

UCCSN Board of Regents' Meeting Minutes September 9-10, 1993

09-09-1993

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BOARD OF REGENTS

UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA

September 9-10, 1993

The Board of Regents met on September 9-10, 1993 in the Multi-Purpose Room, Truckee Meadows Community College in Reno.

Members present: Dr. James Eardley, Chairman

Mrs. Shelley Berkley

Dr. Jill Derby

Dr. James Eardley

Mr. Joseph M. Foley

Mrs. Dorothy S. Gallagher

Mr. Madison Graves, II

Dr. Lonnie Hammargren

Mr. Daniel J. Klaich

Mrs. Nancy Price

Mrs. Carolyn M. Sparks

Members absent: Mrs. June F. Whitley

Others present: Interim Chancellor John A. Richardson

President Anthony Calabro, WNCC

President Joseph Crowley, UNR

President John Gwaltney, TMCC

President Robert Maxson, UNLV

President Paul Meacham, CCSN

President Ronald Remington, NNCC

Mr. Dale Schulke, DRI

Mr. Donald Klasic, General Counsel

Mr. Ron Sparks, Vice Chancellor

Mrs. Karen Steinberg, Acting Vice Chancellor

Ms. Mary Lou Moser, Secretary

Also present were Faculty Senate Chairmen Alan Balboni (CCSN), Phil Boardman (UNR), Chris Gaub (Unit), Scott Hawkins (NNCC), Dan Mc Clure (TMCC), Alan Mc Kay (DRI), Mark Melrose (WNCC), John Swetnam (UNLV), and Student Association Officers.

Chairman Eardley called the meeting to order at 1:15 P.M. Thursday, September 9, 1993, with all Regents present, except Regents

Hammargren and Whitley.

1. Approved Consent Agenda

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

(1) Approved the minutes of the regular meeting held June 24-25, 1993 and minutes of the special meeting held July 15, 1993.

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

There was additional discussion regarding the gift list at the end of this item.

(3) Approved an extension of leave of absence without pay for UNR employee, Steven R. Graybar, through June 30, 1994.

(4) Approved a second year of leave of absence without pay for UNLV employee, Raymond Lucchesi, pending resolution of litigation involving the State Ethics

Commission ruling regarding the architecture building at UNLV.

(5) Approved the following appointments to the School of Medicine's Rural Advisory Board:

Ms. Elizabeth C. Nozero, Chairman of the Area Health Education Center Board of Directors for Southern Nevada, which represents a four county area consisting of Clark, Esmeralda, Lincoln and Nye counties.

Dr. Janet Quillian, Director of the Family Nurse Practitioner Program at the College of Health Sciences, UNLV.

(6) Approved the appointment of Mr. George William Allf to the CCSN Advisory Board.

(7) Approved the appointment of Ms. Florence Frost to the UNLV Extended Education Advisory Board.

(8) President Gwaltney reported on the appointment of Anne Louise Pacheco to the position of Acting Execu-

tive Director of Development at TMCC.

(9) Approved the appointment of Dr. Demetrios Kazakos, a Professor of Electrical Engineering at UNLV, with tenure, to be effective retroactively to August 24, 1993.

(10) Approved authorization to utilize General Fee Improvement Funds at WNCC in the amount of \$110,000 for part-time staff in the following areas: night security, Learning Resource Center, Financial Assistance, Counseling Services, and teaching assistants.

(11) Approved authorization to utilize Capital Improvement Fees at WNCC in the amount of \$150,000 for the following purposes:

Completion of the Family Services	\$143,500
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Center for the following expenses:

change orders, alternate #1 classroom,

architect fees, landscaping, additional

handicapped parking, and relocation of

a water line.

Upgrade the telephone system in the \$ 6,500

Business Office, Administrative

Services and other administrative

offices at WNCC.

(12) Approved authorization to utilize Capital Improvement

Fees at TMCC in the amount of \$28,000 to remodel the

Washoe County Library - Old Town Mall space.

Originally, TMCC requested \$75,000 for the remodel

project. After some project redesign and the formal

construction bid opening, the project, plus a 5%

contingency, will cost \$103,000, an increase of

\$28,000.

(13) Approved authorization to utilize Capital Improvement

Fees at UNR in the amount of \$250,000 to extend fiber

optic capabilities on the UNR Campus.

One link would extend connectivity to Lincoln Hall,

Thompson Student Services, the Graduate School and

the west side of Virginia Street to the Dormitories,

University Inn, Midby-Byron, Artemisia and the Women's

Center. Link number two would run from the School of

Medicine, past the Sports Medicine and the Lombardi

Recreation buildings to Fleischmann Agriculture.

This link would also serve as a critical backup and alternative route to the lower Campus should the other link be disrupted. A third link would be established from the Laxalt Mineral Engineering building to the Mines buildings.

Lastly, connectivity would be provided to all remaining no-cabled classrooms to the Campus broadband network and equipment for testing and maintenance of the Campus infrastructure would be acquired.

(14) Approved a Handbook change, Title 4, Chapter 17, Section 10, Student Fees.

The vision plan which was offered to UNR students through the student health and accident insurance plan will not be available this academic year.

(15) Approved Handbook changes, Title 4, Chapter 17, Section 17, Apartment Rentals, as contained in Ref. C-2, and Title 4, Chapter 17, Section 18, University Inn, as contained in Ref. C-3. Reference material is

filed in the Regents' Office.

(16) The Higher Education Act Amendments of 1992 (20 U. S.

C. 1091b) require that students received Title IV student financial assistance and who are enrolled for the first time at an institution be given a pro rata refund if they withdraw during the first 60% of that first semester. As all six UCCSN instructional institutions award Title IV aid funds, Handbook additions are requested as follows:

Note: All reference material is filed in the Regents' Office.

University of Nevada, Reno

Title 4, Chapter 17, Section 8.3, Refund Policy, as contained in Ref. C-4a, and Title 4, Chapter 17, Section 14, Refund of Residence Hall and Food Services Charges, UNR, as contained in Ref. C-4b.

University of Nevada, Las Vegas

Title 4, Chapter 17, Section 8.2, Refund Policy, as

contained in Ref. C-5a, and Title 4, Chapter 17,
Section 14, Refund of Residence Hall and Food Services
Charges, UNLV, as contained in Ref. C-5b.

Northern Nevada Community College

Title 4, Chapter 17, Section 8.1, Refund Policy, as
contained in Ref. C-6.

Community College of Southern Nevada

Title 4, Chapter 17, Section 8.4, Refund Policy, as
contained in Ref. C-7.

Truckee Meadows Community College

Title 4, Chapter 17, Section 8.5, Refund Policy, as
contained in Ref. C-8.

Western Nevada Community College

Title 4, Chapter 17, Section 8.6, Refund Policy, as
contained in Ref. C-9.

(17) Approved the following UNR self-supporting budgets:

School of Medicine/Family Medicine

UNLV Student Health Services Contract

	1991	1992
	Budget	
	Actual	Estimate
Resources:		
Opening Account Balance	\$ 0	\$ 30,000
Revenue: UNLV Contract	90,870	181,740
Total Source of Funds	\$ 90,870	\$211,740
Expenditures:		
Professional Salaries	\$ 0	\$ 93,200
Fringe Benefits	0	16,377
Operating	60,870	102,163
Total Expenditures:	\$ 60,870	\$211,740
Transfers Out:	\$ 0	\$ 0
Ending Balance:	\$ 30,000	\$ 0
Total Use of Funds	\$ 90,870	\$211,740

School of Medicine/Administration

Medical School Annual Campaign Fund

1992-93 1993-94

Projected Budget

Actual Estimate

Resources:

Opening Account Balance	\$ 33,170	\$ 65,599
Revenue: Gifts	34,983	30,000
Total Source of Funds	\$ 68,153	\$ 95,599

Expenditures:

Professional Salaries	\$ 2,500	\$ 0
Classified Salaries	0	71,423
Fringe Benefits	0	20,468
Travel	54	0
Operating	0	3,708
Total Expenditures:	\$ 2,554	\$ 95,599
Transfers Out:	\$ 0	\$ 0
Ending Balance:	\$ 65,599	\$ 0
Total Use of Funds	\$ 68,153	\$ 95,599

Graduate School

Bio-Fine Agreement

1992-93 1993-94

Projected Budget

Actual Estimate

Resources:

Opening Account Balance	\$ 0	\$ 0
Revenue: Gifts	0	33,130
Total Source of Funds	\$ 0	\$ 33,130

Expenditures:

Professional Salaries	\$ 0	\$ 27,000
Fringe Benefits	0	5,130
Operating	0	1,000
Total Expenditures:	\$ 0	\$ 33,130
Transfers Out:	\$ 0	\$ 0
Ending Balance:	\$ 0	\$ 0
Total Use of Funds	\$ 0	\$ 33,130

Continuing Education/Center for Dispute Resolution

1992-93 1993-94

Projected Budget

Actual Estimate

Resources:

Opening Account Balance	\$278,697	\$191,384
Revenue: Gifts	150,000	0

Total Source of Funds	\$428,697	\$191,384
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Expenditures:

Professional Salaries	\$111,227	\$ 94,148
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Fringe Benefits-Professional	19,548	17,713
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Classified Salaries	34,828	52,900
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Fringe Benefits-Classified	5,305	12,542
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Wages	2,561	2,000
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Fringe Benefits	30	24
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Travel	7,732	0
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Operating	47,984	0
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Equipment	8,098	0
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Total Expenditures:	\$237,313	\$179,327
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Transfers Out:	\$ 0	\$ 0
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Ending Balance:	\$191,384	\$ 12,057
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Total Use of Funds	\$428,697	\$191,384
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Journalism

Minority Recruitment/Retention Program

1992-93	1993-94
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Projected	Budget
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Actual	Estimate
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Resources:

Opening Account Balance	\$	0	\$	0
Revenue: Gifts		0	30,000	
Total Source of Funds	\$	0	\$	30,000

Expenditures:

Professional Salaries	\$	0	\$	25,010
Fringe Benefits-Professional		0	4,752	
Total Expenditures:	\$	0	\$	29,762
Transfers Out:	\$	0	\$	0
Ending Balance:	\$	0	\$	238
Total Use of Funds	\$	0	\$	30,000

(18) Approved the following interlocal agreements:

A. UCCSN Board of Regents/UNR and the State Department of Human Resources/Sierra Development Center
(Interlocal Contract)

Effective Date: Date approved by Board through

June 30, 1994

Amount : \$18,720 maximum to UNR

Purpose : UNR's Department of Psychology

to provide one or more doctoral

students to perform full range

of psychological services for
Sierra Developmental Center.

B. UCCSN Board of Regents/UNR and the Nevada Department of Taxation (Interlocal Contract)

Effective Date: July 1, 1993 to June 30, 1995

Amount : \$116,552 to UNR

Purpose : UNR to provide demographer to make annual estimates of population of State of Nevada.

C. UCCSN Board of Regents/UNR and the State Division of Health (Interlocal Contract)

Effective Date: Date approved by Board through
September 30, 1993

Amount : \$7500 to UNR

Purpose : UNR's Geriatric and Gerontology Center will provide two training sessions in September 1993 to the providers of services in skilled and intermediate care facilities.

D. UCCSN Board of Regents/UNR and the State Department of Commerce/Housing Division (Interlocal Contract)

Effective Date: Date approved by Board through

June 30, 1994

Amount : \$6175 to UNR

Purpose : UNR to conduct semi-annual Washoe County Housing Conditions Report to include estimation of probable future housing conditions.

E. UCCSN Board of Regents/UNR and the Washoe County School District (Interlocal Contract)

Effective Date: July 1, 1993 through June 30,

1994

Amount : \$1.15 per mile for each actual mile logged by said buses.

Purpose : UNR to lease school buses from Washoe County School District in connection with educational programs.

F. UCCSN Board of Regents/UNR and Nevada Office of
the Attorney General (Interlocal Contract)

Effective Date: Date approved by Board through

December 30, 1993

Amount : \$6000 to UNR

Purpose : UNR to conduct projects relating

to testimony and trial prepara-

tion in case of Stivers, et al v.

Pierce, et al, to be described

in UNR's task order proposals and

the AG's letters accepting such

task order proposals.

G. UCCSN Board of Regents/UNR and State Department
of Commerce/Housing Division (Interlocal Contract)

Effective Date: Date approved by Board through

January 30, 1994

Amount : \$31,236 to UNR

Purpose : UNR to conduct update of Compre-

hensive Housing Affordability

Strategy (CHAS) report and pro-

duction of annual update of the

CHAS.

H. Withdrawn by General Counsel Klasic at the request of the UNR Campus.

I. UCCSN Board of Regents/School of Medicine and Nevada Department of Human Resources/Division of Health (Interlocal Contract)

Effective Date: Amendment extending time from

June 30 through December 31,

1993

Amount : \$75,436 to Medical School

Purpose : Medical School to conduct cross-sectional assessment of mercury levels in blood and/or urine in accordance with protocols for sampling such levels established by Centers for Disease Control and Prevention, Agency for Toxic Substances and Disease Registry.

J. UCCSN Board of Regents/Cooperative Extension and

the State Department of Human Resources (Inter-
local Contract)

Effective Date: July 1, 1993 through June 30,
1994

Amount : \$29,645 to Cooperative Extension

Purpose : Hands-on educational program for
48 11-13 year old, economically
disadvantaged adolescents to in-
crease opportunity for school
success and future economic self-
support.

K. UCCSN Board of Regents/Cooperative Extension and
the State Department of Human Resources/Division
of Child and Family Services (Interlocal Contract)

Effective Date: July 1, 1993 through June 30,
1994

Amount : \$35,719 to UNR

Purpose : To provide secondary prevention
for abuse and neglect to children
of approximately 25 adolescent
mothers currently or formerly in

State custody.

