

UCCSN Board of Regents' Meeting Minutes September 10-11, 1987

09-10-1987

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BOARD OF REGENTS

UNIVERSITY OF NEVADA SYSTEM

September 10-11, 1987

The Board of Regents met on the above date in the Pine Auditorium

Student Union, University of Nevada-Reno.

Members present: Mrs. June F. Whitley, Chairman

Mr. James Eardley

Mr. Joseph M. Foley

Mrs. Dorothy S. Gallagher

Mrs. Joan Kenney

Mr. Daniel J. Klaich

Mrs. Jo Ann Sheerin

Mrs. Carolyn M. Sparks

Members absent: Mr. Chris Karamanos

Others present: Chancellor Mark H. Dawson

President William Berg, NNCC

President Anthony Calabro, WNCC

President Joseph Crowley, UNR

President John Gwaltney, TMCC

President Robert Maxson, UNLV

President Paul Meacham, CCCC

President James Taranik, DRI

Mr. Donald Klasic, General Counsel

Dr. Warren Fox, Vice Chancellor

Mr. Ron Sparks, Vice Chancellor

Ms. Mary Lou Moser, Secretary

Also present were Faculty Senate Chairs Patty Crookham (NNCC),

Frank Hartigan (UNR), Beverly Funk (CCCC), Bill Marchant (UNLV),

Dale Pugsley (WNCC), Steve Wheatcraft (DRI), David Wilkins (TMCC)

and Jim Williams (Unit), and Student Association Officers.

The meeting was called to order by Chairman Whitley at 10:40 A.M.

on Thursday, September 10, 1987.

1. Introductions

President Berg introduced newly elected Faculty Senate

Chairman Ms. Patty Crookham.

President Meacham introduced Faculty Senate Chairman Beverly

Funk, newly elected ASCC President Lee Wilhelm and newly

appointed Dean of Educational Services Herbert E. Peebles.

President Crowley introduced newly appointed Vice President

of Academic Affairs Dennis Brown.

President Maxson introduced Faculty Senate Chairman Bill

Marchant and CSUN President Kirk Hendrick.

2. Chairman's Report

Chairman Whitley appointed the following committees for

1987-88:

Academic Affairs Committee

Joseph M. Foley, Chairman

James Eardley

Jo Ann Sheerin

Carolyn M. Sparks

Audit Committee

Carolyn M. Sparks, Chairman

Chris Karamanos

Jo Ann Sheerin

Budget and Finance Committee

James Eardley, Chairman

Dorothy S. Gallagher

Chris Karamanos

Joan Kenney

Investment Committee

Daniel J. Klaich, Chairman

Dorothy S. Gallagher

Joan Kenney

Legislative Liaison Committee

Daniel J. Klaich, Chairman

(Other members will be selected at a later date.)

DRI Liaison Committee

Joseph M. Foley, Chairman

Dorothy S. Gallagher

Joan Kenney

Arthur Anderson

Fred Gibson

John Goolsby

Joseph Murray

Because health care concerns have become a high priority of Nevada and the Board of Regents, Chairman Whitley has created a new Regent post, "Health Care Liaison Officer", and assigned Regent Carolyn M. Sparks to that appointment.

Chairman Whitley announced that the Regents Workshop will be held September 30 through October 2, 1987 in Laughlin, Nevada.

3. Approved the Consent Agenda

Approved the Consent Agenda (identified as Ref. A, and filed with the permanent minutes) containing the following items:

(1) Approved the minutes of the special meeting held June 4, 1987, the regular meeting held June 25-26, 1987, the special teleconference meeting held July 29, 1987, and the special teleconference meeting held August 17, 1987.

(2) Approved the gifts, grants and contracts listed in Ref. C-1, filed with the permanent minutes.

(3) Approved the addition of the following persons to the WNCC Advisory Board:

Weldon J. Lary, Carson City

Robert Scott, Carson City

(4) Approved the continuation of tenure for Dr. James V. Taranik as Professor of Geology and Geophysics in the Department of Geological Sciences at UNR. Should Dr. Taranik exercise the right of tenure at UNR, the salary would be commensurate with the top of the pay model for a Professor of a B contract.

(5) Approved an additional year of leave without pay for Michael S. Owens, DRI. He has been associated with

DRI for approximately 20 years and has served the Institute well. He will be continuing his personal and professional development during this time.

- (6) Approved an additional housing allowance of \$12,000 per year for Chancellor Dawson for housing in Las Vegas. At its June, 1987 meeting, the Board authorized the Chancellor to seek a residence in the Las Vegas area with the understanding that the housing allowance would be increased at the time of purchase.

- (7) Approved a Handbook change, Title 4, Chapter 1, Section 9.4, Host Funds:

4. Host Funds

An annual host account of up to \$5000 for the Chairman of the Board of Regents and up to \$2500 for the remaining members of the Board of Regents will be established, to be used for official UNS hosting. These accounts will be used to reimburse Regents for host expenditure claims submitted to the Secretary of the Board. Any amount above those stipulated must be approved by the Board.

(8) Approved the requirements for the UNS Early Retirement

Incentive Program for a 1-year notice of intent to retire be waived for John H. Schilling in order for Mr. Schilling to retire from UNR under the early retirement program on October 1, 1987. Also approved that Mr. Schilling be awarded the title Economic Geologist Emeritus, to take effect upon his retirement on October 1, 1987.

