other covenants, agreements, and other details, and making other provisions concerning the state, the university, the bonds and the pledged revenues; ratifying action previously taken and pertaining to the foregoing matters; providing other matters relating thereto; and providing the effective date hereof.

Mrs. Gallagher moved approval of the sale of bonds. Mr. Alden seconded.

Mr. Alden asked about the net proceeds, with Director Ortez responding that it varies under a number of projections currently being reviewed between \$47 million to \$54 million. Mr. Alden asked if it were dependent upon timing, with Mr. Ortez responding that it was dependent upon how much interest is capitalized at the front of the bond issue and the size of the debt capacity. Mr. Alden asked if they were fixed rate bonds and what the rate was. Mr. Ortez responded that the bonds had not been rated yet, but would be issued through the state of Nevada and therefore have the state's rating. Interest rates should be comparable to today's rate of interest. Mr. Scott Nash from Howarth & Associates, the System's financial advisor, reported that the bonds are a 19-20-year bonds at a fixed rate estimated at 5%. Mrs. Price asked whether the bonds were being refinanced early, with Mr. Nash responding no that this was a new money issue.

Motion carried. Mrs. Price voted no for the same reasons stated in the previous meeting.

The meeting recessed at 2:50 p.m. and reconvened at 3:05 p.m. with all members present.

- o Approved Health Education Committee – Approved a special committee on health education for 1998-99 to provide planning and review oversight of all UCCSN health care programs. Activities will include first review and approval of the study on UCCSN health education going to the 1999 Nevada legislature. The committee should make a recommendation to the Board on the conversion of this committee to a standing committee of the Board no later than June 1999. Ref. E on file in the Board office.

Dr. Nichols reported that the committee will provide guidance to the Board regarding the review and oversight of existing health science and allied health certificate and degree programs with Nevada's public universities and community colleges. One of the committee's initial responsibilities will be the review of the health care needs and the implementation of a health education study, which was mandated by the state legislature in 1997. Dr. John Packham, Health Care Planning and Research Coordinator for the UCCSN, will prepare the report.

Dr. Derby appointed the committee as follows:

- Mrs. Thalia Dondero, chair
- Mrs. Dorothy Gallagher
- Mr. Howard Rosenberg

Mr. Graves moved approval of the committee. Mrs. Dondero seconded.  
Motion carried.

16. Approved Bill Drafts – Approved proposed bill drafts for the 1999 Nevada State Legislative Session as presented.

Chancellor Jarvis stated he was requesting approval for the following Bill Draft Requests for the 1999 legislature:

- Authorization to carry forward fund balances.
- Maximize efficiency of utilization of funds in the context of rapid growth in student enrollments (often exceeding budgeted enrollments.)
- Seek authorization only between the 1<sup>st</sup> and 2<sup>nd</sup> years of a biennium.
- Authorization to conduct a funding study.
- Identification of the membership & charge.
- Update current formulas.
- Implications of System growth.
- Moderate fiscal impact.
- Revenue bond for DRI building in Las Vegas.

Mrs. Gallagher asked what the Chancellor thought was the reason the request was denied in the previous session. Dr. Jarvis suggested there were two reasons:

- The costs generated by the study would be enormous.
- The 1997 charge was too broad.

Dr. Jarvis suggested augmenting the request with the following:

- Update the current formulas.
- Current formulas did not anticipate subsequent growth in needs for technology; safety, security, hazardous waste; indirect cost recovery for research; and gender equity in athletics.
- Implications of System growth.
- Nevada is the fastest growing state population in the country and the most rapidly diversified high school population in the west.

Mrs. Dondero asked what kind of opposition was anticipated from the school districts, with Dr. Jarvis responding that there could be a minimal amount of opposition.

Mrs. Gallagher asked if the manner of presentation was saleable. Dr. Jarvis stressed the importance of placing restraints on the



request and making it clear that the request for funding is reasonable.

- Moderate fiscal impact.
- Identify funding requirements, benchmarked against national peers.
- Phase in the rate at which the funding requirements are met.
- Encourage identification of cost-containment efficiencies.

President Crowley stated that if the System seriously pursues this matter in the legislature the Board should strongly support it, start selling it in person before the legislature convenes, and sell it to the Governor. Dr. Crowley added that it would take a lot of effort.

Dr. Derby stated she believes the Board felt a necessity for looking at the formulas and at the many ways they seem to not be working as well. She added that this should be a high priority for the System. Ms. Berkley added that it was important for the future of the System. Dr. Eardley recommended starting with the Governor's office. Dr. Crowley agreed that it is easier when the item is part of the Governor's budget, but there is a limited number of studies of this nature that can be commissioned by the legislature. Dr. Eardley asked for input from the community college presidents. President Remington responded that new concerns like technology receive very little consideration from the legislature. He added that the legislature is willing to fund equipment for distance learning but not willing to fund the support positions that are essential for a program to succeed. Dr. Eardley asked why the legislature will not support the formula base for support services. Mrs. Gallagher stated that the formulas have never been completely funded. Dr. Jarvis stated that the strategy is to offer the legislature the opportunity to work with the System and must convince the legislature that there are controls.