L. UCCSN Board of Regents/School of Medicine and the
State Health Division (Interlocal Contract)

Effective Date: July 1, 1993 through June 30,
1994

Amount : \$6000 to UNR

Purpose : Trudy Larsen, M. D., to provide
medical consultation services to
Health Division as "backup" phy-
sician to Nurse practitioners at
Carson City Health Department.

M. UCCSN Board of Regents/School of Medicine and the
State Department of Human Resources/Health
Division (Interlocal Contract)

Effective Date: July 1, 1993 through June 30,
1994

Amount : \$7078 maximum to Medical School

Purpose : Medical School to provide facili-
ties and staff toward screening
and examination and recommend

services for the Craniofacial

Clinic.

N. UCCSN Board of Regents/CCSN, NNCC and TMCC and the
Nevada State Board of Nursing (Interlocal Con-
tract)

Effective Date: July 1, 1993 through June 30,

1998

Amount : \$25,000 maximum to UCCSN

Purpose : CCSN, NNCC and TMCC to provide
examination of applicants for
certification as Nursing assist-
ants.

O. UCCSN Board of Regents/WNCC and Carson-Tahoe
Hospital (Interlocal Contract)

Effective Date: July 1, 1993 through June 30,

1995

Amount : \$60,000 to WNCC

Purpose : WNCC to hire an additional Nurse
instructor in implementation of
its Nursing Program.

P. UCCSN Board of Regents/UNR and the Department of
Human Resources/Mental Hygiene and Mental Retarda-
tion Division (Interlocal Contract)

Effective Date: July 1, 1993 through June 30,

1994

Amount : \$23,520 maximum to UNR

Purpose : Provide a course of instruction

for mental health technicians,

mental retardation technicians,

and forensic specialists.

Q. UCCSN Board of Regents/TMCC and State Job Training
Office (Interlocal Contract)

Effective Date: July 1, 1993 through June 30,

1994

Amount : \$35,000 to TMCC

Purpose : TMCC to provide education and

counseling for displaced home-

makers.

R. UCCSN Board of Regents and TCI Cablevision of

Nevada, Inc. (Easement and Agreement)

Effective Date: Date approved by Board, for

five years from that date.

Amount : Billing will be between TCI

Cable and individuals who live

in Canada Hall.

Purpose : Cable television access for

Canada Hall.

Mrs. Price moved adoption of the Consent Agenda with the exception of removing those items donated by the UNLV Foundation for President and Vice Presidents auto allowance at UNLV, as found on pages 116 and 120 of the gift list.

Dr. Derby seconded.

Mr. Price explained that she did not have a problem with the amounts given by the UNLV Foundation, but requested that such gifts be reported to the full Board on the regular Board of Regents' agenda. She felt that the gifts were given to individuals not to the positions. She did not appreciate the way the gifts were presented, in that the gifts were "buried" in the 137 page gift list. She requested that a procedure be implemented so that such gifts that

are given to individuals are brought before the full Board of Regents.

Dr. Hammargren entered the meeting.

Mrs. Price requested that these items be removed from the gift list and presented to the Board at the next meeting for consideration.

Interim Chancellor Richardson explained the current practice followed is that when a foundation donates to the institution, the gift is reported to the Board of Regents for acceptance, and then distributed accordingly. The System issues contracts to those individuals who fill the positions of President and Vice Presidents, and the auto allowances are included in the contracts in accordance with Board of Regent policy.

Mrs. Price Stated that the public perception is that the gift is going directly to the individual, not the position.

Mr. Graves and Mr. Klaich disagreed with Mrs. Price's analysis of the public perception and agreed that the gift lists are prepared for Board of Regents' acceptance, and in turn

the Board of Regents authorizes the distribution of the gifts accordingly. Mrs. Gallagher pointed out that the UNLV Foundation has donated these gifts with restrictions that funds be spent for the purpose of auto allowances for the President and Vice Presidents.

Mrs. Price amended the motion by removing the entries from the gift list that provide for auto allowances for the UNLV President and Vice Presidents, and that these entries be handled in a more direct manner. Dr. Derby withdrew the second. Dr. Hammargren agreed to second the motion provided that the amendment be changed to accept the gift list and in the future separate the above questioned items. Motion died for lack of a second.

Mr. Klaich moved adoption of the Consent Agenda and approval of the prepared agenda with the authority to change the order of items as specified throughout the meeting. Mrs. Sparks seconded. Motion carried unanimously.

2. Introductions

President Gwaltney introduced Mrs. Marsha Lindeken, Assistant to the President.

President Maxson introduced Mr. Matthew Simon, Dean of Libraries.

3. Chairman's Report

Chairman Eardley reported that the Board of Regents is very sympathetic toward the institutions due to the reduced budget the Legislators recently approved for UCCSN.

The cost of higher education and books are increasing across the nation. Chairman Eardley requested teaching faculty to take a close look at the publications which they are requiring their students to purchase. Mrs. Berkley questioned to whom she should refer inquiries regarding the cost of books and Chairman Eardley suggested that she direct the inquirer to the institutions. President Crowley agreed that the cost of books is a serious problem nationwide. The book publishers are making a good profit; however, the repurchase value on the books is declining. Mr. Foley requested that this issue be placed on the agenda in the future for further discussion.

The Board of Regents are here for a reason -- the student.

Chairman Eardley stated that he was surprised to learn that UNR students are dissatisfied with the recently revised grading policy. The students have indicated that they did not have a chance to voice their opinions on this issue.

Chairman Eardley pointed out that institutions continue to advertise and recruit for additional students, and at the same time the institutions are considering capping educational programs.

Chairman Eardley discussed the committee structure and stated that the proposed changes were made in an effort to consolidate committees and to allow sufficient time for committees to meet. An item has been placed on the agenda for further discussion, and he is hopeful that the members of the Board of Regents will support his proposed committee structure.

4. Chancellor's Report

Interim Chancellor Richardson announced that Betty Stout has donated a gift to DRI for an endowed fellowship in Hydrology/Hydrogeology, which has been reported under the Consent Agenda's gift list for DRI. Vice President Dale

Schulke stated that on behalf of President Taranik, DRI would like to formally thank Mrs. Stout for her generosity. Mrs. Stout sent her greetings to the members of the Board of Regents.

In August, UNLV was informed that their Civil, Electrical and Mechanical Engineering programs were approved for accreditation by the Accreditation Board of Engineering and Technology (ABET).

Interim Chancellor Richardson announced that University of Nevada Press has recently been recognized for its publications. These are very significant national and international recognitions. He commended Director Tom Radko and the University of Nevada Press staff.

- 1) AAUP Winners - More than 650 entries were received for the AAUP annual "Book Jacket and Journal Show". Of the 650+ entries AAUP selected 67 books, 29 jackets and 4 journals for this year's show. Nevada had 3 winners -- the most in the Press' history.

"Child of the Holy Ghost" and "Wilderness Tapestry" selected in the typographic book

category.

"Arid Waters" selected in the illustrated book

category.

2) The book "FDR's Moviemaker" has given the Press some great national exposure which include media spots in the following:

"The New York Times"

"The Los Angeles Times"

"The Washington Post"

"The International Herald-Tribune"

(and even a newspaper in Venice)

Interim Chancellor Richardson discussed the Eisenhower Mathematics and Science Education Programs Grant. Awarded in August, the grant totaling \$304,246 for the year ending September 30, 1994, funds several projects in the science and mathematic education programs throughout the System.

Interim Chancellor Richardson reported that health care is a very important issue to all State employees and, of course, one of national concern. He announced that he has

recently appointed a Chancellor's ad hoc Health Benefits Committee whose membership represents the "experts" on the Campuses in this area. The appointments have been unanimously agreed to by the Presidents and Faculty Senate Chairmen. The members are as follows:

Mary Paterson, Chair, UNLV Health Care Administration

Pam Cross, BCN Financial/Benefits Counselor

Donald Hardigree, UNLV Director of Insurance and Risk Management

Penny Jenkins, UNR Management Assistant, College of Business

Janet Mac Donald, UCCSN Deputy Treasurer

Judson Mitchell, UNLV Director of Human Resources

David Noonan, UNR Professor of Educational Leadership

Jeanne Wendel, UNR Professor of Economics

Sue Baker, Staff/Secretary, UCCSN Assistant to the Chancellor

The Committee will be UCCSN's "swat team" on health benefit issues, and will represent UCCSN at State Committee on Benefits meetings. The Committee will advise the Chancellor and the Council of Presidents on its recommendations. Interim Chancellor Richardson explained that because health

care is a crisis issue for System employees, he felt confident of the selection of the members of the Committee, although it does not have equal representation among the institutions.

Interim Chancellor Richardson reported that the ad hoc Compensation Study Committee will be holding future meetings, as follows:

Tuesday, September 14 - Video Conference

Wednesday, September 22 - Chancellor's Office, Reno

Interim Chancellor Richardson announced that the WICHE Conference in Las Vegas is scheduled for September 16-18, 1993 at the Riviera Hotel. WICHE is holding an invitational workshop "Confronting the Tuition Spiral: From Policy Drift to Action". The conference is co-sponsored by the College Board and the Western Legislative Conference. Among those invited from Nevada are State educational leaders and Legislators.

5. Approved Appointment, State Postsecondary Review Entity, (SPRE), UCCSN

Mr. Glen Krutz, UCCSN Research Analyst, reported that Governor Bob Miller has designated the Board of Regents of the University and Community College System of Nevada as the appropriate agency to serve as Nevada's postsecondary review entity, as provided in the Higher Education Act (HEA) of 1992. The responsibility of this entity is to assure the integrity of federal student financial aid funds disbursed pursuant to Title IV of the HEA, and includes both public and private postsecondary institutions within the State. Funding is also provided for planning purposes.

Approved UCCSN to serve as Nevada's postsecondary review entity.

Interim Chancellor Richardson will proceed working with the SPRE program. Nevada will join a consortium of 9 other states set up through NCHEMS. Interim Chancellor Richardson stated that if Congress does not appropriate funds to the states for SPRE, the program will not go forward. UCCSN will work cooperatively with Nevada's postsecondary public Colleges.

Mrs. Berkley moved approval of the appointment of UCCSN to

serve as Nevada's postsecondary review entity (SPRE). Mrs.

Sparks seconded. Motion carried.

6. Information Only: State Public Works Board Presentation

Regarding Library Planning, UCCSN

Mr. Tom Stephens, Director of the State Public Works Board (SPWB), presented information regarding a study of library planning throughout UCCSN. The 1993 Legislature appropriated funds for this study to the State Public Works Board.

It was the intent of the Legislature and the Governor that the majority of this appropriation be dedicated to library needs at UNLV. In an effort to involve the Board in this important project, Mr. Stephens presented information regarding the study (Project 93-S4c), filed in the Regents' Office.

Mr. Stephens stated in the August 20, 1993 letter to the Board of Regents that SPWB is "seeking the concurrence of the Board of Regents in the general approach for the study. Such concurrence does not obligate the Board to include any library projects in its 1995 Capital Improvement Requests, but if such library projects are included, this study will provide a basis for justification of those projects."

Mr. Stephens indicated that UCCSN's Council of Academic Library Deans and Directors has discussed this issue and concurs in the scope of the work. The SWPB developed a Request for Proposal and is seeking a library planning consultant to perform a detailed library facilities plan for the UCCSN.

Several Regents stated their support for this project and applauded the SPWB's efforts. Upon questioning, Mr. Stephens responded that recommendations and a final report will be submitted to the Board of Regents and the State Public Works Board for consideration. Mr. Klaich suggested that the consultants meet with undergraduate and graduate students, since they are the key users of the libraries.

Mr. Stephens introduced UNLV's Dean of Libraries, Matt Simon, who is nationally recognized in the library field and has much expertise. Mr. Simon expressed his appreciation for Mr. Stephen's efforts on this project, and the Board of Regents for their support.

Chairman Eardley stated on behalf of the Board of Regents the presentation was greatly appreciated and the Board also

appreciates the efforts put forth by the State Public Works Board. He questioned whether the SPWB planned on changing the Regents' priorities for capital construction in the future and Mr. Stephens indicated that as Manager, he would not change the priority list without the consent of the Board of Regents.

The open meeting recessed at 2:23 P.M. and reconvened at 3:24 P.M. Thursday, September 9, 1993, with all Regents present except Regents Berkley, Foley, Gallagher, Price, Sparks and Whitley.

7. Information Only: Proposed Continuing Education Building,
UNLV

Senior Vice President/Provost John Unrue reported on a proposed building for Continuing Education at UNLV with funding to come from private sources. Approximately 14,000 students participate in non-credit continuing education classes at UNLV.

Should funds be raised, and approval by the Board of Regents be forthcoming, this project would require Public Works Board and Interim Finance approval.

Vice President of Academic Affairs John Unrue stated that this project is in no way an attempt to distort the already established Capital Improvement Project list.

Regents Berkley, Foley, Price and Sparks entered the meeting.

Dean of Extended Education Paul Aizley informed the Board that a non-profit senior citizens group, EXCELL - Extended Education Center for Life-Long Learning - is very interested in this project and will help raise funds for the 50,000 sq. ft. building which is estimated to cost \$10 million.

Upon questioning, it was learned that this project is contained in the UNLV Physical Master Plan.

8. Information Only: Outstanding Student Recognition

At the request of the Board of Regents, each Student Government Officer reported on the outstanding student achievement from the institution. Ref. C is filed in the Regents' Office.

University of Nevada, Reno

Melodi Rodrigue

Truckee Meadows Community College

Kathleen A. Chapman

Erica Hufford

David Mosley

Sari Saevitz

9. Information Only: Public Comment

Chairman Eardley informed the Board that an item will be placed on future regular Board of Regent agendas that will allow public comment prior to action items which the Board would be considering.

No public comment was made.