(9) Approved the addition of the following persons to the Statewide Advisory Council on Water Resources Research at DRI:

Karen Baggett, Carson City

Jo Anne C. Burrows, Las Vegas

William Carswell, Carson City

Mark Chilton, Elko

Lew Dodgion, Carson City

Myron Goldsworthy, Lovelock

M. Kent Hafen, Pahrump

Edward Hallenbeck, Boulder City

James Hawke, Carson City

Karen Hayes, Las Vegas

Dave Houston, Sacramento

Lawrence E. Jacobsen, Minden

Carl Johnson, Carson City

Omer L. King, Jr., Reno

Peter Lent, Reno

Donald Mahin, Reno

Leslie G. Mc Million, Las Vegas

Charles L. Meyer, Las Vegas

Peter G. Morros, Carson City

Wendell Newman, Carson City

Pat Pine, Las Vegas

Phil Seges, Reno

Donald (Pat) Shalmy, Las Vegas

Jack L. Stonehocker, Las Vegas

Charlie F. Vaughn, Las Vegas

Jim Weishaupt, Yerington

Roland Westegard, Carson City

Thomas R. C. Wilson, III, Reno

(10) Approved the addition of the following person to the

CCCC Advisory Board:

Richard Bonar

Mr. Bonar will replace Mr. Denny Weddle.

(11) Approved the following interlocal agreements:

A. UNS Board of Regents/UNR and Nevada State Library
and Archives

Effective: May 1 to November 30, 1987

Amount : Not to exceed \$4,050

Purpose : Produce a Statewide literacy needs

assessment to determine which areas

of the State require new or expanded

programs for adult non-readers.

B. UNS Board of Regents/UNR College of Education and
Nevada State Library and Archives

Effective: August 1, 1987 to January 31, 1988

Amount : Not to exceed \$950

Purpose : Produce a Manual on the Use of Oral

History as an Instructional Technique.

C. UNS Board of Regents/UN School of Medicine and
Department of Human Resources, Division of Mental

Health and Mental Retardation

Effective: July 1, 1987 to June 30, 1988 with re-
newal options

Amount : Annualized maximum of \$388,153

Purpose : Employment for 4 persons for the Di-
vision who shall also serve as faculty
for the School to provide clinical ex-
perience and training to the School's
students:

1 Medical Coordinator at Nevada Mental
Health Institute

1 Sr. Psychiatrist at Lake's Crossing
Center

2 Staff Psychiatrists at Nevada Mental
Health Institute

D. UNS Board of Regents/TMCC and Nevada State Health
Division, Department of Human Resources

Effective: August 1, 1987 to June 30, 1988 with
possible renewal

Amount : Maximum \$17,000

Purpose : To provide Emergency Medical Technicians training.

E. UNS Board of Regents/UNR College of Business/
Bureau of Business and Economic Research and
Nevada Commission on Tourism

Effective: August 14, 1987 for one year

Amount : Not to exceed \$5,120

Purpose : To collect, organize and report data
in order to analyze and track trends
in Nevada tourism.

F. UNS Board of Regents/UNR and Nevada Department of
Wildlife

Effective: July 1, 1987 to June 30, 1988

Amount : Not to exceed \$12,500

Purpose : Special problems in wildlife management.

G. UNS Board of Regents/UNLV Center for Business and
Economic Research and State Job Training Office

Effective: September 1, 1987 to August 31, 1988

Amount : Not to exceed \$26,118.40

Purpose : Follow up survey on all JPTA Title III

and Adult Titles II A and Incentive

Grant participants.

H. UNS Board of Regents/NNCC and Nevada State Health

Division, Department of Human Resources

Effective: August 31, 1987 to June 30, 1988

Amount : Maximum \$15,750

Purpose : Emergency Medical Technican training.

I. UNS Board of Regents/UNR Department of Range,

Wildlife and Forestry and Nevada Department of

Wildlife

Effective: August 1, 1987 to June 30, 1988

Amount : Not to exceed \$92,655

Purpose : Measure relationship between root

structure of riparian vegetation and

stream channel erosion.

J. UNS Board of Regents/UNR Bureau of Business and

Economic Research and Nevada Department of Taxation

Effective: August 25 to December 31, 1987

Amount : Not to exceed \$5,000

Purpose : Prepare Nevada's official population estimate for 1987.

Mr. Klaich moved adoption of the the Consent Agenda with the authority to change the order of items as specified throughout the meeting. Mrs. Gallagher seconded. Motion carried.

4. Chancellor's Report

Chancellor Dawson reported on the following issues:

The agenda for the Regents Workshop, scheduled for September 30 through October 2, 1987 in Laughlin, Nevada was outlined.

UNS officials and staff representing several Campuses have volunteered to assist CCCC when it hosts the 1988 national convention of the American Association of Community and Junior Colleges (AACJC). It will be held April 23-27, 1988 at Caesars Palace in Las Vegas.

The Chancellor's Office has offered to assist Nevada lawmakers who are hosting the 1988 National Conference of State Legislatures (NCSL) July 24-29, 1988. Thousands of State lawmakers from throughout the nation will attend the week-long event at Bally's in Reno.

A Systemwide "procedures" committee will be appointed by the Chancellor to develop guidelines and a standard format for Campus applications of grants from the estate fund. This procedures committee will consist of 3 Presidents (1 University, 1 Community College, 1 Desert Research Institute), 5 faculty (2 Universities, 2 Community Colleges, 1 DRI), and 2 students (1 University, 1 Community College) representing all State regions. Its recommendations will be forwarded through the Chancellor to the UNS Estate Fund Advisory Committee when it is established. Composition of the UNS Estate Fund Advisory Committee is defined by State law. Because no funds will be available until 1989, UNS has ample time to develop a well-organized system for considering requests for funds.