Mrs. Gallagher moved approval of the bill draft requests. Mr. Rosenberg seconded.

Mrs. Price suggested adding a bill draft request allowing the System to hire independent counsel instead of relying upon the Attorney General's office. Mrs. Price commented that it is difficult to identify the client base of the System's attorney. Mr. Ray stated that his interpretation is that the System does have the authority to hire counsel. Mrs. Price stated she wanted the law to reflect the current practice. Mr. Phillips stated that he did not feel that it was necessary. Mr. Rosenberg asked if it could potentially hurt to add it to the bill draft list, with Mr. Ray responding that it could. Dr. Crowley added that it could serve as an invitation for the Attorney General's office to comment at the legislative session.

Motion carried.

17. Information Only-Radio Stations - A review of System radio stations and their operations was presented. General Counsel Tom Ray reviewed the Board's role in the operation of these stations. UNLV provided a briefing on the recent change in

programming of KUNV.

President Harter reported that two years ago the UNLV Student Body President notified Vice President for Student Affairs, Dr. Bob Ackerman, that the student body no longer wished to completely fund the radio station and wished to withdraw from responsibility for the station. The student government reduced the funding from \$90,000 to \$45,000 last year and no funding this year. UNLV administration agreed to take over responsibility for running and financing the station to preserve the FCC license. The FCC does not issue these types of licenses very often. The student government leaders signed an agreement placing responsibility for running the radio station with UNLV administration. President Harter delegated the responsibility for operating the station to Mr. John Gallagher. Recently UNLV student government voted to be re-involved in the administration of the station. Dr. Harter expressed her pleasure in returning the operation of the station to the student government with certain caveats:

- Maintain a quality station befitting of UNLV representation.
- Maintain fiscal integrity.
- Identification of ultimate control/responsibility.
- Guidelines for the operation of the station, formation of the budget and spending issues, and program format.

Dr. Harter suggested having Regent Rosenberg assist in having UNLV administration work together with the student officers.

General Counsel Tom Ray provided a historical perspective of the Board's role in the radio station:

- 1976-Board approves joint application between UNLV and CCCC; contemplated as a student-run radio station.
- 1977-Board authorized UNLV CSUN to move forward with the application on its own as CCCC elected not to participate. During the application process, the FCC required the Board of Regents to become the applicant and eventual licensee since the Board is the governing body and corporate entity that operates the system.
- 1983-FCC license approved. Private counsel was retained to assist CSUN in obtaining the license and advised CSUN that the student body government cannot be the sole controller of the station because it would be inconsistent with the license granted. The concern was over a University of Pennsylvania case where the license was not renewed when it was determined that the Board of Trustees had relinquished its control of daily operation of the station.
- The license is very valuable; the FCC is no longer issuing licenses for new frequencies at this time.
- KUNV has not experienced the complaints that the University of Pennsylvania's station did. The FCC will look to the Board of Regents (as licensee) for being responsible for the operation of the station. The FCC recognizes that the Board can delegate, but it must be a delegation within the chain of command. Delegation to a student body organization would not be considered within the chain of command.

Mr. Ray concurred with President Harter that UNLV administration and CSUN need to work together to determine a shared responsibility that would satisfy FCC requirements. The license has expired and is due for renewal now.

Mr. Brian Paco Alvarez, a representative of the Rock Avenue Alliance in Las Vegas, introduced several UNLV alumni who spoke in favor of returning operation of the radio station back to the students.

Mr. Bradford Cole, a 1994 UNLV graduate with a bachelors degree in mechanical engineering, stated he was a volunteer disc jockey for KUNV from 1990-96. He reported that he is a long-time KUNV listener. He advocated returning the programming to the community and the students of UNLV.

Mr. Roy Hessinger, a recent UNLV graduate with a B.S. in Business Administration and a former KUNV disc jockey, spoke to the KUNV mission statement, income statement, and expense report prepared for 1997, which included changes proposed by Mr. Hessinger. CSUN believes they can run the station in a more cost-effective manner than is currently being accomplished.

UNLV Student Body President, Mr. William Price, told the Board of a recommitment of CSUN reflective of the original intention of KUNV. Mr. Price stated that the students acknowledge the Board's final authority over operation of the radio station. CSUN intends to maintain and exercise the highest level of discretion, judgment, and meticulous care to comply with all rules and regulations pertaining to radio station operations and to provide high quality programming. Mr. Price stated that CSUN is looking forward to working with President Harter to maintain student access to the station.

Dr. Derby commended Mr. Alvarez on an effective lobbying campaign, adding that the Board had certainly gotten the message. She suggested the resolution between CSUN and UNLV administration, addressing concerns for programming diversity, be returned to the Board at the next meeting.