10. UCCSN Contracts

Regent Madison Graves requested that the Board of Regents review the process through which it approves institution requests to negotiate a purchase price for property. He stated that in the past the Board of Regents has authorized

the institutions to negotiate up to a certain amount. This allows the seller to negotiate that amount, and limits the institution to negotiate for a lower amount.

Interim Chancellor Richardson stated that he has talked with Mr. Graves and General Counsel Klasic on this subject. He has suggested two alternatives in negotiating a purchase price for property:

- 1) authorize institution to negotiate with seller without a price, then have institution report to the Board of Regents; or
- 2) authorized the Chancellor to approve negotiated purchase price for property.

General Counsel Klasic stated that there are no statutes that address this issue; therefore, the Board of Regents can set its own policy.

Dr. Hammargren moved approval to direct the Chancellor to develop a policy on contract purchases. Mrs. Sparks seconded.

Mr. Klaich suggested that the policy reflect the delegation of the institution President's authority to negotiate the land acquisition including the purchase price, subject to Board of Regents' approval.

Motion carried.

11. Information Only: Outstanding Faculty Recognition

At the request of the Board of Regents, each Faculty Senate Chairman reported on the outstanding faculty achievement for the institution. Ref. B is filed in the Regents' Office.

University of Nevada, Reno

James A. Bernardi

Community College of Southern Nevada

Carolyn J. Collins

Truckee Meadows Community College

Leon Lucchesi

University of Nevada, Las Vegas

Barbara K. Hanford

William J. Robinson

12. Approved UCCSN FY 1994 Operating Budget

At the June 24-25, 1993 meeting the Board of Regents approved the continuation of UCCSN expenditures at the FY 1993 rate until the Legislature had adjourned. Vice Chancellor Sparks presented the FY 1994 UCCSN Operating Budget for final approval. The 1994 UCCSN Operating Budget is filed in the Regents' Office.

Vice Chancellor Sparks distributed additional information and explained the graphs which addressed annualized FTE enrollments, general fund operating appropriations, registration, fees/cost per credit, Universities non-resident tuition, State General Fund/tuition & fees percent of total operating budget, and general fund appropriations percent distribution between UCCSN and K-12. This information is filed in the Regents' Office.

Vice Chancellor Sparks stated that UCCSN's State-Supported Operating Budget totals \$254.3 million. This compares to \$260.1 million (before the Governor's budget reductions of \$21.9 million) for the 1992-93 fiscal year and represents a 2.2% decrease in the authorized funding level.

State appropriations for fiscal year 1993-94 amount to \$194.2 million representing 76.4% of the State-Supported Operating Budget. This compares to \$207.6 million for fiscal year 1992-93 (before budget reductions) and represents a 6.4% decrease.

Other revenue sources budgeted in the State-Supported Operating Budget for fiscal year 1993-94 total \$60.1 million, representing 23.6% of the State-Supported Operating Budget. This compares to \$52.5 million for fiscal year 1992-93 and represents a 14.3% increase.

Vice Chancellor Sparks stated that student fees for fiscal year 1993-94 represent approximately 18% of the total revenue. This compares to 16.2% for fiscal year 1992-93 and represents an 8% increase in student fees budgeted in the Operating Budget. Included in the 1993-94 Operating Budget

is an increase in the Universities' non-resident tuition from the fiscal year 1992-93 level of \$4050 per year to \$4300 per year effective Fall semester 1993. Registration fees for UNR students increased \$1 per credit to \$55.50 per credit which is the same as charged at UNLV for FY 1992-93. Graduate registration fees at UNR increased by \$3.50 per credit to \$77.50 per credit which is the same as charged at UNLV for FY 1992-93.

Registration fees for the Community Colleges increased by \$1.40 per credit to \$29.40 per credit. 1/2 of the registration and tuition fee increases (calculated from the pre-surcharge levels for fiscal 1992-93) are budgeted for student financial assistance for improving access to higher education per Board of Regents' policy.

Vice Chancellor Sparks stated that registration and tuition fees for the School of Medicine increased by approximately 9% over fiscal year 1992-93.

Vice Chancellor Sparks continued by highlighting the schedules which summarize the fiscal year 1993-94 Operating Budget along with detailed budgets for each appropriation area.

A summary of 1993 approved legislative actions that affect

UCCSN's 1993-94 Operating Budget include the following:

Professional merit pool of 2% for eligible positions and regular step-progression increases for eligible classified positions. There are no cost-of-living increases for the 1993-95 biennium.

Partial salary and operating expenses for new facilities which will be operational during the 1993-94 fiscal year.

Mandatory vacancy savings for professional and classified positions at 1% and 3% respectively in the instructional budgets and at 2% and 3% respectively in the non-instructional budgets.

Ongoing support costs of the Management Information System, funded by the 1991 Legislature. (Computing Services Budget)

Continuation of the Genetics Network Program initially funded by the 1991 Legislature. (School of Medicine

Budget)

Estate tax funding for the EPSCoR program, the Student Incentive Grant (SIG) program, and one-shot equipment acquisitions in the UCCSN Special Projects budget. Estate tax funding also for library book acquisitions in the instructional budgets. (Universities and Colleges)

Re-establishment of the unemployment compensation assessment against payroll at the rate of .22%.

There are no inflationary adjustments over prior year costs. Operating costs in general for FY 1993-94 appropriated at the lower of FY 1991-92 actual expenditures or FY 1992-93 legislative approved amounts.

All formula funding methods suspended and not funded for fiscal years 1994 and 1995; includes the instruction function formula and support services formulas.

Vice Chancellor Sparks highlighted the 1993-95 legislative approved special appropriations and authorizations. UCCSN received approval to expend Estate Tax Funds in the amount of \$2,500,000 for FY 94 and \$2,500,000 for FY 95. The

1993-95 Capital Improvements that received legislative approval include a total minor repairs to UCCSN in the amount of \$1,533,009, making a grand total of \$10,000,000 in minor repairs and improvements. The total new construction amount is \$38,263,672.

Vice Chancellor Sparks indicated that the 1993-94 Self-Supporting Budgets, which were approved at the June Board of Regents' meeting, are included in the 1993-94 UCCSN Operating Budget.

Chairman Eardley questioned how the institutions handle additional students over those legislatively budgeted, and President Meacham stated that other area budgets are shifted around to allow some allocation and faculty workloads are increased, which will increase the ratios in the long run. President Calabro stated that additional Chairs are added to the classroom to accommodate the students, but at some point the Campus then runs out of space. President Meacham stated that many students are being turned away. Southern Nevada continues to increase its population which increases the number of students seeking higher education.

Mrs. Price stated that there is more to funding higher

education than the operating budget. She referred to the 62 pages of athletic donations contained in the Consent Agenda's gift list.

Mrs. Price questioned whether the Community Colleges were finding it difficult to collect the 40 cents from the \$29.40 per credit fee. Vice Chancellor Sparks indicated that the Board of Regents' policy states that an increase in tuition and fees can be no more than a 5% increase and that is how the \$1.40 increase was determined for the Community Colleges.

Additional discussion is found after item 13.

13. Information Only: TMCC Faculty Presentation

Vice President of Academic Affairs John Scally introduced the TMCC faculty who presented information on several programs offered at TMCC. They were as follows:

Charlotte Cox, Assistive Technology

Cathy Catania, Assistive Technology

Larry Tuteur, Assistive Technology

Jonathan Young, Automotive Technican Educational

Cooperative (ATEC)

Matt Williams, ATEC student

John Hunt, ATEC student

Dan Mc Clure, Substance Abuse Program

Mike Lindeman, Substance Abuse former student

Deborah Baker, Radiologic Technology

Will Hickman, Tech Prep

Dick Brand, Basic Law Enforcement Academy

Alan Mentzer, Basic Law Enforcement Academy

The presentations were well received by those in attendance.

The open meeting recessed at 5:10 P.M. and reconvened at 8:30

A.M. Friday, September 10, 1993 with all Regents present except

Regents Berkley, Foley, Hammergren, Klaich, Sparks and Whitley.

12. Approved UCCSN FY 1994 Operating Budget (continued)

Mrs. Price expressed the need to address budget questions

in a public forum and asked the following questions which

were answered by Vice Chancellor Sparks:

Does the UCCSN FY 1994 Operating Budget reflect only

State funds?

No.

Are there other funds?

Self-Supporting Budgets.

Where are the foundation funds?

Foundation funds are not budgeted funds.

In regard to the Consent Agenda, how are those gifts
from the foundation reported?

If the foundation makes a gift to the institution,
it is deposited with the System Treasury and then
expended.

When are the foundation funds reported?

Annual financial statements include expenditure
of funds and all sources of income.

What is the percentage of amounts expended?

The State Supported Budget is approximately 75% of the total budgeted funds expended.

Regarding the gift list, how do the funds come in?

All funds are accountable in the institution records and are received by either check or wire transfer.

Of the amounts received last year, did the System have a good year?

Yes, as reflected in the Deloitte & Touche report under increase in fund balances. However, the situation is likely to reverse because of the State budget cuts. UCCSN will receive approximately \$194.2 million this year in State general funds.

Is this a decrease?

No, it's an increase of \$8.5 million over the actual amount of general funds received in FY 1993. There will be no increase for the second year of this

biennium.

Mr. Klaich entered the meeting.

With the Presidents having unlimited transfer authority what is the role of the Regents in the allocation of funds?

The Board of Regents and the System are governed by the State Budget Act. When funds are appropriated to UCCSN they are appropriated to the institutions, in most cases. Some large appropriations, such as salary adjustments, might be appropriated directly to the Board of Regents. The institutions develop a work program for those funds -- the Operating Budget -- which is approved by the Board of Regents. The Operating Budget indicates how the institutions will spend their appropriations provided by the Legislature. The System cannot exceed that legislative approved amount without going back through the State Budget Office and/or the Interim Finance Committee to augment those budgets. The Legislature does not dictate that the institutions may only spend the appropri-

ation for one specific purpose and appropriations

may not be transferred between budgets.

In terms of an institution, if they have a crisis that needs to be addressed through transferring of funds, does the institution notify the Vice Chancellor of Finance?

Yes.

If the institution needs more money, can we appropriate it from another source?

There is no other source. However, if the institution collects more money as a result of increased student enrollment at its institution, which produces increased revenue, then through the Budget Act the institution may augment those budgets through the State Budget Office and/or Interim Finance Committee.

So there is no relation between the other 25% and this budget?

They are totally separate.

If there is a crisis within the institution, they can transfer funds within their budget but not between budgets. If there is an increase in student enrollment and the institution is receiving more money, they have to go through the budget process to receive authority to expend that money?

That is correct.

Is that based on FTE?

Increased FTE generates increased revenues, or another example would be a different mix of students, such as more non-resident students than resident students from what was projected.

This year there was a change in regard to FTE. What was the discussion on allocating a lump sum rather than basing it on FTE?

This fiscal year's budget and next year's Operating Budget is built without recognition of any of the

funding formulas. All funding formulas were suspended by the Governor and Legislature for this current biennium. The \$194 million general fund appropriation is an appropriation not built with regard to student/faculty ratios, support service formulas, or any other formulas. It is a targeted appropriation that UCCSN was given by the State Budget Office, subsequently approved by the Legislature, without regard to the formulas.

Did that lump sum get divided between the institutions?

Did the same process of going through the State Budget Office apply? What is the Board's role in the budget?

When UCCSN built the 1993-95 budget, as UCCSN was going through the process with the Governor, the Governor gave UCCSN a target appropriation of \$194 million and allowed UCCSN (Presidents and the Board of Regents) to allocate the funds by the area of need with regard to our highest priorities, with the final authority resting with the Board of Regents.

What did the Board do with the allocation of funds?

The Chancellor's Office prepared a plan with the Council of Presidents as to how the \$194 million would be allocated. The budget was submitted to the State Budget Office and it was included in the Executive Budget which was presented to the Legislature. The Legislature approved the budget and appropriated the funds back to UCCSN.

Did the process change any?

The process changed a great deal from the Executive Branch side. For the first time the Governor and the Legislature suspended all funding formulas and went to a targeted appropriation concept. The concept is that here is all the funding the Legislature can appropriate to higher education. UCCSN must inform the Legislature how the appropriation is going to be expended, without regard to student/faculty ratios or anything of that nature.

Regents Berkley, Foley and Sparks entered the meeting.

Chairman Eardley suggested that a workshop session be sched-

uled to further discuss the budget process.

Mrs. Price thought that an orientation meeting was going to be scheduled by Vice Chancellor Sparks to orient the Regents on the budget process. Vice Chancellor Sparks responded that the Chancellor has indicated that it would be appropriate to have a workshop for the Board on the budget process in conjunction with the setting of the budget parameters for the 1995-97 biennial budget. This normally occurs around the January or February Board of Regents' meeting.

Mrs. Price stated that she was very interested in knowing about the other 30% of expenditures. Vice Chancellor Sparks indicated that it is clearly detailed and reported through the process. Mrs. Price stated that she was not understanding the allocation.

Mr. Klaich moved approval of the 1993-94 UCCSN Operating Budget. Mr. Foley seconded. Motion carried.

14. Discussion on the Handbook Addition, Guidelines for Use of Student Fees in Direct Financial Aid

In October of 1992, the Board of Regents approved that

"Beginning Fall 1993, an amount equal to 50% of all tuition and fees increases dedicated to the State budget will be earmarked for student financial assistance for improving access to higher education." It is estimated that funds for this purpose will amount of \$1.76 million in 1993-94 and \$3.01 million in 1994-95. Ref. D contains proposed guidelines forwarded by the UCCSN Student Affairs Council, which are filed in the Regents' Office.

One revision in the proposed guidelines in Chapter 18, Section 16, is as follows:

Part 1 -- General Guidelines, Number G. The Chancellor recommends that these funds be awarded for need-based programs only. It is clearly stated in Board policy that these funds are to be used to improve access. Nevada ranks last (51st) in the nation for the amount of State need-based student aid awarded per enrolled student. Allocating this money to need-based programs will assure that it is being used to improve access for Nevadans who otherwise might not pursue a postsecondary education.