A search committee for the UNS Computer Center Executive Director position will be formed soon; it will be composed

of 1 member from each Campus selected by the President, and 3 members from the UNSCC professional staff and a Chairman, appointed by the Chancellor. A job description for the position was developed by the Chancellor's Office in consultation with all Campuses. It is anticipated a final recommendation will be presented for consideration at the January, 1988 Board meeting.

An equipment committee for the Chancellor's Office has been formed. Public Information Director Pamela Galloway is the Chairman of the Committee. The Committee is reviewing the current equipment and updated equipment needs for the Chancellor's Office.

Two UNS representatives have been appointed to the State General Services Task Force Studying Statewide Telecommunications: Vice Chancellor Warren Fox, who is also Acting Director of the Computer Center, and Dick Belaustegui, UNS Telecommunications Network Director.

The newly formed Systemwide Affirmative Action Committee has met to develop a common reporting format and will report to Regents at their October Board meeting. In addition, affirmative action concerns will receive high priority at

the annual Regents Workshop.

Philanthropist Claude Howard has offered to loan UNS funds necessary to increase CCCC's new Allied Health Education Center from 12,000 to 22,000 square feet.

The new facility, located on West Charleston Street in Las Vegas, is situated on 80 acres of land given to CCCC by the federal government to house education facilities. Chancellor Dawson commended Regent Joseph Foley for his assistance in planning development of the property, which could address multi-Campus health care programs including the UNS School of Medicine's new Family Clinic. President Meacham is developing a Master Plan for the site for presentation to Regents at their October Board meeting in Las Vegas.

In a related matter, the Board of Regents has responded to growing concerns about Nevada health care as it relates to education demands by establishing a Systemwide task force. That group will present a progress report on its 1987 activities -- including efforts to resolve nursing articulation (transfer of credits) between Nevada's Community Colleges and Universities -- at the Regents January, 1988 meeting.

Representatives of the National Science Foundation and congressional aids conducted a site visit of NSF-funded research projects this Summer, including newly funded EPSCoR (Experimental Program to Stimulate Competitive Research) projects. NSF representatives described Nevada as "the best EPSCoR State", he said.

Chancellor Dawson described several other "outreach" efforts of the Chancellor's Office: the staff is working with the Nevada Economic Development Commission to develop a collage of photographs representing all 7 UNS institutions which will be displayed in Nevada's new office in Japan. The office is hosting a workshop for some 100 secretaries from throughout UNS, to be held September 18, 1987. That effort is being directed by Mary Lou Moser, Board Secretary.

Mrs. Gallagher commended Chancellor Dawson, Dr. Art Anderson and others for their involvement in the EPSCoR projects, as a fine example of inter-institution cooperation.

Mr. Klaich requested clarification that the estate fund will not dovetail with the budget process, and that it will truly be utilized as an enhancement fund. Chancellor Dawson concurred.

5. Approved the Report on Annual Performance Analysis of the
UNS Permanent Endowment Pool

Mrs. Edna Brigham, Endowment Director, and Mr. Matt Lincoln, Cambridge Associates, presented the Annual Performance Analysis of the UNS Permanent Endowment Pool, filed with the permanent minutes as Ref. F. Mrs. Janet Mac Donald, Deputy Treasurer, presented the Operating Funds Performance Report, filed in the Regents Office.

The University of Nevada System's Permanent Endowment Pool increased by 25.3% in total return for the fiscal year 1986-87. The Board of Regents reviewed the pool's annual investment performance which shows a cumulative total return of 119.3% since its inception 3 years ago. Mrs. Brigham stated that the \$20 million portfolio pooled in 1984 is now worth \$46 million, adding that it consistently outperforms Standard & Poor 500 and the Shearson-Lehman composite.

The pool is owned on a shares basis by the 7 UNS institutions to boost returns, and 5% of the pool's market value is returned to institutions early. Most of the endowed funds are earmarked for scholarships, meaning students bene-

fit directly from the pool's growth.

The summary of the UNS Endowment Annual Performance Review

is as follows:

1. The 1986-87 endowment fund's results have exceeded our objectives as stock and cash reserves have outperformed the S & P 500 by 4.7% and bonds and reserves have outperformed the Shearson Lehman Composite by 2.9%.

2. Both Sanford C. Bernstein and Concord Capital surpassed their performance standards. Pacific Financial Research was hired in February, 1987 and to date has underperformed its performance standards.

3. Over the past year and a half the endowment has been diversified into both foreign stocks and bonds. These investments have provided returns superior to U. S. stocks and bonds and increased the total fund's performance.

4. Over the full 3-year period since July 1, 1984, the total fund has exceeded all of its objectives, outperforming an index fund portfolio by 14.1% and outperforming a large majority of other endowment funds.

5. Sanford C. Bernstein has surpassed its objectives while Concord Capital equaled its objectives. Both managers outperformed a large majority of other institutional quality investment managers over the 3-year period.

6. The endowment's performance was hurt by the combined performance of First Interstate and Pacific Financial.

To an extent, both managers are intended to be defensive and provide protection in down markets that we have not experienced over the past 3 years. However, the cost of this insurance has been high.

Mrs. Janet Mac Donald reported that investment income for operating funds averaged 8.49% in 1986-87 at a time when 90-day treasury bills averaged 5.69%. She reported further that since the beginning of the new investment and distribution of income policy in 1984-85, daily cash balances had increased from \$45.3 million to \$53.7 million in 1986-87.