Ms. Berkley stated that the lobbying effort had been extraordinary. She commended the collaboration between Rock Avenue Alliance, CSUN and UNLV administration.

Mr. Rosenberg acknowledged that UNLV administration has worked with the students on this issue and congratulated Dr. Harter and Dr. Ackerman for their efforts. He suggested to Mr. Alvarez that in order to make this work it will be necessary for the students to work within a framework that entails compromise.

Mrs. Price stated that the efforts of the Rock Alliance had been one of the highlights of her term on the Board and that

representing students was the Board's primary goal.

Mr. Alvarez presented a petition with 1800 signatures secured in support of this effort. Mrs. Price requested that the petition be kept in the Board office.

18. Information Only-Campus Presentation – A brief tour and review of the architectural plans for GBC was provided by GBC Foundation Executive Director, Ms. Jeanne Blach.

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The meeting recessed at 4:15 p.m. for the campus tour and reconvened at 9:20 a.m. on Friday, August 7, 1998 with all members present except Regent Berkley.

Dr. Derby conveyed the Board's thanks to Elko and GBC for their hospitality.

- o Information Only-Workshop: Excellent Teaching in Higher Education - Dr. Meggin McIntosh, Director, Excellence in Teaching Program at UNR and the 1998 recipient of the Nevada Regents' Teaching Award, conducted a workshop on practices that promote excellent teaching at universities and community colleges and looked at current policy in place to support these practices.

Dr. Nichols introduced the 1998 recipients for the Regents' Excellent Teacher award, Dr. Jack Smith from Great Basin College and Dr. Meggin McIntosh from UNR. Dr. Nichols stated that the purpose of the workshop was to take time to evaluate what constitutes teaching students at the highest level of quality.

Regent Berkley entered the meeting.

Dr. McIntosh stated that colleges and universities share a common goal to help students learn more effectively and efficiently than they could learn on their own, and asked the group to consider what characteristics or attributes the best teachers and students possessed that they had encountered. She recommended keeping those people in mind when developing policies for encouraging excellent teaching. She stressed that strategic teaching can be defined as instruction that is deliberately and intentionally designed to achieve a particular effect or goal. Dr. McIntosh encouraged the group to read *Smart Schools*, a book by David Perkins that encourages schools to constantly look for opportunities of better teaching and learning. According to Professor Perkins, smart schools exhibit three characteristics:

- Informed
- Energetic

- Thoughtful

Dr. McIntosh stated that all schools should possess these basic characteristics in order to ensure the quality of education offered. Excellence in teaching is an issue of great importance and worthy of the Regents' attention.

The meeting recessed at 10:20 a.m. and reconvened at 10:30 a.m. with all members present except Regents Berkley and Graves.

20. Approved Estate Tax Endowment Funding and Projected Uses - The Board reviewed the projected uses of estate tax endowment funding. A set of principles was presented to support the continued use of estate tax endowment funding including conditions protecting its availability for future generations of students.

Director Tim Ortez reported that this represents a small portion of the overall budget request to be submitted. The budget priorities consist of technology, research and access. The priorities were organized in order of cost representing campus needs that are not expected to be supported in the base budget by the General Fund. 70% of the items represent on-going programs and salaried positions carried over from the current biennium.

Regent Berkley entered the meeting.

Director Ortez reported that the endowment income is formula driven, derived from the Regents' current spending policy. The System spends 4.5% of the current market value of the endowment, which will represent \$3.5 million in 2000 and \$4.0 million in 2001. The average spending growth is 14.5% per year. It is anticipated that the System will require additional support from the endowment to position the System for future growth. An additional \$6 million dollars will be taken from the accumulated investment gains to support System priorities. The permanent endowment has realized \$31.8 million in accumulated investment gains as of June, 1998. Shares would need to be liquidated to obtain the \$6 million, which has never been done before.

Mr. Rosenberg asked if the money was being taken out of the principle, with Mr. Ortez responding that it would because of the manner in which the fund was structured. Last legislative session, the Legislative Council Bureau (LCB) argued that the System had invested too much in the endowment fund to generate the \$2.5 million. The LCB expected a yield of only \$2.5 million per year; the System invested \$62.2 million prior to stopping. Mr. Rosenberg asked if it was necessary to seek the Board's permission prior to reducing the principle, with Vice Chancellor Anderes responding no. The System sought approval of this expenditure now and would not return before the Board again unless some condition changed (market value, etc.). Such changes could be discussed in an Investment Committee meeting.

Mr. Rosenberg expressed his feelings of discomfort in touching the principle. Director Ortez stated that the System shares the

view that the endowment needs to be protected. He added that the political reality is that the next legislature will focus on the \$31.8 million in gains and their interest will be in protecting what they need to spend in General Fund dollars. The System is seeking to compromise by providing \$6 million of the \$43 million request. The objective in protecting the endowment is to ensure that future students will receive the same level of support as the current beneficiaries receive. The portfolio of the endowment as a whole is built to provide a stable stream of funding to the campuses despite short-term market fluctuations and/or the reduction or elimination of the tax. The Estate Tax will be adjusted in 2001 so that personal exemption amounts will be increased; less assets from personal estates will be subject to taxation which means less money coming in to the endowment from the Estate Tax.