Interim Chancellor Richardson indicated that the financial

aid program is geared to the distribution to students on a "need-base". Mr. Klaich stated that he was very sympathetic to those students in need. However, they would like to see Nevada's institutions become the institution of choice for resident students. He suggested that the financial aid funds also be made available to "best students". Mr. Klaich requested a report be given in the future on the Honor's Program.

Dr. Derby stated that she was uncomfortable serving on the Board with Nevada being the 51st state to give to needy students, and she wanted this issue reviewed and resolved in a timely fashion.

Interim Chancellor requested that this item be withdrawn for further review and brought back to the Board for consideration.

15. Approved Personnel Title Change, NNCC

Approved a personnel title change from Dean to Vice President at NNCC which would bring the titles in accord with other System Community College Officers:

Stan Aiazzi, Vice President for Student Services

Bill Bonaudi, Vice President for Academic Affairs

Carl Diekhans, Vice President for Administrative
Services

Mrs. Gallagher moved approval of the personnel title change
from Dean to Vice President at NNCC. Mr. Foley seconded.

Motion carried.

NNCC Faculty Senate Chairman Scott Hawkins indicated that
NNCC's faculty strongly recommended approval.

16. Approved Emeritus, UNR

Approved emeritus status for Dr. Pete Perriera, Director
of the Jot Travis Student Union, Emeritus, to be effective
September 30, 1993.

Mr. Klaich moved approval to grant emeritus status to Dr.
Pete Perriera, Director of the Jot Travis Student Union
at UNR, effective September 30, 1993. Mrs. Sparks second-
ed. Motion carried.

17. Approved Amendment, UCCSN Code, Name Change

The 1993 Nev. Stats. ch. 195 (SB 314) was signed by the Governor on June 7, 1993. The statute becomes effective July 1, 1993. This law was enacted primarily to change the name of the University of Nevada System to the University and Community College System of Nevada. Section 6 of the statute also provides that the System is comprised of such branches and facilities as the Board of Regents deems appropriate. The proposed UCCSN Code amendment, a technical amendment implementing this provision, is as follows:

1.4.3 Branches and Member Institutions. The branches of the University of Nevada and the member institutions of the University and Community College System of Nevada are: University of Nevada, Reno; University of Nevada, Las Vegas; Desert Research Institute; Community College of Southern Nevada; Northern Nevada Community College; Western Nevada Community College; and Truckee Meadows Community College.

The proposed amendment was circulated to the Chancellor, the UCCSN Presidents and the UCCSN Faculty Senate Chairs for Section 1.3.3(a). No comments were received.

Mrs. Berkley moved approval of the amendment to the UCCSN Code regarding the name change for the System. Mrs. Gallagher seconded. Motion carried.

Mr. Foley left the meeting.

18. Information Only: Amendments, Board of Regents Bylaws, Committees

Chairman Eardley requested that General Counsel Klasic prepare amendments changing the standing committee provisions of the Board of Regents Bylaws as contained in Ref. E, filed in the Regents' Office.

Board of Regents Bylaws amendments require two readings at successive meetings of the Board before action can be taken.

This is the first reading of these proposed amendments.

Action will be taken at the Board's October 20-21, 1993 meeting.

Chairman Eardley explained that the Academic, Research and Student Affairs Committee was an effort to combine 3 areas.

Dr. Hammargren, as past Chairmen of the Research Committee, had recommended that research matters should come under the

academic area. Chairman Eardley had long felt that student issues had not been getting proper attention through the committee structure.

Dr. Derby stated that she felt this move would compartmentalize student affairs when student concerns arise in almost every area under consideration in all the committees. Mrs. Berkley stated she felt research was a part of academics and should not be so named in the committee title. She added that she felt there should be a Student Affairs Committee of the Whole. Mrs. Price felt that committees prioritize Regent concerns; that the restructuring of this committee was too broad; and that there should be a separate committee for research. Mrs. Sparks stated that she felt there should not be a research committee, but that periodic reports could be given to the Board by the research Vice Presidents and that student affairs should be a separate committee.

Mr. Klaich stated he felt there were too many committees for the Board currently, and that all Regents want to be involved in major issues. He agreed that research activities should be reported to the Board on a quarterly, or other basis, and that student affairs is a function of

the whole Board, as are budget matters.

Mr. Foley returned to the meeting.

Mrs. Gallagher suggested that the Board might consider doing away with committees since the present structure doesn't seem to be working and because all members need to be informed. Dr. Derby felt there was a function for committees.

Chairman Eardey reminded the Board members that he had written each member when he restructured the committees asking for input and only had heard from 4 members. He stated that recently committee members have not been attending and in some instances there has not been a quorum unless a non-committee member happened to attend. He asked that the members give him their written opinions prior to the next meeting.

Interim Chancellor Richardson stated there are two ways to organize a Board: 1) meet as a committee of the whole and then create ad hoc committees for specified terms to deal with special issues, or 2) have an agreement to the committee structure in which the members participate. He acknowledged that the Board must resolve this issue, and

keep in mind that the way the Board structures its work is very important to how the staff work is structured. He related that he has discussed with the Presidents that the System has too many committees, and too many committees which do not function well and which take up a great deal of time and money. Interim Chancellor Richardson stated that the System should operate collegially, but there should be consideration given to restructuring how the Board functions and how the System functions as well. He related that his office is reviewing systemwide committees and their missions and assignments.

Mrs. Sparks stated the Board should maintain the Investment Committee and Audit Committee as standing committees; Academic Affairs, Student Affairs and Budget should be held as committees of the whole; and all others should be ad hoc committees with specific time lines and specific assignments.

Mrs. Berkley disagreed, and felt the Status of Women Committee should remain a standing committee to ensure certain activities take place on the Campuses. She stated that creating the committee makes an important statement for the Board. She suggested changing the name of the Legis-

lative Liaison Committee to possibly Government Affairs, and stressed that existing on an ad hoc basis only during the legislative session would not provide the focus needed by the System.

Dr. Derby related she had attended a session at AGB which felt that committees provided a very positive structure which enabled Board members to become engaged in certain areas where they might not be able to do so in a formal, public Board meeting with so many issues to be considered within a limited time frame. She stated she did not feel the Board should just be limited to committees concerned with financial areas.

Mrs. Sparks stated she felt the Board had acknowledged a need on the Campuses and within the System for Status of Women issues, and now that the Campuses have strong committees, the Board should now limit its involvement in this area for an oversight position, with reports to the Board, perhaps annually. Dr. Derby stated that at the last committee meeting, the Campus Chairmen were present and had supported a strong Board committee.

Mrs. Gallagher stated that she feels the committee structure

is the best way to go because it gives a small group an opportunity to develop expertise in a particular area. She stated that this Board does not do that, but the Board sits through the committee meeting, has a report, and immediately votes on the report, then sits through another committee and repeats the process thereby defeating the committee purpose. Mrs. Gallagher felt the Board should consider hearing more information items, or hold workshops, on the positive programs going on within the System. She argued for allowing the committees to work outside the Board meetings and bring their reports to the Board.

Mr. Klaich agreed with the Chancellor's comments, and held the position that the time of the full Board meeting should be used to better advantage. He explained that the Status of Women Committee, while focused on a narrow segment, has been effective by meeting outside the Board meetings. He stated that the Board needs to recognize that most of the work has to be done on the Campuses.

Mrs. Sparks stated that she felt the financial matters could be handled more easily in small committees, whereas the obligation of the whole Board is to academics and the institutions.

President Crowley stated he felt the discussion has been very good because it has pointed up the strengths and weaknesses of the committee structure for this Board. He added that he felt the plethora of committees has contributed to the sense of divisiveness on the Board, and has produced at times a very ample measure of uncertainty as to what the Board or some of the members of the Board believe is the proper role of its Administrators and the proper role of the Board. It has seemed to Administrators that some of the things the committees have been doing are the reasons that Presidents are hired. It is part of the ancient debate of the line that is drawn between policy and administration, and in recent years that line has been crossed a lot more than previously was the case. This plethora of committees has led to quite an abundant increase of the workload on the Campuses, and the Chancellor's Office. President Crowley added that a structure should be built for the Board, including committees deemed appropriate by the Board, that will not exacerbate this very serious situation, but will contribute to building a greater harmony within the System.

Mrs. Price questioned how a Board member would know whether

there was a vacuum in Administration if there weren't committees to delve into specific areas. President Crowley stated there is no ready answer; however, the Board should have an overall sense of how the Presidents are doing; that the Board either wants them to administer their institutions or the Board wants to help them to administer those institutions. The Board can determine how well an Administration is doing by the information it receives; however, the term floating around the System now is that the Board is "micro-managing" the System. It is a question of how much the Board trusts its Administrators.

Dr. Derby stated she does understand that committees necessarily do create more work for System staff and Campuses, but so does the Board. She argued for the committee system, the work that is required, and the involvement of all segments of the System.

President Maxson agreed with President Crowley's remarks, and urged the Regents to consider the time factor when scheduling meetings. If committees are to meet other than during regular Board meeting days, he urged that appropriate Vice Presidents or others be authorized to represent the institution, thus freeing the time of the President. The

President would attend if the Chairman or Chancellor so indicated.

Mr. Graves felt there should be committees, carefully chosen, to assist in the deliberations of the Board, and further felt that some of the committees have made great strides and brought forth programs, changes, issues which bring great pride to the System.

President Gwaltney suggested that a new Chancellor would be instrumental in helping bring the System structure together.

He stated the question for the Board is not as much how it is structured, rather a question of how the Board centers the authority of the System with the Chancellor. Authority can be carved off and given to committees, or authority can rest with the Chancellor. Committees can be very valuable to a Board as informational tools.

President Remington agreed with President Crowley and added that a critical issue is how intrusive the committees become on the Campuses, and whether or not the "grand looping" occurs as a result of that situation. He suggested that each institution has formal channels: a Faculty Senate Chairman who has the confidence and trust of the faculty;

a Student Government President who has the confidence and trust of the students; and the President. The Board might make a charge to the President and let that individual work with appropriate individuals on the Campus, and then be judged in terms of progress made in that regard.

Mrs. Berkley stated there have been discussions with Interim Chancellor Richardson concerning the role of the Board in Presidential evaluations. She indicated the Board in the past few years has taken the responsibility to fill what it has perceived as voids in certain areas in which perhaps they should not have been involved. She suggested that this may resolve itself when a new Chancellor comes on board, and felt the Board should not make any determinations until that person is in place.

President Meacham urged the Board to be cognizant of the time and expense of requiring Campus people to attend all committee meetings inasmuch as the System is in such a budget crunch.

President Calabro stated the structure of the Board may not be as important as having everyone willing to make it work. He pointed out the System does have a good flow stream to

follow for efficiency: academics, finances, students.

Chairman Eardley stated he would work closely with Interim Chancellor Richardson in reviewing this discussion and report back to the Board at the next meeting.

19. Information Only: Amendments, Board of Regents Bylaws, Chancellor's Position

In accordance with discussions held at previous Board of Regents' meetings, proposed amendments pertaining to the Chancellor's job description are contained in Ref. F, filed in the Regents' Office.

Board of Regents Bylaws amendments require two readings at successive meetings of the Board before action can be taken.

This is the first reading of these proposed amendments.

Action will be taken at the Board's October 20-21, 1993 meeting.

Mr. Doug Burris, Director of Community College Affairs, reviewed the proposed bylaw amendments.

Mrs. Price asked that a time-line be added to the evalua-

tion of the Presidents. It was pointed out that a time-line is included in the procedures contained in the Handbook. In a question concerning preparation of the agenda, Chairman Eardley explained that the Chancellor prepared the agenda in consultation with the Chairman of the Board, and the Chairman does approve the final agenda. Mrs. Price stated that preparing the agenda is a crucial item. In (i) Mrs. Price questioned the role of the Chancellor for audits of the System. Interim Chancellor Richardson stated that providing for internal audits is the management of the internal audit staff, and for independent auditors, the role would be to recommend an independent auditing firm.

Mrs. Gallagher stated she has always felt the auditing function should be accountable to the Board and should serve at the pleasure of the Board, not the Chancellor, although they are located in the Chancellor's Office and the Chancellor would manage their work. Chairman Eardley stated there is a Vice Chancellor who is head of audit; but independent auditors report to the Board's Audit Committee.

Mrs. Sparks stated that the System Office was only involved with sending out the RFP which called for external auditors, and the Audit Committee spent two full days interviewing the

various firms. The RFP was developed by the Audit Committee and the staff. The Board made the selection of the external auditor. This procedure had not been the case in previous selections.

Mr. Graves concurred with Mrs. Gallagher, but stated he interpreted the bylaw proposal a little differently. He read the change as the Chancellor being responsible for the audits of the member institutions in concert with the Board, and that the Board would be responsible for the audit of the Chancellor's Office. Mr. Graves also felt the auditors should report to the Chancellor and the Board.

Mrs. Gallagher stated her main concern was with the appointment of the outside auditors. Mrs. Sparks stated that the Chancellor has nothing to do with the selection of the external auditors, and they do report directly to the Board.

The internal auditors, comprised of a Regents' committee and staff, audit the institutions. The external auditors audit the internal auditors, which provides a check and balance.

Mrs. Gallagher asked that the wording of item (i) be changed to reflect current practices.

Mrs. Price stated that the reporting lines of the organization chart should be with a dotted line to the CEO and a solid line to the Board. She suggested that (i) be removed from the position duties.

Mr. Klaich felt a Chancellor could not be responsible for the administration of the entire UCCSN, and would in fact be coordinating the administration of the System. He related that the word "coordination" within the System appears to mean "weak", when in actuality it does not.

Mr. Klaich also felt the Chancellor should play a much more active role in Presidential evaluations (I), but felt it was still a role of the Board. Dr. Derby agreed, and suggested that item be written to include the Board's role.