6. Approved University Marshal, UNR

Approved the appointment of Mr. Rollan Doyle Melton to serve as the Marshal of the University of Nevada-Reno. Mr. Melton

will replace Dr. Alessandro Dandini, who retired in May, 1987 after having served as Marshal for more than 25 years.

Mr. Foley moved approval of the appointment of Mr. Rollan Doyle Melton as the Marshal of the University of Nevada-Reno. Mrs. Gallagher seconded. Motion carried.

Chairman Whitley relinquished the gavel to Vice Chairman Gallagher.

7. Approved Changes in the Professional Employees Retirement Plan (TIAA-CREF)

Approved the following:

A. Termination of the present Section 403(b) retirement

plan known as UNS TIAA-CREF Retirement Plan, as of December 31, 1987.

B. Establishment of a new Section 401(a) retirement plan

with a Section 414(h)(2) "pick-up" as of January 1, 1988 to be known as the UNS Defined Contribution Retirement Plan.

C. Authorize System Officers to proceed with implementation of the plan concurrent with the filing of an Application for Determination for Defined Contribution plan with the Internal Revenue Service.

The current University of Nevada System TIAA-CREF Retirement Plan is a contributory "defined contribution" plan, with both the UNS and the employee each contributing 9.125% of salary to the plan and with legislatively scheduled increases up to 10% over the next 2 years. All UNS professional employees, other than those who participate in the Nevada Public Employees Retirement System (PERS), are required to participate in this plan immediately upon employment.

The plan operates under Internal Revenue Code Section 403(b) and, as such, employee participants may elect to have their required contributions made on a tax-deferred basis under agreements for salary reduction. Currently, the great majority of participants have elected to have their contributions remitted on this basis.

The System Compensation Committee, in consultation with TIAA-CREF (the currently retirement plan fund sponsor), is

proposing that a new retirement plan be established as of January 1, 1988. The plan, to be known as the University of Nevada System Defined Contribution Retirement Plan, would have the same provisions as the current plan; however, the plan would be "qualified" under Internal Revenue Code Section 401(a) and would provide for a UNS "pick-up" of required employee contributions in accordance with Internal Revenue Code Section 414(h)(2). The Board of Regents has the authority to establish such a plan under NRS 286.808.

Under Section 414(h)(2), the UNS would pay employee contributions as well as the employer contributions. Under Nevada law, an employee's gross salary would be required to be reduced by the amount of the "pick-up". This gross salary before reduction would be retained as the yardstick for measuring all benefits related to salary, including salary increases. It is important to mention that, unlike the current plan, salary reduction under Section 414(h)(2) would be required of all employee participants and that all professional employees, except those participating in PERS, would be required to participate.

A qualified plan has 2 features not available under a Section 403(b) retirement plan. These features are: 5-Year

Forwarded Income Averaging: Under current law, a spouse beneficiary of an employee participant may be eligible for 5-year forward income averaging if he or she received a lump sum distribution on account of the participant's death.

Higher Maximum Tax-Deferred Annuity Contributions: By removing the UNS retirement plan from the requirements of Section 403(b), an employee participating in a qualified plan can generally make larger contributions to other Section 403(b) tax-deferred annuities. This is because employer contributions to a qualified plan for the current taxable year would no longer be included in the maximum amount that an individual would be permitted to make to Section 403(b) tax-deferred annuities.

The System Compensation Committee has recommended to the Chancellor the termination of the present Section 403(b) retirement plan as of December 31, 1987, the establishment of Section 401(a) retirement plan with a Section 414(h)(2) "pick-up" as of January 1, 1988, and that authorization be given to the System Officers to proceed with the implementation of the plan concurrent with the filing of the plan document with the Internal Revenue Service for purposes of obtaining a favorable "letter of determination". The plan

probably would be implemented on January 1, 1988 without specific IRS approval, since the IRS is backlogged from 1-2 years in issuing "letters of determination". Nonetheless, TIAA-CREF has encouraged the UNS to proceed as IRS approval is almost certain to be given. An IRS contact has unofficially confirmed that this would be acceptable procedure.

A copy of the plan document for the proposed Section 401(a) retirement plan is contained in Ref. B, filed in the Regents Office. General Counsel Klasic has reviewed the proposal and concurs with the recommendation.

Mr. Gordy Gochnour, System Compensation Committee Chairman, reaffirmed the proposed changes in the Professional Employees Retirement Plan (TIAA-CREF) by stating that this will be a benefit to UNS employees and will allow employees to tax shelter more of their income than currently available.

Mrs. Kenney moved approval of the changes in the Professional Employees Retirement Plan (TIAA-CREF). Mrs. Sparks seconded. Motion carried.

Chairman Whitley returned and resumed the gavel.

8. Approved Implementation of Weather Modification Program, DRI

Approved the implementation of the DRI Weather Modification Program for the Winter of 1987-88 in the amount of \$324,890.

The 1987 Nevada State Legislature authorized the Weather Modification Program with the stipulation that DRI seek the funding should there be a need. Representatives from various federal, State and county agencies met in August, 1987 and have determined the program should begin in early November. Ref. E is filed in the Regents Office.

Also, the Regents authorized DRI to seek approval and funding from the Board of Examiners and the Interim Finance Committee.

Mrs. Sheerin moved approval of the implementation of the DRI Weather Modification Program for 1987-88 in the amount of \$324,890, and approved DRI to seek the necessary funding for the program for the 1988-89 Winter as well. Mr. Foley seconded. Motion carried.

9. Approved the Naming of Building, NNCC

Approved the naming of the Phase III addition at NNCC the

William J. Berg Student Services Center in honor of retiring President William J. Berg. The facility will house Student Services, faculty offices, a conference room and a large multi-purpose facility that can serve as a theater.