Mr. Rosenberg asked if the Estate Tax were suddenly eliminated, would there still be a steady stream of income from the endowment? Mr. Ortiz responded that there would. He added that the stream of income is projected to be \$7.5 million over the next biennium and that there are salaries in the programs funded through the Estate Tax. Mr. Ortiz stated that building the endowment so there is less reliance upon state funds to continue the programs makes sense. He added that making large withdrawals from the endowment could adversely impact the System's bond ratings and institutional rankings. Mr. Ortiz stated the System was seeking support of the following principles:

- Priorities of technology, research and access.
- \$43.5 million budget for 1999-2001.
- Use of collections, 4.5% spending policy allocation and investment gains to fund budget.
- Protecting and growing the endowment to ensure availability of funding for future generations of students.

Mrs. Price expressed her concern for the use of the Estate Tax monies and using a tenuous source of funding to cover salaries. She stated that it is unreasonable to include salaries in the funding allocation and unconscionable to spend the endowment in this manner.

Regent Graves entered the meeting.

Mr. Alden moved approval of the principles. Mr. Graves seconded.

Mr. Alden stated that he agrees with Mrs. Price but feels the provision for growth is there and that the legislature will ask the System to spend some of these funds.

Mr. William Culbreth, UNLV Faculty Senate Chair, stated that some of the members of the Estate Tax Committee wanted to prioritize all items on the list. He encouraged the Regents to take a careful look at all of the items on the list.

Mrs. Gallagher stated that the Estate Tax Committee had held lengthy discussion on protecting the endowment. She expressed a concern that nothing is put back into the endowment (at least the cost of inflation). She agreed that if the System does not spend some of the gains in support of the budget request submitted that the legislature will fund less from the General Fund. There is a good chance that the Estate Tax will be federally removed. She asked what would happen to the programs currently funded if there were no more Estate Tax. Dr. Anderes responded that they would look at the predicted value at that time (approximately \$100 million) and request only the most critical, permanent on-going costs be supported by the endowment. It would be a large decision to be made. The System is hopeful that this request represents a compromise to the legislature for the funding levels requested.

Mr. Rosenberg asked whether the legislature looked at the System wanting to save as being able to provide for when the revenue is no longer there? He stated that he felt it was bad enough to not put anything back into the endowment let alone spend out of it. Dr. Anderes stated that the long range view of the endowment is that it will be somewhere in the range of \$120 million, even with the expense of \$43.5 million. The diversified portfolio provides some protection for market down turns. The request is an attempt to provide a balanced approach to the legislature.

Mrs. Price commented that she had never heard the legislature ask the System to spend from the endowment. Dr. Anderes stated that the System has tried to protect the endowment, but that the legislative committee said that, by statute, the endowment worth was large enough to put additional funds back into the budget with no consideration for endowment growth. Mrs. Price stated she felt the policy has changed significantly from protecting the endowment and looking to the future to spending. Dr. Anderes responded that public records attest that he had explained the System policy and how the policy was essential to protecting the endowment to that level of \$62.2 million. The legislative committee's charge is to save and allocate General Fund dollars, not to help the system of higher education grow an endowment.

Dr. Crowley stated he agrees with protection of the endowment, but that this endowment is different from most in that it is now large enough to generate \$2.5 million per year. The System must agree to spend from available dollars because the legislature has no sympathy for the growth of an endowment. The legislature is fully aware of this endowment as an attractive source of funding to protect the General Fund. The System must dictate their list of priorities.

Motion carried. Mrs. Price voted no.

21. Approved Biennial Budget Request, 1999-2001 - The Board reviewed the 1999-2001 Biennial Budget Request. The request must be submitted to the Governor and the Nevada State Legislature by August 15.

Vice Chancellor Tom Anderes called attention to White Packet item #21, on file in the Board office, which identifies the priorities, enrollment targets and areas that represent the foundation for the budget request.

Regent Berkley asked for a review of how the information was presented to the Board over the last several months, because there is a perception in the media that today is the Board's first look at the budget request. Dr. Anderes presented a slide displaying the key budget development activities that began with the structure for programs/funding in November/December, 1997 and led up to the current presentation. This presentation represented a small portion of the 700-800 page document that will be submitted to the Governor's office prepared by Mr. Larry Eardley and his staff. Ms. Berkley asked if any items had been submitted at the last minute without prior Regent review, with Dr. Anderes responding that there were not. He stated he would bring the formal budget request to the next meeting for the Regents to review.