She expressed her agreement with the evaluation process where important constituencies are invited to have input.

Dr. Derby stated she felt other states had far more references to the Board and that the authority of the Chancellor is derived from the Board, and the responsibilities of the Chancellor derive from the delegation by the Board. She asked that a clearer statement be made. Suggestions were:

"the Chancellor works closely and effectively with the Board"; "takes direction from the Board"; "responsibility of the Chancellor is delegated by the Board"; "governing authority of the Board".

(k) Other State documents were more specific in their language in terms of staff: the Chancellor was expected to select, evaluate and remove staff in the Board's Office according to certain evaluation procedures; is responsible for the direction of the staff following the recommendations of the Board, etc. Dr. Derby wondered whether with not being more specific about expectations of the position there would be a correlation of the dysfunction within the System.

Mr. Foley stated that the statement, "The Chancellor may delegate any of the duties of the Office unless expressly prohibited by Board policy." should be removed from the job description inasmuch as the Chancellor must be held responsible for the System.

Mr. Graves stated he felt the Chancellor was responsible for the administration of the system with the President's reporting to the Chancellor, and felt the job description

did describe the situation with the Chancellor being responsible to the Board. With regard to evaluating the Presidents, Mr. Graves felt that the Chancellor should have the background to do the evaluations and report and recommend to the Board.

Mrs. Gallagher stated she felt the agendas should be prepared in collaboration with the Chairman, and, in the case of committees, with the Chairman of the specific committee. She added that the position should be structured so that the Chancellor, the Presidents and the System could "survive a Board of Regents". (e) She felt that official communications should be made in concert with the Chairman of the Board. (f) Remove the word "policies" because that is the prerogative of the Board. (k) The Secretary of the Board should report to the Board and be the right hand of the Chairman. (l) The Board of Regents should have input into the evaluation of the Presidents, but the Chancellor should do the general evaluation.

Mrs. Berkley felt the Secretary should report to the Chancellor, with the Chancellor doing the evaluation. She felt at the present time there was no reporting or evaluation structure for that position.

Dr. Derby felt (I) should be "appointing and evaluating authority". She felt the evaluation process is critical to the System.

Mrs. Sparks and Mr. Foley agreed that the term "coordination" should be eliminated from the job description.

Interim Chancellor Richardson stated that he had not decided whether to become a candidate for this position and, in order to minimize his involvement, had deliberately delegated the responsibility for working with the Board to the staff. He reminded the Board that the staff had only reflected what the Board had stated at a prior meeting and only had modified existing bylaws. It needs to be recognized that there is additional language in the Handbook beyond the bylaws which deals with the responsibility of the Chancellor, the Presidents, the delegation of authority, etc., and that not all is reflected in the bylaws, nor should it be. He continued that the Board must be satisfied with the job description before a search commences. He added that the staff would prepare another draft for consideration based on these remarks.

General Counsel Klasic cautioned that some of the remarks made are diametrically opposed to each other, which will be difficult for the staff, and wanted the Board to understand that choices will have to be made by the staff for the next draft.

Dr. Hammargren entered the meeting.

20. Discussion on Health Care for UCCSN Employees

The UCCSN Faculty Senate Chairs presented a proposal for action on health care for System employees, Ref. I, filed in the Regents' Office.

UNLV Faculty Senate Chairman John Swetnam distributed additional information which is filed in the Regents' Office. He explained what is being proposed by the State Committee on Benefits and the effect it will have on State employees, especially the System employees. The Faculty Senate Chairs and Classified Council Chairs requested the Board to request that the State of Nevada Board of Examiners and the Interim Finance Committee consider a \$2 million annual emergency appropriation to the State health care funds, including both the self-funded plans and health

maintenance organizations.

Interim Chancellor Richardson indicated earlier in the meeting that he has appointed experts within the System to serve on an ad hoc Committee on Health Benefits.

Mr. Graves stated the Board was very sympathetic with this problem, but emphasized that health care is a national problem in the public sector and the private sector.

Vice Chancellor Sparks prepared a statement indicating that NRS 287.044 restricts the amount of State appropriated funds for the payment of employee group health insurance premiums to the "amount specified by law". That amount is currently set at \$213.75 per employee for FY 1994 and \$226.50 for FY 1995. In addition, NRS 298.044 states, "if an Officer or employee chooses to cover his dependents, when this option is made available by the committee on benefits, he must pay the difference between the amount of the premium or contribution for the coverage for himself and his dependents and the amount paid by the State." Therefore, the emergency allocation that has been suggested may not be used to pay for group insurance premiums for dependent coverage.

Mr. Graves stated he did not feel comfortable approaching the Interim Finance Committee because of the information provided by Vice Chancellor Sparks.

Mrs. Berkley disagreed and felt the Board should approach the Interim Finance Committee for the allocation of \$2 million per year for two years for the State's health plan. She stated that this issue is a legislative issue, and felt the Legislative Liaison Committee should be addressing this specific issue.

Mrs. Gallagher stated that many health care issues will be addressed nationwide and there may be a great shift from health care as it is known now to a limited and greatly changed health care system.

Mr. Klaich agreed with Mr. Graves' comments. The Board of Regents does support its employees: however, by making such a request it is producing illusion for the employees' because it cannot be attained.

Dr. Hammargren stated that he requested this item be placed on the supplemental agenda and supports the request by

Faculty Senate Chairs and Classified Council Chairs. He requested that he be informed when the ad hoc Committee on Health Benefits would be meeting. Mr. Graves suggested that the ad hoc Committee on Health Benefits forward its recommendations to the Board for consideration.

Ms. Candace Kant, NFA President, informed the Board that employees have been surveyed and NFA endorses the request posed by the Faculty Senate and Classified Council Chairs.

Interim Chancellor Richardson suggested that the Board look at this crisis issue in terms of other System priorities.

If the Board were given \$4 million, would they allocate this money for employee health insurance? He felt that the request is illegal and in vain. The proper request is to ask the Governor to call for a special session of the Legislature to address this issue and have the Legislature vote on the issue. He did not want the System to appear foolish if they were to approach the Interim Finance Committee in this manner.

Dr. Derby stated she agreed with all that was being stated; however, she leaned more towards sending a message to the employees. She does care about the employees, but indicat-

ed that this was not her highest priority. It is a very difficult issue.

Mr. Graves moved approval, in lieu of the facts presented, to direct the ad hoc Committee on Health Benefits to submit recommendations to the Board and defer this issue until the October Board of Regents' meeting for action. Mrs. Gallagher seconded.

UNR Faculty Senate Chairman Phil Boardman stated that this issue is more pressing than indicated. He suggested that the Board of Regents unanimously approach the Governor with a proposal on this issue. It was his understanding that the ad hoc Committee on Health Benefits will be addressing a long-range strategy for the System, and will not be able to solve the immediate problem within the next three weeks.

Dr. Hammargren moved approval to ask the Governor to evaluate this issue and suggest to the Governor that he request the Interim Finance Committee to consider the Faculty Senate and Classified Council Chairs' recommendations, and request the Governor to respond back to the Board of Regents. Motion failed due to lack of a second.

President Gwaltney supported the concept to challenge the various bodies and suggested that they be invited to join UCCSN in finding a solution to this problem.

Mr. Graves withdrew the original motion. Mrs. Gallagher withdrew the second.

After a discussion on what was to be included in the resolution, it was suggested that a strong letter be forwarded to the Governor along with the resolution.

Mr. Klaich moved approval of the Board of Regents to authorize the Chairman of the Board and the Chancellor to draft and forward a letter to the Governor and appropriate legislative leadership a resolution expressing our deep concern regarding the underfunding of health care in the State and the serious negative impact on the health and security of UCCSN employees. The Board of Regents urges them to do everything in their power to find both long and short term solutions to this crisis including the infusion of funds from Interim Finance Committee to the State insurance fund if possible. Mrs. Gallagher seconded. Motion carried.

President Gwaltney introduced Mrs. Marsha Lindeken, Assistant to

the President.

The open meeting recessed at 11:55 P.M. and reconved at 1:00 P.M. Thursday, September 10, 1993, with all Regents present except Regents Foley, Hammargren and Whitley.

21. Information: Qualifications, Position of Chancellor

In accordance with discussions held at previous Board of Regents' meetings, Ref. G, filed in the Regents' Office, contained a proposed set of qualifications for the position of Chancellor. A proposed position announcement was also included.

Mr. Doug Burris, Director of Community College Affairs, reviewed the proposed 17 qualifications, and indicated that there are 3 items under educational credentials. Staff preference is for item 15, although the choice has been left to the Board. He explained that this document is for internal use, although occasionally a candidate will request a detailed job description of qualifications. It is also a very important document for use during review of applications and in the interview process.

Dr. Derby asked that something similar to "demonstrated ability to work with the governing Board in an effective way" be added. (3)

Discussion ensued on the educational credentials. Staff recommendation of item 15 was explained as 1) allowing a larger applicant pool; 2) the Presidents had earlier related that a Ph. D. was not necessary, that the competence, experience and respect was much more important; and, 3) few institutions today list "earned doctorate" in their advertisements. It was explained that a "terminal degree" means the highest degree available in the person's discipline; i. e., Master of Fine Arts, J. D. in law, etc. It was pointed out that under affirmative action, if the position announcement is limiting in the area of a degree, and during the search someone without the earned degree becomes available, then that person could not be considered.

22. Approved Handbook Change, Regents' Professor

The current policy for Regents' Professor calls for the costs to be borne by the Board of Regents. The following Handbook change, Title 4, Chapter 3, Section 12, Presidential Transition, is requested:

6. To the extent practicable, and where not inconsistent with the individual's assigned teaching duties at the institution, the costs and salary and fringe benefits of Regents' Professorships shall be borne by the UCCSN institutions. The costs and salary and fringe benefits for the Chancellor's Regents' Professor shall be borne by the Board of Regents.

After reviewing the potential fiscal liability for this policy, the Chancellor's Office and the Presidents recommend that the costs for the Presidents' Regents Professor should be borne by the Campuses and that the costs of the Chancellor's Regents' Professor should be borne by the Board of Regents. Vice Chancellor Sparks reported that currently the potential fiscal liability for the Board of Regents would be excess of \$1 million for Chancellor and the Presidents.

Mr. Klaich suggested that the entire policy be disbanded. However, Chairman Eardley reminded the Board that this policy was recommended by a committee, Chaired by President Crowley, and the Board of Regents approved the policy. President Crowley stated that the committee reviewed the

leave policy and the job separation policy for Presidents.

The committee originally viewed this policy as the institution's responsibility. The current policy contends with the President's leave at separation and a salary step down if the President should return to the classroom, which tenure does not address.

Mrs. Price indicated that while in attendance at the Association of Governing Board's meeting, she heard that this type of policy gives job security to the President and Chancellor and the policy should be discontinued.

President Crowley stated he was offended by Mrs. Price's remarks. It usually is not a bad circumstance to have a former President on the Campus, and that at times it is much more difficult to have a Dean step down without tenure. This is a very important policy for the Board of Regents to maintain.

Mrs. Gallagher moved approval of the Handbook change regarding Regents' Professor. Mr. Graves seconded. Motion carried.

Approved a 5-year lease between Las Vegas Major League Sports, Inc. (a member of the Canadian Football League) and the Sam Boyd Silver Bowl at UNLV.

The season will begin in June 1994 and run through November.

The lease would be a 5-year agreement with a 5-year option.

The Canadian Football League is expanding into this country with expectations of 9 teams in the United States by 1996.

One of these 9 teams is to be located in Las Vegas and has the potential to net nearly \$1 million per year.

The owner, Nick Mileti, has a very strong background in major league sports having owned the Cleveland Indians and the Cleveland Cavaliers. His financial involvement is already guaranteed at \$6 million dollars which will help ensure viability of the franchise for at least the next 3 years.

This lease arrangement will provide UNLV the potential which this major tenant will offer to continue its goal of maintaining self-sustaining facilities.

President Maxson introduced Mr. Pat Christenson, Director

of Thomas Mack Center and Sam Boyd Silver Bowl.

Mrs. Price stated that she had a problem voting on this matter without seeing the lease agreement. General Counsel Klasic furnished her the lease agreement.

Regents Gallagher and Price left the meeting.

The item is continued after item 24.

24. Approved the Construction of a Building, UNLV

Granted permission to build a satellite food service building, approximately 1200 sq. ft., with a construction cost of \$140,000 on the UNLV Campus. The funds will be provided by the Moyer Student Union reserves, such as student fees, bookstore revenue, and food service revenue.

This building will also require approval by the Interim Finance Committee and the State Public Works Board.

This facility, requested by students and faculty, will provide a fast food area across Campus from the Student Union.

Mrs. Sparks moved approval of the construction of a satellite food service building on the UNLV Campus. Mrs. Berkley seconded. Motion carried.

ASTM President Don Isler introduced David Mosley, ASTM Vice President, and Kathleen Chapman, outstanding student.

Regents Gallagher and Price returned to the meeting.

23. Approved Lease, Sam Boyd Silver Bowl, UNLV (continued)

Mr. Klaich moved approval of the 5-year lease between Las Vegas Major League Sports, Inc. and UNLV. Mrs. Sparks seconded.

Mr. Klaich stated that as a Regent, he is not obligated to read lease agreements and will resist the movement of members of the Board having to review every lease agreement.

Mr. Graves and Mrs. Price directed the Chancellor to ensure that Board members receive lease and contract agreements prior to consideration at a Board meeting.

Upon questioning, Mr. Christenson clarified that a \$50,000

up-front deposit would be made by Las Vegas Major League Sports, Inc. and that regular payment would be made after each game to the University.

Mrs. Sparks agreed with Mr. Klaich and added that staff is hired to review these documents prior to the Board's approval. She stated that copies could be made available upon request by a Regent, but it is not the Board's obligation to micro-manage and tell staff how to perform their duties.