Mrs. Gallagher moved approval of the naming of the Phase III addition at NNCC the Berg Student Services Center. Mrs. Kenney seconded. Motion carried.

10. Approved the Revision, TIAA-CREF

Approved a revision to the current TIAA-CREF Retirement Plan which will be in effect until December 31, 1987. This revision encompasses the increase in contributions approved in the 1987 Session of the State Legislature for all State employees. Ref. C is filed in the Regents Office. General Counsel Klasic has reviewed the revision and concurs with the request.

Mrs. Gallagher moved approval of the revision to the current TIAA-CREF Retirement Plan. Mrs. Kenney seconded. Motion carried.

11. Approved Resolution, UNLV Parking

Approved the following resolution which designates the UNLV parking lot financing as a qualified tax-exempt obligation under Section 265 of the Internal Revenue Code of 1986. Action is being taken at the request of Mr. John Swanseid, UNS Bond Counsel. At its June, 1987 meeting, the Board authorized UNLV to obtain a loan to complete the parking at the Thomas and Mack Center. A loan has been obtained for \$1.2 million from First Interstate Bank.

RESOLUTION #87-7

WHEREAS, the University of Nevada System (the "University") anticipates issuing less than \$10,000,000 in obligations the interest on which is exempt from federal income taxation during calendar year 1987; and

WHEREAS, the University intends to borrow \$1,200,000 from First Interstate Bank (the "Bank") for the purpose of financing certain improvements at the University of Nevada, Las Vegas, such borrowing to be evidenced by a note signed by the appropriate officials at the University (the "Note"); and

WHEREAS, the University will pay a more favorable interest rate on the Note if the University designates the Note as a "Qualified Tax-Exempt Obligation" under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

NOW, THEREFORE, BE IT RESOLVED by the Board of Regents of the University of Nevada System:

Section 1. The Note is hereby designated as a qualified tax-exempt obligation pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

Section 2. This resolution shall be effective on its passage and approval.

Mrs. Kenney moved approval of the resolution which designates the UNLV parking lot financing as a qualified tax-exempt obligation. Mrs. Sparks seconded. Motion carried.

12. Report and Recommendations on UNS Banking Services

Approved a 6-year cycle on competitive bidding for UNS checking account banking services.

Nearly 3 years ago, all UNS checking account banking services were consolidated with the result of substantially increased cash reserves, investment income and quality of investments. At the time of consolidation, a 3-year cycle was proposed for competition bidding for these services.

The Deputy Treasurer, Janet Mac Donald, and the UNS Controllers recommended a 6-year cycle for the following reasons:

- 1) Changing banks is very costly and therefore offsets some of the benefits of the competitive bid.
- 2) The UNS is installing a new payroll system which relies heavily on banking services. A change of banks at the same time the payroll system is changed could be catastrophic.
- 3) It takes a year to close old bank accounts and an extended period of time to institute a new banking service due to the volume of UNS business; i. e., on the average of 600 checks per day.
- 4) The UNS has gone to competitive bid for credit card

processing services.

For the record, Mrs. Gallagher abstained from the discussion and the voting because of a conflict of interest.

Mr. Klaich moved approval of a 6-year cycle on a competitive bidding for UNS checking account banking services. Mr. Eardley seconded.

Mrs. Sheerin recommended that the word "cycle" be amended to read "review".

Mr. Klaich moved approval of the amendment. Mr. Eardley seconded.

Motion carried.

13. Approved Addition to Handbook, Part-Time Faculty Fee Waiver, Community Colleges

Approved an addition to the Handbook Title 4, Chapter 17, Fee Waiver for Part-Time Faculty at the Community Colleges.

Eligible part-time professional faculty (eligibility to be

verified by their supervisor) receive a waiver of fees for Community College credit classes up to the number of credit hours the part-time faculty member has taught the previous or current semester. The eligibility based on credit hours shall not be cumulative from semester to semester. Those professional part-time faculty who do not teach must confer with their supervisor to determine appropriate course equivalency for their services. In no case will a supervisor authorize more than a total of 6 credit hours of course equivalency per semester for such service and the courses must be taken at the College in which they teach.

Part-time professional faculty shall be permitted to register for credit or audit in any credit course with the usual limitations as noted below.

1. Courses may only be taken during the Fall and Spring regular semesters and must be taken at the College where employed.
2. Only those courses where space is available may be taken.
3. Lab fees are not included in this waiver.

4. Part-time faculty members shall not be entitled to any privileges usually associated with registration; e. g., student association membership, health service, inter-collegiate athletic tickets.

Mrs. Sparks moved approval of the Handbook change regarding Part-Time Faculty Fee Waivers at the Community Colleges.

Mrs. Kenney seconded. Motion carried.

Mr. Klaich requested that an annual report be made regarding the part-time faculty fee waiver.

14. Report and Recommendations of the Academic Affairs Committee

A report and recommendations of the Academic Affairs Committee meeting, held September 10, 1987, were made by Regent Joseph Foley, Chairman.

Chairman Foley requested that Mrs. Sheerin continue her efforts on the telecommunications project.

NOTE: The following new program proposal received prior approval to follow the Phase I, II process. The Phase

I Proposal was approved by the Board in October 1986.

- (1) Approved the Phase II Proposal for a BS in Medical Technology at UNLV, as contained in Ref. AA-1, filed in the Regents Office.

This program will prepare graduates for employment in both public and private health facilities, including hospitals, medical research organizations and private clinics.