Mrs. Price asked what the overall budget increase was, with Dr. Anderes responding that it was 45.1%. Mrs. Price asked if the formal budget request would look different from documents that the Regents had reviewed in the past. She referenced a policy discussion where expenditures were tied to programs with the goals and a year-to-year comparison. Dr. Anderes responded that the format of the formal budget request is dictated by the Governor's office. It includes significant information regarding base, maintenance, and enhancement budgets; specific narrative justifications for each area by institution and for the eight priorities. Accountability reports are produced at the beginning and end of each year.

Regent Eardley left the meeting.

Dr. Anderes reported the key assumptions that the budget request is based on include:

- Enrollment Management
- Formula Driven Projections
- Institutional Priorities
- System Strategic Directions
- State Expectations

Dr. Anderes stated that the Board reviewed and changed the Strategic Directions which guide this process. He reviewed the System Biennial Request Summary by Institution which showed that growth in the number of students yields growth in the request for funding.

Regent Eardley entered the meeting.

Mr. Alden asked if the budget request included self-supporting budgets, with Dr. Anderes responding that it did not. Dr. Anderes reiterated that he would bring a copy of the formal budget request to the next meeting in the format required by the legislature and the governor. The state does not look at self-supporting budgets during this process. They are provided copies of the individual requests.



Dr. Anderes reported that the budget request represents a 51.4 percentage increase over the 1997-99 biennium in state funds. The student share of the request will be represented by a 34.2% percentage increase over the last biennium, which is generated from an increase in the number of students and increases in registration and tuition fees. He then provided a listing of funding in support of priorities, in order of priority (on file in the Board office.)

Mrs. Price asked about the status of maintenance for the institutions, with Dr. Anderes responding that the System seeks funding for deferred maintenance at a rate lower than the actual requirements. He added that on a national level the UCCSN maintenance is doing very well. As the System grows and facilities age the amount requested for maintenance will also need to grow.

Dr. Anderes reported on support for non-formula activities in System Administration:

- Attorney
- Associate Vice Chancellor for Finance & Planning - South
- Health Programs Coordinator - South
- Auditor - South
- Editorial Assistant-University Press - South

Mrs. Price suggested that the Audit Committee members believe that it is imperative to request an additional auditor for the north as well. Mrs. Gallagher stated that the current audit cycle is up to 8 years which is unacceptable in her view. The addition of one auditor in the south will reduce their audit schedule to 5 years. Mrs. Gallagher stated that she felt the northern office needed another auditor as well to return to a 5-year audit cycle. Mrs. Sandi Cardinal, Director of Internal Audit, verified that the addition of two auditors (one in the north and one in the south) would reduce the audit schedule to every 5 years. Mrs. Gallagher stated she felt the need for an additional auditor is critical. Dr. Derby asked about the cost for an additional auditor, with Dr. Anderes responding it would be approximately \$50,000 with benefits. Mr. Graves agreed with Mrs. Gallagher.

Mrs. Price moved to amend the Biennial Budget Request to include an additional auditor for the north. Mrs. Gallagher seconded.

Mr. Graves asked what impact the amendment would have on System staff, with Dr. Anderes responding that they would identify the position within the System Administration special projects account. It will have a minor impact.

Motion carried.

Dr. Anderes reported on the following remaining priorities:

- \$35.91 salary enhancement reflecting a 4% cost of living increase for each of fiscal years 2000 and 2001;
- \$1.56 million to initiate 4-year programs at GBC;
- \$58.03 million for equipment and technology;

Mrs. Price asked if life-cycle management was used in anticipating technology expenses? Dr. Anderes stated the System had developed a 3-4 year replacement plan for workstations.

Regent Phillips left the meeting.

- \$14.75 million to support key initiatives in Health Education;

Mrs. Price asked about the Dental School, with Dr. Anderes responding that the Dental School is part of a request for Allied Health programs at UNLV, at a cost of \$9.5 million. Mrs. Price asked if the Board had made the decision for this program? Dr. Nichols responded that the presentation before the Board was for the expenditure of funds to look at the feasibility of a dental school; there has been no approval by the Board for a dental school. The item is in the budget as a placeholder in the event that the dental school is approved by the Board. President Harter stated that the consultant's report is due for the Board's October, 1998 meeting.

- \$25.3 million for selected initiatives;
- \$25.6 million for formula revisions

Dr. Anderes reported on a proposal for managing enrollments with a 2% Solution:

- Connecting funding with enrollment management
- Encourages attention to reaching budgeted enrollment targets
- Limits uncontrolled growth
- Rewards modest growth exceeding budgeted enrollment growth

Regent Phillips returned to the meeting.

Dr. Eardley asked how the System could limit enrollment on campus? Dr. Anderes responded that it is somewhat self-induced because the resources will not be available to support the operation; when operating funds are not available to maintain pace with enrollments. Dr. Eardley asked if System institutions limit enrollment, with Dr. Anderes responding that they did.

Mr. Alden moved approval of the 1999-2001 Biennial Budget Request as amended. Mrs. Gallagher seconded.