Interim Chancellor Richardson cautioned the Board members by stating that he signs 5-15 contracts per day each day of the week on behalf of the Board of Regents. This particular item was placed on the agenda because he felt the Board of Regents should be made aware of the proposal. He stated that if the Board is uncomfortable with its staff's recommendation, then they should hire other staff.

Mrs. Price agreed with Mrs. Sparks; however, if a lease agreement or contract comes before the Board of Regents, she felt that the members should review the documentation prior to approval. Dr. Derby felt that it was not wrong for members of the Board to receive more information.

Interim Chancellor Richardson stated his frustration in that the Board of Regents and the Chancellor and staff needs to know the ground rules in which to work.

There was further discussion on whether Regents should review all contracts and it was determined that if an item appears on the agenda concerning contracts or leases Board members should call staff if they wish to review documentation.

Motion carried. Mrs. Price abstained.

25. Approved Lease, CCSN

Approved CCSN to enter into a 5-year lease, with an option for renewal, with the Bureau of Land Management, for 80 acres located in Laughlin, for the purpose of developing a Community College.

Mount Diablo Meridian

T. 32 S. R. 66E, Sec. 15; N1/2 NW1/4

The rental fee per annum is \$20. This lease falls under

the Recreation and Public Purposes Act of June 14, 1926 as amended. \$25,920 off-site mitigation fee is to be paid to BLC by CCSN before surface disturbance of site to be deposited into the Desert Tortoise Habitat Conservation Fund administered by Clark County.

Mr. Graves moved approval of the 5-year lease between the Bureau of Land Management and CCSN for the purpose of developing a Community College in Laughlin. Mrs. Gallagher seconded.

President Meacham stated that this project is included in the Physical Master Plan for CCSN. CCSN is currently leasing space in Laughlin from the local school district and this property site is the last possible land that CCSN can obtain from BLM.

Mrs. Price requested an agenda item to address the extended Campus policy. Chairman Eardley stated that it was previously requested that the "Tadlock Report" be sent to each member of the Board for its review. Interim Chancellor Richardson indicated that this issue is still under review by the Council of Presidents.

Motion carried.

26. Approved Handbook Change, Retirement Benefits for Resident
Physicians, UNR

Approved Handbook changes, Title 4, Chapter 7, Section 4,
Benefits - Resident Physicians, as contained in Ref. H,
filed in the Regents' Office.

The School of Medicine would like to enhance the benefits
package for its resident physicians by allowing them to
participate in a retirement plan through either TIAA/CREF
or VALIC.

Interim Chancellor Richardson recommended approval, except
for Section 4.3, which provides for payment of dependents
health insurance. This item would require further study
in light of current UCCSN health care benefit problems and
discussions.

President Crowley indicated that it would be difficult to
hire resident physicians without this benefit.

Mrs. Gallagher moved approval of the Handbook change re-

garding retirement benefits for resident physicians at UNR with the exception of Section 4.3 which is to be reviewed and brought back to the Board in October. Dr. Derby seconded. Motion carried.

27. Report and Recommendations of the Academic, Research and Student Affairs Committee

A report and recommendations of the Academic Research and Student Affairs Committee meeting, held September 9, 1993, were made by Regent Dorothy Gallagher, Chairman.

(1) Approved Handbook changes, Title 4, Chapter 14, Section 9, Guidelines for Educational Telecommunications, as contained in Ref. ARS-1a, with the exception of item 7 (a), (b), and (c). The reference material is filed in the Regents' Office.

Interim Chancellor Richardson informed the Committee that item 7 of the proposed Handbook changes has become a controversial issue and requested that the Chancellor's staff conduct further review during the academic year and report back to the Committee on the impact of Campus program level for educational tele-

communications. A lengthy discussed ensued.

With regard to item 8 of the proposed Handbook changes, Chairman Gallagher emphatically stated that she did not support the division line throughout the State of Nevada between the north and south for the 2 Universities. She felt that with cooperative agreements between UNR and UNLV, the two Universities would be able to serve the entire State. She requested that the item be reviewed and deleted from the proposed language.

Interim Chancellor Richardson explained that the proposed Handbook change allows for cooperative agreements between all the institutions in the introductory paragraph, which reads "...prior consultation and agreement must be obtained for a Campus to offer a course outside of its service area". He further explained that the geographical service area demarcation permits the institutions to offer courses without consulting with the other institutions. Interim Chancellor Richardson informed the Committee that the Handbook policy has been updated by a Systemwide Committee to reflect the use of the UCCSN Interactive Video Network for in-

structional purposes and the Academic Affairs Council has agreed with this policy.

Interim Chancellor Richardson indicated that there is not a Board of Regents' policy that addresses continuing education throughout the State, and felt that this proposed policy could be utilized in developing a policy. Chairman Gallagher requested that continuing education policy be addressed at a later date.

Mrs. Sparks questioned at what level the consultation and agreement would be reached and President Maxson explained the Dean of Continuing Education would consult with the Vice President of Academic Affairs and if an agreement could not be reached at that level, then it would be brought before the President. He stressed that every effort would be made to reach an agreement at the Dean and Vice President level.

President Crowley agreed with President Maxson and stated that cooperative agreements have been made between institutions in the past and have never reached the President's level for resolution. President Maxson added that a UNR course has never been

turned down by UNLV and vice versa.

Upon questioning, Interim Chancellor Richardson explained that the System Administration Office should not be involved in the consultation and agreement between institutions. The institutions conduct surveys of clientele in different disciplines and base their services on the income brought forth by the clientele. Interim Chancellor Richardson stated that the proposed recommendations related to the operation and support of the Network recommend that the institutions submit reports to the System Administration Office which will provide a summary report to the Board of Regents. He stated that the institutions will identify the shortfalls and would be reflected in the budget process that is developed at the institution level.

The Community College Presidents were questioned whether they were in agreement with item 8, and they all responded that they supported the demarcation of the service areas and the language that provides consultation and agreement.

In addition, the Committee recommended approval and

that the item be forwarded to the Board of Regents for consideration to accept the recommendations related to the operation and support of the Network, as contained in Ref. ARS-1b, with Option B to include the language "By the December 1993 Board of Regents' meeting, the institution offering courses shall report on the charge structure and request approval of fees to be charged for Spring 1994 and the Academic Year 1994-95". The reference material is filed in the Regents' Office.

The recommendations have been developed to address scheduling of facilities and funding alternatives.

Interim Chancellor Richardson explained the proposed recommendations and pointed out that this proposal is not a policy for the Board of Regents' Handbook, but issues that have been developed to address scheduling of facilities, faculty development, UCCSN summary report, accreditation, and funding alternatives.

In discussing the schedule, Mrs. Price questioned the use by State government/commercial. Interim Chancellor Richardson explained that commercial use is scheduled

for those businesses that have specific certification requirements and time would be sold to those businesses for teaching the courses. A short-term contract may be issued for such practices.

Dr. Derby questioned why the Community Colleges were not addressed under "Faculty Development", and Interim Chancellor Richardson explained that UNR is developing expertise in instructing users of equipment throughout the System. It is expected that the Community Colleges will develop expertise in this area and will offer faculty development in the future.

Interim Chancellor Richardson explained that the operation of the Interactive Video Network may become part of the State-supported UCCSN base budget; however, in the interim he requested the Committee to choose one of the options presented in the reference material.

He strongly recommended Option B which states that students enrolling in a distance education course pay the same credit hour fees as established for on-campus courses, plus a variable delivery charge, depending upon the cost of the program. The variable delivery charge is based on the supply and demand for the course

and the institutions will have to balance the charges.

NNCC Dean of Instruction Bill Bonaudi stated that NNCC has made a very rough estimate that it will cost \$200 per course, and that WNCC has indicated that it would probably cost their institution approximately \$200-300 per course due to rental space. UNR Vice President Bob Hoover stated that the delivery cost should include \$11-12 per hour for a technician to work the equipment. President Maxson stated that he was opposed to Option A which would tax all students for a few users. He felt that the fee would be less expensive in time from savings on instructors traveling to the rural areas. The cost should decrease as the use increases.

Mrs. Price did not feel that students should be charged because the student does not have personal contact with the instructor. It is not the problem of the student that the equipment costs money to operate and maintain. She requested actual amounts be presented prior to the vote by the Board.

Chairman Gallagher stated that it was her impression

that this would be an actual savings to students and that they are amenable to a fee.

President Crowley stated that it would be difficult to impose these additional costs on the institutions. He indicated that there are not many telecommunications courses because the Departments cannot incur the costs.

Dr. Derby agreed that it is difficult to vote on this issue without any indication of what the delivery costs are going to be for the students. Chairman Gallagher agreed, but encouraged the Committee to allow the institutions to forge ahead until actual figures are presented.

WNCC Vice President Lorrie Peterson stated that Nevada does not have a track record because this is a very new technology. She explained how WNCC arrived at the \$200-300 per course figure. She did not feel that the rural students should be the only ones subject to an increase in fee, but that the costs be absorbed by the entire student body.

Mrs. Berkley stated that her constituents would be

those subject to absorb the costs for rural students and she was not prepared to make that decision at this time.

Interim Chancellor Richardson suggested to the Committee that it accept his recommendation to include Option B and that student fees be addressed in more detail by the Council of Presidents and the Academic Affairs Council.

Upon questioning, Interim Chancellor Richardson explained that if a telecommunications course is a new program for the institution, then it will come before the Committee for consideration; otherwise, if it is a current course it will not come before the Committee.

Dr. Eardley questioned whether the Capital Improvement Fee is assessed for off-campus courses, and UNLV Dean of Continuing Education Paul Aizley responded that per credit fees are the same as on-campus courses; however, the distribution of the fee for off-campus courses remains with continuing education as a self-funded program. Chairman Gallagher suggested that the Capital Improvement Fee collected from students could be ap-

plied to expanding the telecommunications equipment.

Vice Chancellor Ron Sparks informed the Committee that Presidents have the authority to approve up to \$50 for special course fees, above \$50 must come before the Board of Regents for approval.

Mr. Graves suggested that language be included to limit the amount charged the student for the delivery fee. This is a very important program that needs to be implemented immediately.

Mr. Klaich stated that the receiving and delivery institutions must agree on the fees prior to the delivery of the course.

President Calabro suggested that the fee be treated as a special course fee and if the fee is determined to be over \$50 then it will come before the Board of Regents for consideration.

Discussion continued on the reporting of fees since this Fall is the very first semester for offering telecommunication courses throughout the System.

Mrs. Gallagher moved to adopt the Handbook changes regarding Guidelines for Education Telecommunications, with the exception of item 7, and the recommendations related to the operation and support of the Network with Option B to include the language "By the December 1993 Board of Regents' meeting, the institution offering courses shall report on the charge structure and request approval of fees to be charged for Spring 1994 and the Academic Year 1994-95." Mrs. Sparks seconded. Motion carried. Mrs. Price voted no.

- (2) Approved a name change for the Geriatric and Gerontology Center to the Graham and Jean Sanford Center for Aging at UNR, to commemorate a gift by Jean Sanford. Ref. ARS-2 is filed in the Regents' Office.

The Interdisciplinary Center, which currently is supported through State funds, grants and gifts, will expand activities as a result of the Sanford Gerontology Endowment. This will include additional personnel, research "seed" money, scholarships, and a speakers' series. No additional State funds are requested.

Mrs. Price commended the program; however, she was concerned with the process in which the gift was given to the University. President Crowley explained that the bequest from the Sanford family was bestowed to the UNR Foundation, which in turn gifted the funds to the University for this restricted purpose. Upon further questioning, President Crowley explained that there is no assessment in handling the funds, such as there would be when handling indirect costs from federal agencies.

Mrs. Gallagher moved approval of the name change to the Graham and Jean Sanford Center for Aging at UNR.

Mr. Klaich seconded. Motion carried.

- (3) Approved a change in the title for the position of Vice Chancellor for Academic Affairs to Vice Chancellor for Academic and Student Affairs.

At present there is no focal point within the Chancellor's Office for reviewing matters directly affecting student life, for conducting research on issues which directly bear on students, and for coordinating the Office's activities with Campus Vice Presidents

for Student Affairs, the Student Affairs Council, and student government representatives. Somewhat by default, responsibility for dealing with student-related issues at the System level has gravitated toward academic affairs staff in the Chancellor's office. However, there has not been a clear designation by either the Board of Regents or the Chancellor that academic affairs staff are expected to assume such a responsibility.

Board staff and the Vice Presidents for Student Affairs are of the view that the Board of Regents will need to devote greater attention to student-related issues in the future given the changing nature of American higher education and the clientele it serves. For example, such issues as student financial aid, compliance with the American Disabilities Act, programs for minority students, the changing nature of the composition of the student body, and enrollment management are all likely to play a more significant role in the institutions' fulfillment of their educational mission.

The proposed title change has been thoroughly discussed with the members of the Student Affairs Council and it

is endorsed by the members of that body.

There is no additional cost associated with the proposed change.

Mrs. Sparks questioned whether "Research" should be included in the title for the Vice Chancellor. Chairman Gallagher stated that the 3 Councils (Academic Affairs Council, Student Affairs Council, and Research Affairs Council) will now report to this Committee.

Interim Chancellor Richardson added that the 3 Councils do inter-relate and report through the Vice Chancellor and to one Board of Regents' Committee. Research is an academic matter and is encompassed within the title change.

Mrs. Gallagher moved approval of the title change to Vice Chancellor for Academic and Student Affairs.

Mr. Klaich seconded. Motion carried.

- (4) New Business - Chairman Gallagher stated that she has met with the Academic Affairs Council, the Research Affairs Council, and the Student Affairs Council and has requested that each Council discuss its parameters

with the Committee at a future meeting. Each Council will address issues of concern at each Committee meeting.

Mrs. Gallagher left the meeting.