The curriculum will consist of 126 credits, with 30 required in science and mathematics, and 56 credits in laboratory science courses. Admission to the program will be limited to students who have earned a cumulative 2.75 GPA, and a 2.3 GPA will be required for completion of the program.

The 1st-year budget is estimated at \$111,648, which will include 1 FTE faculty and \$50,000 for equipment.

A total of \$133,114 is requested for the 4th year, as well as 3 FTE faculty. Existing facilities are adequate at the present time.

Accreditation will be sought for the program from the National Accrediting Agency or Clinical Laboratory Science.

The development of a baccalaureat program in medical technology will provide new students and professionals an opportunity to earn a degree without leaving the southern Nevada area. A consultant's report regarding the proposed program notes that hospital-based programs are closing in order to cut costs, so there is a greater need for Universities to offer this type of program.

At the Academic Affairs Committee meeting where this Phase I Proposal was approved, there was discussion regarding this and other health care programs. A request was made for clarification of articulation of this program with the Medical Laboratory Technology program at CCCC. Included in the Phase II Proposal is a chart which outlines the transfer of courses between CCCC and UNLV.

Mrs. Sheerin expressed her concern and suggested that the Universities develop strong 3rd and 4th years, par-

ticularly when the 1st and 2nd year programs are available in the Community Colleges.

Mr. Foley moved approval of the Phase II Proposal for a B. S. in Medical Technology at UNLV. Mrs. Kenney seconded. Motion carried.

NOTE: The following new program proposal received prior approval to follow the Phase I, II process. The Phase I Proposal was approved by the Board in December, 1986.

(2) Approved the Phase II Proposal for a Ph. D. in English, as contained in Ref. AA-2, filed in the Regents Office.

This degree will provide graduates with a general mastery of British and American literatures, as well as a special mastery of 2 or 3 fields within that range.

In addition, a minor in a related field will be completed. The program will be based on an existing M. A. program.

Admission to the program will require an M. A. degree in English, with at least 21 credits in English and

American literature, and a graduate GPA of 3.5 or better. 30 credits beyond the M. A. degree will be required for completion. A reading knowledge of 2 foreign languages, or proficiency in 1 is also required for graduation.

The annual budget required for implementing the program is projected at \$41,250 and will include 2 new faculty positions, graduate assistants and library acquisitions.

Currently, 22 courses are taught regularly at the graduate level for the M. A. in English program. It will be necessary to add only doctoral-level seminars, independent study courses, and dissertation courses.

Existing facilities and equipment are adequate at present. Both library books and periodicals will be acquired over a period of time, according to priority lists which are being developed.

A consultant was brought in to review the proposal and, found both the faculty and program proposal impressive.

The Phase I Proposal was approved by the Board of Regents in December, 1986.

Mr. Foley moved approval of the Phase II Proposal for a Ph. D. in English at UNLV. Mrs. Sparks seconded. Motion carried.

The Committee requested for the next Academic Affairs Committee meeting that the new format for the addition or change of new programs be reviewed.

Mrs. Sheerin expressed her disappointment in the Committee for not accepting a 2 + 2 program with the B. S. in Medical Technology at UNLV.

Mr. Foley expressed his appreciation to Mrs. Sheerin for her past service on the Academic Affairs Committee.

15. Report and Recommendations of the Audit Committee

A report and recommendations of the Audit Committee meeting, held September 10, 1987, were made by Regent Carolyn Sparks, Chairman.

(1) Information Only - Internal Audit Director Sandi

Cardinal presented the follow-up report on the UNLV

Center for Survey Research audit.

(2) Information Only - Internal Audit Director Sandi

Cardinal presented the follow-up report on the UNLV

Personnel Department audit.

The Committee requested at the next meeting of the

Audit Committee an additional response regarding the

issue of discouraging people in applying for positions

at UNLV.

(3) Information Only - Internal Audit Director Sandi

Cardinal presented the follow-up report on the UNLV

Library Department audit.

Mrs. Sparks moved approval of the report and recommendations

of the Audit Committee. Mrs. Kenney seconded. Motion car-

ried.

16. Report and Recommendations of the Budget and Finance

Committee

A report and recommendations of the Budget and Finance Committee meeting, held September 10, 1987, were made by Regent James Eardley, Chairman.

(1) Approved used of \$33,500 from the Capital Improvement

Fee Fund as follows:

Fallon Campus	\$27,000
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For the purpose of architectural fees and renovation related to construction of the new leased classroom facility.

Carson Campus	\$ 6,500
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To be allocated for the purpose of additional phones for the Carson Campus and Stewart Center, and miscellaneous installations in the Metal Technology building.

President Calabro informed the Board on the status of the Stewart facilities by stating the Legislature issued a line item budget for WNCC to rent space to the State of Nevada General Services. WNCC was one of the recipients of an original grant to use the space.

(2) Approved use of Capital Improvement Fee Funds for landscaping the William J. Berg Hall (Phase III building) with the balance from the Capital Improvement Fee Funds allocation for window coverings in the Phase III building.

Further, the Regents approved use of \$15,000 of the Capital Improvement Fee Funds for the placement of two new trailers on the NNCC Campus.

(3) Approved the FY 88 Financial Plan for DRI as contained in Ref. B-3, filed in the Regents Office.

(4) Approved the 1987-88 professional salary schedules for academic and administrative faculty at UNR, as contained in Ref. B-4, filed in the Regents Office. They have been constructed in accordance with the provisions of the model approved by the UNS Board of Regents on June 27, 1985.

A lengthy discussion was held on the various salary models throughout UNS. President Crowley stated that UNR has established a Faculty Salary Equity Committee

which will continue to study and update the UNR salary model schedules.