Regent Graves commended Dr. Anderes on an excellent presentation.

Mr. Wiesner asked if a request would be made to conduct a funding study, with Dr. Anderes responding that it would take the form of a bill draft request with the cost identified. If the state supports the study, they will supply some of the money for the study. That would be separate from this budget.

Ms. Berkley stated that while the figures are daunting she felt that it was a fair and accurate reflection of the System's needs.

Motion carried.

The meeting recessed for lunch at 12:00 noon and reconvened at 1:50 p.m. with all members present.

22. Approved Loan, College of Engineering, UNR - Approved the UNR College of Engineering soliciting a loan of approximately \$600,000 for the expansion of the bridge structures lab. The loan will be repaid with gift funds pledged by Mr. Jim Rogers over the next eight years.

Dr. Crowley stated that the next shake table would be housed in this expansion. The gift will be paid off over a number of years, so money needs to be borrowed in order to proceed with the facility.

Mrs. Gallagher moved approval of the solicitation of a loan. Mr. Phillips seconded.

Mr. Alden asked if there was a firm commitment from Mr. Rogers that the gift funds would materialize in order to meet the loan payment? Dr. Crowley responded that they would and thanked Regent Gallagher for her role in obtaining the gift from the donor. He stated that it was crucial to the success of obtaining the gift.

Motion carried.

Mrs. Price asked if this item had been properly noticed? General Counsel responded that the supplement had been released Monday so they were within the time requirements.

23. Approved Student Services Facility, UNR - Approved seeking Interim Finance Committee approval for a "sole source" contract for construction of the new student services facility. This would allow 1) moving the start date of construction up three to four months and 2) generate substantial savings. Ref. F on file in the Board office.

Dr. Crowley reported that UNR had received a gift that allows them to proceed with construction of this project. The parking structure is due for completion in October, 1998. The state provided \$11 ½ million dollars, \$4 million was raised by creating a new parking fee arrangement and the receipt of a private gift. Using the same construction crew should provide a substantial savings to the university. If no savings are to be realized, the university will not move forward on this project. Construction could begin in late September instead of the January-February timeframe.

Mrs. Gallagher moved approval of seeking Interim Finance Committee approval for a "sole source" contract for construction of the new student services facility. Mrs. Dondero seconded.

Mr. Alden asked if the original architectural standards would be met? Dr. Crowley responded that a Tier II budget request includes a request to add a floor to that building which would house the police department, named in honor of Sgt. Sullivan. The gift allows the university to proceed with that floor. The savings generated will be used to equip and furnish the building.

Mr. Graves asked how they would know if a savings were to be realized? Dr. Crowley stated that if Interim Finance approves the contract, an agreement would be negotiated with Clark & Sullivan. The architect's estimated cost on this building is \$7.4 million.

Motion carried.

24. Approved Sale of the Central Nevada Field Lab, UNR - Approved of UNR accepting the bid for the sale of the Central Nevada Field Lab in the amount of \$61,216 with 35% down, the balance to be paid in ten years at 8-¼% interest. Bids were

opened at 2 p.m. on July 27, 1998. The property was appraised in June for \$53,500.

At the Board of Regents' meeting on April 30-May 1, 1998, the Regents authorized UNR to put up for public sale the facility known as the Central Nevada Field Lab, which is located ten miles west of Austin, Nevada. The property contains a small two-bedroom, one-bath home and three outbuildings situated on a 40-acre parcel. The College of Agriculture operated the facility as an extension station until 1986, when it was closed down and rented to a private party.

Mrs. Gallagher moved approval of the sale. Mr. Alden seconded. Motion carried.

25. Approved Purchase of Property. UNR - Approved UNR to purchase the property at 1250 North Sierra Street. The property is located just west of Nye Hall parking lot and was recently appraised at \$110,000. The heirs have agreed to sell to UNR for the appraised value. The property is within UNR's Master Plan for land acquisition.

Mr. Alden moved approval of purchase of property. Mr. Rosenberg seconded.

Mrs. Dondero suggesting selling the house and moving it to another location. Vice President Ashok Dhingra responded that currently the house is being rented, but if there were an interest at the time of sale, the university would pursue it.

Motion carried.

26. Approved Hiring Outside Services to Assist with IRS Audit - Current activities covering the Internal Revenue Service audit of the UCCSN were reviewed. The System is seeking outside services to support its decision-making.

Vice Chancellor Anderes reported that representatives of the IRS and the System met on July 27<sup>th</sup> to discuss the process, timing, context, and logistics of the audit. The IRS will determine the scope of the audit during the next 1-½ months. The audit is expected to take 18 months and will require specialized support. The Chancellor requested the ability to hire Price, Waterhouse, Coopers to represent the System for this audit. No cost has been determined yet, but would be calculated on an as needed basis.

Mr. Alden moved approval to direct the

Chancellor to seek outside services to assist UCCSN with the IRS audit. Mrs. Gallagher seconded.