28. Report and Recommendations of the Audit Committee

A report and recommendations of the Audit Committee meetings held August 16 and September 2, 1993 were made by Regent Nancy Price, Chairman.

August 16, 1993

(1) Chairman Price requested an orientation session for the Audit Committee members. The theme of the orientation was "Where money and responsibility come from". Chairman Price indicated that this meeting will be video taped and later edited and made available for any new member to the Audit Committee to review. Chairman Price read the following excerpt from the Board of Regents' Bylaws, Title 1, Article IV, Section 3:

The Audit Committee shall:

- a) review and evaluate internal audit reports;

- b) recommend to the Board independent certified public accountants to audit the financial books and records of the University and Community College System of Nevada and review and evaluate the reports of such independent certified public accountants;

- c) formulate and make recommendations to the Board for policies necessary for the enforcement of sound accounting and auditing practices; and,

- d) make such recommendations to the Board as it deems necessary for the correction of deficiencies in management practices discovered by audit reports.

Chairman Price stated that the success of the Audit Committee depends strongly on the internal auditing staff, which is understaffed at this time.

Chairman Price invited the following persons to make presentations:

Barbara Hardman, Howard Consulting Group, who offered information regarding Information Systems Auditing; internal and external auditors' responsibilities; differences between an operational audit, a technology audit, and a financial audit; code of ethics for internal auditors; and Institute of Internal Auditors.

Mike Lloyd, Deloitte & Touche, who introduced Dennis Gauger. Mr. Gauger is the engagement partner with the University and has served the University during the last 4 years. Mr. Gauger stated that the external auditors meet with the Audit Committee several times throughout the year. The internal auditors coordinate the external auditors which keeps the hours and costs down for UCCSN. He stated that auditors contribute to the management of the System. External auditors see that fairness of statements is maintained and that the System satisfies the Compliance Act of 1984 (financial assistant program).

Mr. Lloyd stated that his role at Deloitte & Touche is to oversee the entire audit and reporting process.

The Audit Committee relies on the internal and external auditors regarding changes of control, compliance and adequacy. Committee members do not need to know the details, but must understand the conclusions and recommendations made by the auditors. The Audit Committee should understand the issues and what affects the financial statements. The Audit Committee has an oversight function and must be able to ask the right questions to discharge the duties. The Audit Committee must understand decision making process between personnel management and the Board of Regents. The Committee should not be a part of management's decision making process, because it intrudes into managing of the institutions. The Committee should devote time to educating the members of the Committee. By working closely with the internal and external auditors, the Audit Committee will be able to enhance accountability throughout the System.

Mrs. Whitley stated that the external auditors have been reluctant in reporting on control mechanisms.

Mr. Gauger stated that the management letters sub-

mitted to the Committee contain recommendations to this effect. However, the role of the external auditors is to evaluate the controls of financial statements and compliance with the federal financial assistance program.

Gary Crews, Legislative Counsel Bureau, discussed management's responsibility and indicated that management's key role is "accountability". Due to the lack of funding throughout the State of Nevada, accountability is becoming more and more important.

Upon questioning, Mr. Crews rendered an opinion by stating that the ultimate authority is the policy setting board, which in this case is the Board of Regents. He stated that the Audit Committee serves as a buffer between the auditing staff and the Board of Regents.

Mike Lloyd also serves on the UNLV Foundation and reported on the Foundation's function.

Don Hataway, State Budget Office, reported that the State Budget Division has performed a pre-audit on the two Business Centers from 1986 to 1992 and has

submitted a report to the Chancellor's Office. The Budget Division has requested that its recommendation be addressed. He stated that he was extremely confident with the Chancellor's Office staff and remains in contact with them several times a year.

Vice Chancellor Sparks indicated that once the recommendations from the pre-audit have been addressed, it will be reported to the Audit Committee.

Upon questioning, Vice Chancellor Sparks indicated that there are 5 State-paid UCCSN auditors. Vice Chancellor Sparks stated that the Chancellor's Office feels that it is extremely important to maintain credibility with the State Budget Office and that the controls are in place and the budget is maintained.

Darrel Daines, State Controller's Office, discussed the State's bonding capacity and the various kinds of bonds.

Mary Sanada, State Controller's Office, discussed the sources of revenue from the Legislature, student fees, and bonds issued.

Jenny Frayer, UNR Foundation, stated that the foundations are audited by external auditors and a report is submitted to the members of the corporation on an annual basis.

Ms. Frayer introduced Ms. Laurie Mc Nulty, UNR Foundation Controller, who reported on the auditing process in which the foundations comply on an annual basis.

Frank Daykin, Legislative Counsel (retired), reviewed the Nevada Constitution, Section 4, Article II, with regard to the Board of Regents. He stated that the Board's power and duty are authorized by the Constitution; however, the Legislature has power to prescribe additional duties and allocate funds. He discussed the Morrill Act and its constitutionality.

Ron Sparks, University & Community College System of Nevada, briefly highlighted the budget process. He has been directed to give a budget orientation to the full Board at a later date.

John Love, University & Community College System of

Nevada, introduced Mr. Mark Nash, Internal Auditor,
and informed the Committee of the additional UCCSN
Internal Audit staff.

Chairman Price thanked everyone in attendance and
stated that the Audit Committee meetings are open to
the public and invited anyone to attend. She thanked
WNCC President Anthony Calabro for the use of the
video conference equipment at the WNCC Campus and
thanked Dave Dales, Tim Hunt and Don Zitter for their
help in coordinating the meeting through video con-
ference equipment.

September 2, 1993

Chairman Price informed the Committee that Regent Daniel
Klaich has requested to be removed from the Audit Committee
and that the Chairman of the Board, James Eardley, will con-
firm this request and reappoint a member to the Committee.

(1) Information Only: Pre-Audit Planning Conference -

Acting Director of Internal Audit John Love introduced
representatives from Deloitte & Touche, Bill Hartman,
Dennis Gauger, and Laura Humberger, who discussed the

pre-audit planning conference for the June 30, 1993

financial statements.

Mr. Gauger indicated that representatives have met with the controllers of the various institutions to discuss the audit fieldwork schedule and the timetable of issuance of the required reports from the external auditors. They are all in agreement with the Financial Statement Audit Timetable, which is filed in the Regents' Office. Ms. Humberger explained the timetable and that the Consolidated Financial Statements and Independent Auditors Report will be completed by November 1, 1993, and the Individual Institutions Financial Statements and Independent Auditors Report will be completed by December 1, 1993.

Chairman Price requested Mr. Gauger to review the scope of the external audit. He explained that the first responsibility is to conduct an audit of the financial statements in accordance with the Generally Accepted Audit Procedures. Management letters will be compiled for the consolidated audit and the individual audits, and will include recommendations on their findings.

The second responsibility is to conduct a Compliance Audit for the federal financial assistant programs.

The external auditors will render an opinion in accordance and make recommendations for improper controls.

In addition, Mr. Gauger reported that the external auditors will conduct two additional audits, 1) audits on bonds from the revenue from student fees; and 2) NCAA audit report. Upon questioning, he indicated that the audits encompass all funds which the UCCSN receives, including federal and State funds, and reminded the Committee that foundation audits are separate. Acting Internal Audit Director Love indicated that the scope and fees for the NCAA audit are still being negotiated with Deloitte & Touche.

Mr. Gauger stated that Congress has re-instituted the Higher Education Act of 1965 with new auditing requirements for aid to athletes. It requires more information on athletic programs. The HEA does not specifically state when the audit process should begin nor the full scope of the audit and Mr. Gauger

is requesting clarification.

Chairman Price emphasized the importance of the Board of Regents' agreement to follow NCAA rules and regulations.

Chairman Price indicated that the Audit Committee must make it clear on what it expects from the audits and that the rules and regulations of NCAA should be adhered to at all times.

Mr. Gauger stated that he interpreted the HEA to include booster and foundation activities which are consistent with the NCAA recommendations. The audit report will be submitted to the Department of Education and then made available to the public.

Acting Internal Audit Director Love requested the Committee to consider a 1-year extension of Deloitte & Touche contract as per agreement at the August 26, 1992 Board of Regents Audit Committee meeting. Chairman Price stated that since the item was noticed as an "Information" item, action could not be taken at this time. However, she will request approval by

the full Board at its September 9-10, 1993 meeting.

Clarification on Prior Discussions -

A. Acting Internal Audit Director John Love stated

that during a prior Audit Committee meeting a

question was raised regarding the Chairman of

Departments receiving additional compensation.

Senior Vice President John Unrue, UNLV, explained

that UNLV has "Distinguished Chair" positions,

which allow exceptional senior faculty to occupy

and receive a salary enhancement. The salary

enhancements are gifted to the various Colleges

by donors who specifically designated their gift

to the "Distinguished Chair" position, then a

person is assigned to fill the position.

It was explained that "Department Chairpersons"

are placed on "B" contracts and at some institu-

tions the Chairperson's teaching workload is re-

duced and/or an increase in compensation is is-

sued for the extra responsibility. In the past,

UNLV issued two separate contracts, one for the

employment of the person and another contract for

the salary enhancement. Currently, only one contract is issued with two separate account numbers.

Dr. Eardley suggested that Vice Chancellor Sparks and the various Campuses discuss the issuance of contracts with Chairman Price. Chairman Price stated that the ad hoc Compensation Study Committee will address this issue.

B. Acting Internal Audit Director John Love stated that during a prior Audit Committee meeting a question was raised regarding the insurance for volunteer workers, part-time workers, and intern students. Executive Assistant to the Vice President for Finance Mike Sauer, UNLV, explained that students are not covered by workman's compensation; however, volunteers are covered by SIIS.

The UNLV Hotel Administration College requests that employers of student interns provide insurance. Nursing students must have their own liability insurance. Chairman Price requested additional information be included in the contracts and to have the employers assure the University that the student interns are covered by insurance.

(2) Acting Director of Internal Audit John Love presented the audit of the WNCC Community Services, July 1, 1992 through March 31, 1993. The report is filed in the Regents' Office.

Chairman Price introduced Dr. Dale Rogers, Director of the Center for Logistics Management at UNR. She invited Dr. Rogers to partake in the discussions regarding inventory and how it can be improved throughout the System.

(3) Acting Director of Internal Audit John Love presented the audit of the UNLV Academic Advancement, September 30, 1991 through August 31, 1992. The report is filed in the Regents' Office.

Mrs. Sparks moved approval of the audit report and recommendations of the UNLV Academic Advancement. Dr. Eardley seconded.

Chairman Price questioned whether each individual entity has its own procedures manual, and it was stated that each institution has its own procedures manual or are in the process of developing one, and that the

individual entities may, at their own choosing, develop a specific procedures manual.

(4) Acting Director of Internal Audit John Love presented the audit of the UNLV Department of Public Safety, January 1 through December 31, 1992. The report is filed in the Regents' Office.

(5) Information Only: Follow-Up Audit Report and Recommendations, Scholarships, NNCC - Acting Director of Internal Audit John Love presented the follow-up audit of NNCC Scholarship, July 1, 1991 through June 30, 1992. The report is filed in the Regents' Office.

Mr. Love indicated that the Board of Regents' policy states "The Foundations are precluded from making direct expenditures on behalf of any UCCSN institution or its employees", and felt that NNCC Scholarship office was in violation of the policy. The Scholarship office stated that they believed the current procedure is proper, and asked for a legal opinion from UCCSN General Counsel. General Counsel Klasic issued a written opinion that a scholarship paid by the NNCC Foundation was not a direct payment for the

benefit of the NNCC, and did not violate the Board of Regents' policy.

Chairman Price stated that she would be speaking with General Counsel Klasic on this matter for further clarification prior to the athletic audits.

(6) Information Only: Follow-Up Audit Report and Recommendations, Community Education, NNCC - Acting Director of Internal Audit John Love presented the follow-up audit of the NNCC Community Education, July 1, 1991 through June 30, 1992. The report is filed in the Regents' Office.

(7) Information Only: Follow-Up Audit Report and Recommendations, Campus Recreation, UNLV - Acting Director of Internal Audit John Love presented the follow-up audit of UNLV Campus Recreation, July 1, 1991 through June 30, 1992. The report is filed in the Regents' Office.

Mr. Jeffrey Wells, Assistant Director of Student Activities at UNLV, stated that the Campus Recreation program has extensive inventory. When he assumed the

position the inventory was scattered throughout the Campus. He has since then attempted to reconcile each piece of equipment. Upon questioning, he replied that the procedures manual should be completed by the end of the academic year.

(8) Information Only: Follow-Up Audit Report and Recommendations, Associated Students of the University of Nevada, Reno, School of Medicine, UNR - Acting Director of Internal Audit John Love presented the follow-up audit of UNR Associated Students of the University of Nevada, School of Medicine, July 1, 1991 through June 30, 1992. The report is filed in the Regents' Office.

(9) Information Only: Follow-Up Audit Report and Recommendations, School Refusal Clinic, UNLV - Acting Director of Internal Audit John Love presented the follow-up audit of UNLV School Refusal Clinic, July 1, 1991 through December 31, 1992. The report is filed in the Regents' Office.

Clarification on Prior Discussions -

C. Chairman Price requested clarification of the difference between Thomas and Mack Center and Lawlor Events Center temporary employees.

Mr. Mike Sauer, Executive Assistant to Vice President of Finance and Administration at UNLV, stated that temporary employees are placed on an employment contract for the duration of the event.

Mr. Tom Judy, Assistant Vice President and Controller at UNR, stated that temporary employees are classified as casual labor and serve a limited number of hours without a specific time frame.

(10) Information Only: Round-Table Discussion on Controls of Equipment Inventory System-Wide - Acting Director of Internal Audit John Love led the discussion on controls of equipment inventory both for Business Center North and South.

Mr. Love informed the Committee that in accordance with NRS 396.436, the Board of Regents shall cause perpetual inventory records and controls to be maintained. On July 22 he met with purchasing personnel

and controllers to discuss equipment inventory. He highlighted the inventory controls for Business Center North (BCN) and Business Center South (BCS), as follows:

Business Center North

1) Reviewed annually by the Office of Naval Research.