President Maxson informed the Board that UNLV is considering UNR's salary model schedule and he personally feels that it is an outstanding model.

Mrs. Sparks requested that UNR's salary model schedule be submitted to the Legislators for their information.

President Crowley stated that this schedule was adopted with the support of the UNR Faculty Senate; that there will always be problems, no matter what schedule is used; and that this model will be studied in the next months to determine where UNR is placed nationally on the salary schedules. He impressed upon the Board that if quality is essential in programs and institutions, there must be competition in salaries given.

(5) Approved the following Self-Supporting Budgets at UNR:

UNR Health Service

1986-87 1987-88

Projected Budget

Actual Estimate

Revenues

Opening Account Balance	\$ 11,678	\$ 25,229
Voluntary \$40 per Semester Fee	214,271	260,480
Student Registration Fees	150,000	125,220
Judicial Colleges	4,300	4,300
Summer Session Fees	16,000	16,000
Miscellaneous Income	31,737	30,000
Other Sources	50,000	50,000
Student Services (Housing & Dining Commons)	50,000	-0-
Total Source of Funds	\$527,986	\$511,229

Expenditures

Professional Salaries (FTE 2.10 - 1.94)	\$136,673	\$130,472
Fringe Benefits	16,889	16,060
Classified Salaries (FTE 8.75 - 7.52)	209,317	193,535
Fringe Benefits	42,734	40,448
Operating	95,551	99,175
Out-of-State Travel	1,593	2,600
Ending Account Balance	25,229	28,939
Total Use of Funds	\$527,986	\$511,229

Griffin Endowment/History

Revenues

Opening Account Balance	\$ 47,193
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Expenditures

Graduate Assistant Salary (FTE .50)	\$ 5,928
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Fringe Benefits	72
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Operating	5,000
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Out-of-State Travel	6,193
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Griffen Endowment (Principal)	30,000
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Total Use of Funds	\$ 47,193
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Indirect Cost Recovery/Nutrition Program

Revenues

Opening Account Balance	\$ 8,426	\$ 10,961
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Indirect Cost	16,503	15,000
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Total Source of Funds	\$ 24,929	\$ 25,961
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Expenditures

Professional Salaries (FTE .67)	\$ -0-	\$ 14,096
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Fringe Benefits	-0-	2,575
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Classified Salaries	3,711	-0-
Fringe Benefits	1,646	-0-
Operating	8,471	9,290
Transfer Out	140	-0-
Ending Account Balance	10,961	-0-
Total Use of Funds	\$24,929	\$ 25,961

Dean, Medical School Indirect Cost Recovery/

Administration

Revenues

Opening Account Balance	\$ 19,154	\$ 39,894
Indirect Cost Recovery	35,000	40,000
Total Source of Funds	\$ 54,154	\$ 79,894

Expenditures

Professional Salaries (FTE .10)	\$ -0-	\$ 8,159
Fringe Benefits	-0-	995
Classified Salaries (FTE 1.50)	564	32,008
Fringe Benefits	157	9,554
Wages	355	4,500
Fringe Benefits	9	-0-
Operating	7,517	15,000
Out-of-State Travel	2,617	-0-

Transfer Out	3,041	-0-
Ending Account Balance	39,894	9,678
Total Use of Funds	\$ 54,154	\$ 79,894

UNR News Bureau/Public Information

Revenues

Opening Account Balance	\$ 3,869	\$ -0-
Revenue Source	23,768	-0-
Transfers Out	-0-	32,309
Total Source of Funds	\$ 27,637	\$ 32,309

Expenditures

Professional Salaries (FTE .84)	\$ -0-	\$ 14,969
Fringe Benefits	-0-	3,451
Classified Salaries (FTE 1.00)	15,722	10,747
Fringe Benefits	4,615	3,142
Wages	3,500	-0-
Fringe Benefits	42	-0-
Operating	2,800	-0-
Out-of-State Travel	1,000	-0-
*Total Use of Funds	\$ 27,679	\$ 32,309

*Out of Balance

Mr. Eardley moved approval of the report and recommendations of the Budget and Finance Committee. Mrs. Kenney seconded.

Motion carried.

17. Information Item: Report on Humanities Program Merger, UNR

At the June 4, 1987 meeting, authorization was given to President Crowley to negotiate a merger of the Old College PACE Humanities program into UNR. President Crowley reported that the PACE Humanities program would be placed under Continuing Education and that approximately \$90,000 would be supplemented from Old College for the 1st year and an additional \$90,000 for the 2nd year. UNR will be reviewing the possibilities of developing a new B. A. program, which would include the PACE program. President Crowley explained that the difference between the PACE program and the current humanities program at UNR is in the delivery system of the courses. PACE is offered during the evening and on weekends and the students proceed with the course on their schedule. Student can enroll for up to 12 credits per semester and the courses are offered in blocks.

In regard to a contractual agreement, President Crowley

stated that if Old College obtained sufficient funds, they would suggest 2 or 3 faculty to be hired by UNR, retaining options to not offer a contract if UNR so determines.

18. Report on Cooperative Agreement, Medical School

In 1986 the Board approved a cooperative agreement between University of Nevada Medical School and the Nevada Division of Mental Health and Mental Retardation which concerns the hiring of psychiatrists for the State. Dean Daugherty reported that 3 new faculty have been hired; 2 at the State Mental Hospital and 1 at Lake's Crossing; and they are recruiting for 2 additional faculty in Las Vegas. Medical School funds are not used in the hiring of these personnel. This agreement increases faculty without an expense to the University, and increases the facilities utilized by the Medical School. Dean Daugherty stated that this is beneficial to both entities.