Mr. Alden requested a cost range and ceiling limit, with Dr. Anderes responding that would be difficult to accomplish at this time. Dr. Anderes estimated the cost for 18 months would be in the range of \$50-75,000. Mr. Alden asked what the source of funds would be, with Dr. Anderes responding that they would come from the contingency fund.

Motion carried.

27. Approved Technology Center, TMCC – Approved TMCC developing a proposal with the Washoe County School District for the development of a joint high school-college technical institute located at the college's IGT/Edison Way site. If successful, this would utilize funding for the Technology Center included in the Regents' 1999-01 Capital Improvement Program.

President Richardson provided a handout, on file in the Board office. The community college presidents agreed to move forward in the development of additional technology centers similar to those initiated at CCSN and WNCC. TMCC approached the Washoe County School District (WCSD) Board of Trustees to secure a resolution supporting cooperation with TMCC to develop technology centers in the Reno-Sparks-Incline areas. TMCC will partner with WCSD to develop the 2+2 curriculum for the TMCC Technical Institute. Select junior and senior high school students will complete their high school requirements while earning college credit towards a certificate or an AAS degree. TMCC will partner with business and industry to provide continuing education and training and with UNR to offer a bachelor of technology degree. Dr. Richardson reported that the technology center would use an existing facility and provide joint use with high school students. There is difficulty nationwide in recruiting electronically/computer-trained students. Dr. Richardson anticipates significant growth with the high school population in this discipline.

Mrs. Price asked what role business plays in training for technology and computer advancements. Dr. Richardson responded that one role is to support the community colleges by using the colleges to assist with their re-training efforts.

Mrs. Gallagher moved approval of the proposal. Mrs. Dondero seconded.

Dr. Eardley asked about the difference between this program and a regular high school. Dr. Richardson responded that the primary difference is that the student would complete their high school education while taking college-level courses for credit. Upon graduation from high school, they could potentially have completed a year of college work. The focus of this program would be on science, math, and physics.

Motion carried.

28. Approved UNLV Withdrawal from the Western Athletic Conference – Approved the Western Athletic Conference Report. UNLV along with 7 other members of the Western Athletic Conference (WAC) have initiated actions toward their withdrawal from the WAC for the purpose of forming a new athletic conference. President Harter presented an update of the status of this matter.

President Harter credited General Counsel Tom Ray for his involvement on this issue and provided a brief historical background of the criteria surrounding the decision to leave the WAC:

- 16 teams competing in 9 states, in 5 different time zones led to high travel costs.
- The presidents of Air Force, BYU, Colorado State, Utah, and Wyoming decided to form a new conference consisting of eight institutions.
- San Diego State, New Mexico and UNLV were asked to join the original five teams that left the conference.
- The intent was not to hurt the WAC or the remaining teams.
- The WAC bylaws allow this withdrawal with appropriate notice; there may be litigation to test this.
- A transition team has been created to form a new league.
- A contract and pre-conference creation documents are being reviewed by General Counsel Tom Ray.
- Each institution in the new conference has been asked to contribute \$100,000 to cover start-up legal and administrative fees; UNLV plans to raise that money through private sources.
- UNLV will remain a member of the WAC and play contracted games through this year.
- Dr. Harter has resigned from her post on the NCAA Board of Directors and Executive Committee to represent the WAC.

Mr. Rosenberg moved approval of UNLV's withdrawal from the WAC for the purpose of forming a new athletic conference and to further authorize the president to solicit and receive private funds for the purpose of paying its proportionate share toward private counsel who will represent the 8 institutions in their withdrawal from the WAC and to assist in the formation of a new conference. Mrs. Gallagher seconded.

Mrs. Price complimented Dr. Harter for her decision to resign from the NCAA Board position.

Dr. Eardley asked what happened to the University of Hawaii, with Dr. Harter responding that they are in the continuing WAC group. They had hoped to join the new group. Dr. Eardley asked whether UNR would be pursuing admission to the new conference. Dr. Harter responded that those conversations are likely to take place.

Mr. Phillips asked how long the dual conference association would last, with Dr. Harter responding until June 30, 1999.

Mr. Wiesner asked if there was discussion about adding any teams to the new conference, with Dr. Harter responding that there were. Future teams could include Hawaii, Fresno and UNR.

Mr. Graves asked if an RFP had been issued for the location of the conference office? Dr. Harter responded that it had and that she was hopeful that the LVCVA would make a proposal for the office to be located in Las Vegas. Nevada's legalized gaming could be a deterring factor. Mr. Graves asked if the LVCVA had been receptive, with Dr. Harter responding that she was uncertain of their response but that UNLV was working with them. Mrs. Dondero asked if she should refrain from voting due to a conflict of interest due to family connection with the potential advertising firm? Mr. Ray stated that he was unaware of any firm agreements. Mr. Ray stated there should be no problem with Mrs. Dondero voting on the issue before the Board.