Chairman Whitley relinquished the gavel to Vice Chairman Gallagher.

Mrs. Sheerin moved approval of the report on the Cooperative Agreement between the University of Nevada Medical School

and the Nevada Division of Mental Health and Mental Retardation. Mr. Eardley seconded. Motion carried.

19. Approved the Sale of Property, UNR

Approved the sale of a 2-acre lot owned by UNR in the Spring Creek Subdivision in Elko County. The property was donated by John H. and Carol Douglass in 1979, with the stipulation that proceeds would benefit the Basque Studies Program.

UNR has received an offer of \$2,800, with \$850 down and the balance to be paid in 3 years, including 10% interest. A sales fee of 5% is to be paid to Lipparelli and Associates in Elko.

The property has been listed with a number of real estate brokers in Elko since 1980.

Mrs. Sheerin moved approval to sell a 2-acre lot owned by UNR in the Spring Creek Subdivision in Elko County. Mr. Eardley seconded. Motion carried.

20. Approved the Sale of Property, UNLV

Approved acceptance of an offer of \$340,000 for 4 lots located at the northwest corner of Casino Center Boulevard and Clark Avenue. The proceeds from the sale will benefit the College of Business and Economics as outlined by the donors, Edward J. and Marjorie Barrick and Sam and Mary Ziegman.

Mrs. Sparks moved approval to sell 4 lots located at the northwest corner of Casino Center Boulevard and Clark Avenue. Mrs. Kenney seconded. Motion carried.

Mr. Klaich questioned where the proceeds would be designated and President Maxson stated that they have been earmarked for the College of Business and Economics accreditation efforts.

21. Approved Resolution, U. S. Constitution

In celebration of the 200th anniversary of the signing of the United States Constitution, the Board of Regents will entertain a resolution. Dr. Don W. Driggs, Chairman and Professor of Political Science at UNR, reviewed the history of the Constitution and its meaning to higher education.

Approved the following resolution:

RESOLUTION #87-8

WHEREAS, September 17, 1987 will mark the 200th anniversary of the U. S. Constitution, a document drafted by 55 men for fewer than 4 million people living in 13 states, which has survived with minimal change to serve us in a global world; and

WHEREAS, the longevity of the oldest surviving constitution in the world may be attributed to its founders' wisdom gained by education and experience, to their willingness to compromise, to their vision in writing for the ages, rather than the hour, and their understanding of human nature to expand power in one's self-interest when left unchecked; and,

WHEREAS, to form a more perfect union, these founders helped create a new nation based upon restraint of power divided between the people and their government, and separated in a manner that works only when consensus has been built among the people; and,

WHEREAS, this uniquely structured separation of powers allows for improvement and self-correction which has guaranteed an ultimate system of accountability over time;

NOW, THEREFORE, BE IT RESOLVED, that we the members of the University of Nevada System Board of Regents -- a governing body created by a State constitution of similar structure to ensure that Nevadans are empowered through a similar system of checks and balances -- encourage all citizens to read the U. S. Constitution and to join in Nevada's bicentennial celebration.

Mr. Klaich moved approval of the resolution regarding the U. S. Constitution. Mrs. Gallagher seconded. Motion carried.

22. Presentation of Desert Research Institution Goals

President Taranik presented goals for DRI as contained in Ref. D, filed with the permanent minutes.

23. Information Only: Report on Prepayment Tuition Savings

Plans

At the request of the Board, a report on prepayment tuition savings plans was presented by Vice Chancellor Fox. This concept allows parents to "purchase" higher education at today's prices for use in the future. Under a typical plan, parents make a lump-sum payment to guarantee 4 years of tuition payments when their children are ready for College. The report is filed in the Regents Office.

At this time, Dr. Fox suggested waiting for an IRS ruling and for a national program that is under discussion. Mrs. Sheerin requested that the Chancellor's Office track these decisions and developments and report back to the Board at that time.

24. Report on Health Care Facility, CCCC

President Meacham reported that the health care facility under construction on the property located on West Charleston in Las Vegas has a completion date for April or May, 1988. There are 80 acres in this particular parcel and it will be utilized according to the stipulation by the donor of the gift to use for educational purposes.

Mr. Foley stated that there is a possibility the site may become a diagnostic clinic to serve hospitals and facilities in the area.

The Board of Regents convened the meeting at 3:30 P.M. in order to tour the Department of Speech Pathology/Audiology at the Medical School and WolfPAC Computer System in the Getchell Library at UNR.

The meeting reconvened at 8:35 A.M. Friday, September 11, 1987.

All members were present except for Regents Gallagher, Sheerin and Karamanos.

25. Approved Building Plans, UNS

Approved the final drawings for the System Administration building. Mrs. Edna Brigham, Assistant to the Chancellor, and Mr. Ron Mentgen, Architect, Anshen and Allen, made the presentation.

The building will consist of 14,500 square feet and is located on the corner of Evans and Enterprise Avenues. The completion date is slated for April, 1988. The final costs

will be made available in 3 weeks, but is estimated at

\$750,000 - \$800,000.

Mr. Klaich moved approval of the System Administration

building plans. Mr. Eardley seconded. Motion carried.

26. New Business

Mr. Eardley requested the agenda for the Regents Workshop

include entrance requirements at the Universities and Com-

munity Colleges, raising standards, mission and goals of

institutions, and Presidential evaluations.

The meeting adjourned at 8:55 A.M.

Mary Lou Moser

Secretary of the Board

09-10-1987