Mr. Graves commended President Harter for making a difficult decision so quickly.

Motion carried.

29. Information Only-Endorsement of Regent Candidates – Board members held a discussion on the endorsement by Board members of Regent candidates.

Ms. Berkley stated that she had asked for this item to be on the agenda to provide clarification of restrictions for existing Regents. In the interest of time, it was decided that a memo from the chair would be sufficient clarification.

Mr. Graves stated that his impression of the bylaws was that Regents were not supposed to endorse future candidates; but that he strongly disagreed, feeling it was better to encourage good, quality people to run for office. General Counsel Tom Ray stated that the policy in Title 4, Chapter 1, Section 2 states that Regents should not solicit Board member endorsement or support of re-election. Mrs. Gallagher stated that was put there because a former Regent had asked for Regent and staff support of re-election, not to prevent the recruiting of good people to run. Mr. Rosenberg clarified that there is a difference between recruiting individuals to run for office and endorsing a particular candidate. Ms. Berkley agreed.



30. Information Only-Regent Input into Biennial Budget Funding Decisions - The biennial budget process was reviewed with the intent of identifying points at which the Board can offer recommendations affecting the funding allocations.

Mr. Graves stated that he felt this had been covered in Vice Chancellor Anderes' presentation. The other Board members agreed.

31. Information Only-Executive Salaries - In accordance with Board policy, Title 4, Chapter 3, Section 23.4 Chancellor Jarvis presented information on the salaries of campus vice presidents and deans and made recommendations on salaries for Presidents and System executive staff. Board policy calls for salaries of vice presidents and deans to be presented to the Board for information only. Board policy calls for the chancellor to recommend to the Board salaries of presidents and system executive staff. The Board will act on these recommendations at its next meeting.

Dr. Jarvis circulated two memos from him to members of the Board covering salary recommendations, on file in the Board office.

Mr. Rosenberg expressed that he did not support the granting of merit for just meeting expectations of performance. He asked the Board to consider dropping merit for executives and replacing merit with a bonus program. He stressed that there are a number of instructors who are not paid a great deal of money and that money is also needed to provide access. Mr. Rosenberg encouraged careful consideration.

Ms. Berkley stated that this is the most difficult aspect of the job. She stated that she too would like to see the method changed, adding that there had to be a better way to accomplish this without folding merit into the base salaries.

Mr. Graves stated that an extensive salary study had been conducted and perks were taken away from presidential executives and that this is the resultant system. He affirmed that the highest paid people should be in these positions and that the salaries are not obscene or out of line.

Mrs. Price stated that she remembered the study to which Mr. Graves referred. She acknowledged that merit is never easy to determine; that this System has very little turn-over and, therefore, they must be compensated comfortably.

Dr. Eardley called attention to the difference between A-contracts and B-contracts. He cautioned the Board to realize that there is a difference. Mr. Rosenberg stated that he was not comparing his salary to theirs. He stated he was talking about the salary level itself; the list of the 100 highest paid Nevada employees includes 44 System executives.

Chancellor Jarvis corrected the phrasing with regard to merit recommendations by stating that merit is only recommended for

those exceeding performance requirements. He reported that the COLA is awarded by the legislature to all state employees. The only person in the System who does not receive the COLA as an automatic adjustment is the Chancellor. Dr. Jarvis stated he felt that he should not act as the chief executive officer to increase his own salary and asks the Board to approve that. Dr. Jarvis noted that 5 of 7 presidents have changed and 7 of 8 cabinet members have changed in the last four years.

Mr. Rosenberg proposed the consideration of salary caps.

Mrs. Price noted that while some presidents may have left their positions, they are still receiving their salaries within the System.

Dr. Derby reminded the Board that an executive salary study will be conducted, which will provide the opportunity to review methods of applying merit.

32. Information Only-Chancellor Evaluation Committee - The Committee conducted the annual evaluation of the Chancellor and made recommendations. The Board will act on these recommendations at its next meeting.

Dr. Derby thanked Committee members Vice Chair Tom Wiesner, and past Chair Madison Graves for their efforts on this committee. The Committee met to review the annual evaluation of Chancellor Richard Jarvis for 1997-98 and prepared a recommendation for salary, COLA, merit and/or equity pay. In compliance with Board policy, this recommendation is for information only with action to take place at the Board's October meeting. The Committee recommends the Chancellor be awarded a salary adjustment reflecting 3% COLA and 2-¼% merit increase for his strong performance record.

33. Public Comment – None.

34. New Business – Dr. Derby reported that all Regents would receive a copy of the book *Smart Schools* recommended in Dr. McIntosh's workshop. Mr. Graves commented that he had already ordered the book. Dr. Derby encouraged the Regents to notify Board Secretary Mary Lou Moser of their desire for a copy of the book. Dr. Derby thanked Elko and GBC for their warm hospitality and also the Regents for surviving a tough meeting.

The meeting adjourned at 3:05 p.m.

Mary Lou Moser