The audit revealed that their system meets all federal accountability requirements. Report says that BCN needs additional staff.

2) Staff in the Controller's office will review

property accountability and custodianship on an announced basis for randomly selected Departments.

Equipment inventory is on computer records. CUFS July 1992 on and PC based software package prior to that time. The equipment inventory is updated whenever a new purchase is made and whenever BCN disposes of a piece of equipment. Reports are generated when updating is done.

3) BCN relies primarily on annual Departments' self-

audits. In these audits, Department is required to confirm or certify via an authorized departmental signature that they have each inventoried piece of equipment in their possession.

- 4) BCN conducts on-site, wall-to-wall audits when required. When staffing and other duties permit, random site visit audits are conducted using sampling techniques to verify accuracy.

Business Center South

- 1) Records are maintained by the Inventory (Fixed Assets) Section. Responsibility for departmental custodial records lies with the Department Chairman. Each Department must report to the Inventory Section on a continuing basis, all equipment acquired, moved, modified, loaned, traded, disposed of, or the destruction thereof; all equipment stolen will be reported to Campus police.
- 2) An annual departmental listing of inventories equipment will be furnished to all cognizant Departments at the end of the fiscal year. This

report will include only those items of equipment and furniture on hand according to the records of the Inventory Section. Each Department or unit will notify the Inventory Section of any differences between the computer listing and their departmental records. Over 1% shortage will be scheduled for on-site visits.

- 3) At the completion of the Campus-wide inventory, a final shortage list for each College or Department will be compiled and copies sent to President, the College and Department concerned.

Mr. Love made the following recommendations:

- 1) Notification of inventory differences will be accomplished by the departmental Chairman certifying the accuracy of the corrected departmental inventory and forwarding the certified copy to the Fixed Asset Section.
- 2) Community Colleges need Central Receiving.
- 3) A Board of Regents' policy be developed to address

inventory controls.

Dr. Dale Rogers, Director of Logistics Management at UNR, commended BCS for their recent inventory report reflecting that \$150,000 on the shortage list out of a \$60 million inventory over the past 3 years. He cautioned the Committee in that a "cure" may be worse than the disease. The Committee should be careful on what they may change.

Chairman Price stated that she wished to simplify the paperwork and to insure that the current system is in proper order. The public perception needs to be clear and concise. She felt it was important to develop a simple and efficient Board of Regents' policy to reflect accountability in regard to inventory control.

Dr. Eardley stated that the Community Colleges service several different sites and it may be difficult for the institutions to create a central receiving area. He felt it would be costly and delays the inventory from reaching the Departments. The BCN Central Receiving services UNR, the System Administration Office and the UCCSN Computing Center.

Dr. Bill Bonaudi, NNCC Dean of Instruction, stated that NNCC has sites in Ely and Winnemucca. The expensive equipment is received at the Elko Campus and then delivered to the appropriate site, and the smaller inventory is directly received by the site.

Mr. Tom Judy, UNR Assistant Vice President and Controller, informed the Committee that CUFS is in its first year. Equipment is entered into the CUFS upon ordering, not when it is received. A problem lies in tagging the equipment upon receipt.

Mrs. Sparks suggested that the appropriate staff develop recommendations for discussion by the Audit Committee and if approved, brought before the full Board for consideration. Chairman Price directed Mr. Love to coordinate with the institutions and develop recommendations. She invited Dr. Rogers to make any recommendations he feels necessary.

Chairman Price thanked Mr. Rogers for attending the meeting and lending discussion to the inventory control issue.

Mr. Price moved approval of the report and recommendation of the Audit Committee. Mrs. Sparks seconded. Motion carried.

Dr. Hammargren returned to the meeting.

29. Report and Recommendations of the Legislative Liaison Committee

A report and recommendations of the Legislative Liaison Committee meetings, held April 23 and September 9, 1993, were made by Regent Shelley Berkley, Chairman.

April 23, 1993

(1) Update Report on Legislative Activity - Vice Chancellor

Sparks reported that the Senate had passed the bill containing the Governor's request to cut the K-12 budget by \$18 million this year, and would be heard in the Assembly probably on Monday the next week. This action, if passed, would help the System for this current year and for its request on minor repairs, but probably would hurt UCCSN in that it would no longer be first in line for any new revenues the State might acquire.

A strong rumor has it that a promise has been made to K-12 that the \$18 million would be restored with any new monies obtained.

The Governor's reorganization plan probably will be coming from the Legislature, but in a different form, with an approximate cost of \$2 million per year. This, too, would require new State revenue funds.

Vice Chancellor Sparks urged that the System should be lobbying harder to be first in line for any new State revenues that might materialize.

Vice Chancellor Sparks stated that the Governor's plan for prison early release and the closing of several honor camps does not appear to be in favor in the Legislature, and if that comes to pass and the State has to open the new Lovelock prison, the cost will be high. This, too, would require new revenue.

In commenting on the possibility of new State revenues, Vice Chancellor Sparks stated that the Legislative Counsel Bureau projections have been right on target, and there has been no significant discussion for new

funds.

The Governor has also recommended closing the Beatty low-level nuclear dump site, but that, too, is meeting some resistance. If it is kept open, it will produce significant dollars.

It has been rumored that any funds obtained through legislative regulating telemarketing will be targeted for K-12.

President Crowley questioned whether the System should put energy into the question of enrollment growth and the protection of the funding formulas and try to develop promises for being first in line for new funds.

President Maxson suggested that the System would re-activate its contacts with the editorial boards, that the initial response had been very positive in news releases. Vice Chancellor Sparks reminded the Board that it would require \$36 million to restore the Base Budget; \$15 million to restore just the instruction part of the Base Budget. He also reminded the Board that the law would have to be changed if "triggers" were going to be used.

Mr. Graves stated he felt it was most important to have a commitment that the percentage of the State budget for UCCSN would be restored to the 20%. President Meacham stated he was reluctant to have commitments for a future Legislature, but President Maxson stated he felt it would at least give the System a bargaining position for the next session.

Chairman Berkley asked that the Chancellor's Office prepare a letter to be sent to the editorial boards to garner press support. She suggested a meeting be set with the Governor so that the Chairman and Presidents could again request a commitment for first priority on new funding. Further, she felt that there should be a concerned "assault" on the Legislature and asked that Presidents and Regents be present every day.

President Crowley suggested that the Campus legislative networks be activated. Chairman Berkley asked that the Chancellor draft a concise, brief letter that could be used by these groups. President Crowley agreed to meet with the leadership of the Legislature this next week,

prior to any meeting being set. President Gwaltney suggested that the System provide a study, to be done before the next session, on how the System will be a part of the solution to the State's economic development thrust.

Vice Chancellor Sparks stated that a workshop meeting between Senate Finance and Assembly Ways and Means will be held next Tuesday on closing of the UCCSN Budgets.

The Governor had not recommended any funding for the payment of unemployment compensation for the System, which amounts to \$375,000. He stated he felt the Assembly would approve this amount, but was not certain the Senate would do so.

(2) Overview of Legislative Bills Pertaining to UCCSN -

General Counsel Klasic reviewed a number of bills pending in the Legislature.

SB 370 - Administrative Procedures Act. The practical problem with the bill is that the Board would have to go through long bureaucratic procedures before it could make a change to the Board of Regents' Handbook, which contains UCCSN policies and procedures. He reminded

the Board that there are changes made at every Board meeting, but this bill would bring the System to a halt. The legal problem with the bill is the constitutional autonomy for the Board. Under the bill all regulations would have to be approved by the Legislative Commission. General Counsel Klasic and Regent Eardley will testify at the hearing.

A number of open record bills will be heard on Monday. General Counsel Klasic will testify at the hearing.

AB 257 deals with the amount of insurance to be paid for retirement benefits, and is one UCCSN had requested.

AB 343 would require all agencies be required to show cause for termination of an employee after one year.

This would prohibit the 5- and 7- year probationary provisions for tenure within the System. General Counsel Klasic stated there is no objection for the one year provision provided UCCSN could have the bill amended to protect the tenure probationary provision.

General Counsel Klasic, President Crowley and others will testify.

The privatization bill has not been scheduled for hearings, but Thomas and Mack Center and Lawlor Events Center personnel, as well as DRI personnel, will testify.

Senator Nevin's bill on the System Foundations concerns whether the foundation should be subject to the Open Meeting Law. Genral Counsel Klasic stated he felt it would not be conducive to the foundations; however, the foundations could comply with the open records provisions. After discussion it was agreed that the issue should be addressed that the foundations would have open records.

Chairman Berkley suggested the following schedule for Regents to be at the Legislature: Monday - Maddy Graves; Tuesday - Shelley Berkley; Wednesday - Nancy Price; Thursday - Jim Eardley.

President Meacham requested that SB 86 be amended to include Community Colleges.

Concerning the Open Records Law, General Counsel Klasic

stated that all State and local agencies had testified on their opposition to open personnel records to the public.

Dr. James Richardson stated he had testified that additional funds would be necessary for the first year of the biennium for the State contribution for health care for employees. AB 19 is a bill on how health care contributions are being worked on. Dr. Richardson stated his appreciation of the assignment of Mrs. Janet Mac Donald, Deputy Treasurer, to assist in this area. He and Ms. Mac Donald have met with Mrs. Judy Matteucci and staff to discuss a bill draft, and he felt they were very receptive to the suggestions made.

September 9, 1993

(1) Final Report - Chairman Berkley requested a final report on key legislation passed during the 1993 Nevada legislative session, Ref. LL-1 is filed in the Regents' Office.

General Counsel Klasic reported on these measures affecting UCCSN:

AB 402 - student athletes

SB 48 - bill drafts

SB 322 - foundations

SB 314 - name change of UCCSN

SB 447 - surveillance

AB 257 - retirement program

Nevada's Open Meeting Law

In discussing SB 322, Mr. Graves felt that the System could not operate under the conditions stated, and suggested the System consider challenging this legislation.

General Counsel Klasic did point out that the legislation does require members of the corporation (foundations) to hold open meetings, and the Board of Regents who serve as the members of the corporation have already been practicing this mandate. However, the legislation does not mention that members of the Board of Trustees should hold open meetings. General Counsel Klasic also informed the Committee that the UNLV Foundation did not have a problem releasing information to the media, except for maintaining privacy for its

donors.

Chairman Berkley directed General Counsel Klasic to review recent legislation with regard to implications of constitutional authority. Mrs. Gallagher stated that the Legislators may amend the bill if System representatives discuss the issues with them. However, the System must be completely prepared to defend its cause.

Upon questioning, General Counsel Klasic clarified that a quorum of a public body is determined by that public body.

Dr. Jill Derby discussed ACR 23 which urges the State Board of Education, the Board of Regents, and the Board of Trustees of each school district in Nevada to take actions to end gender bias in the educational system. She reported that UCCSN already has been addressing this issue and will continue to do so. (A copy of the legislation is filed in the Regents' Office.)

Vice Chancellor Ron Sparks reported on budgetary leg-

islation affecting UCCSN:

SB 389 - health insurance

AB 20 - per diem

FY '94 Operating Budget

Vice Chancellor Sparks stated while health insurance premiums and per diem rates increased, funds were not appropriated to finance increased costs for 1994-95.

Mrs. Price requested General Counsel Klasic to address the Nevada Revised Statute that deals with members of the Board of Regents not being paid a salary.

In regard to membership on the State Committee on Benefits, it was explained that the Governor appointed former Chancellor Mark Dawson to represent the System, although System representation is not required by law.

Chairman Berkley summarized the effectiveness of the System's representation during the 1993 Nevada legislative session. The initial presentation was excellent and well received. She was very pleased with the "Student Day" and was hopeful that other System organ-

izations would sponsor an informational day for the Legislators. The computer-based program needs much more improvement. However, a letter campaign to 1200 constituents was a great success. The editorial boards were well covered throughout the State by the System. She commended all those persons who represented the System during the session, especially Bob Dickens, UNR, Buster Neel, UNLV, and Jim Richardson, UNR.

(During the regular session of the Board of Regents' meeting, Chairman Berkley recognized Pamela Galloway, Glen Krutz, and Ron Sparks for their efforts during the legislative session.)

For the future, Chairman Berkley stated that she would like to see the System more organized. On August 19, she met with several representatives and discussed how the System could improve its approach to the legislative session. One suggestion was to improve relations with the Governor and the Executive Branch. She will request that the Board of Regents direct Interim Chancellor Richardson to develop a government relations plan, and to include public support in the campaign for higher education. Another suggestion was to uti-

lize the System's own experts in developing a legislative program. Chairman Berkley suggested that the System consider developing its own Political Action Committee (PAC).

Mrs. Berkley moved approval of the report and recommendations of the Legislative Liaison Committee. Mr. Klaich seconded. Motion carried.

Mrs. Gallagher returned to the meeting.

30. Report and Recommendations of the Status of Women Committee

A report and recommendations of the Status of Women Committee meeting, held August 30, 1993, were made by Regent Jill Derby, Chairman.

(1) Review of Pending Issues and Plans for the Future -

Chairman Derby distributed an Assembly Concurrent Resolution No. 23, passed by the 1993 Legislature, which deals with ending gender biases at all levels of education and urges the State Board of Education, State Department of Education, and the Board of Regents to focus on this area. Dr. Derby announced that a number

of System people are members of a Statewide Round Table dealing with this very issue and that she had related to that group the work UCCSN is doing.

Chairman Derby stated she has had comments questioning the mission of the Committee and whether there was an ongoing role for the Committee. She stated she felt this Committee has made a difference on the Campuses and that there has been progressive change taking place.

The Campus committee Chairs expressed their desire for the Regents' Committee to remain active and supportive of the work of the Campus committees. The Chairs related that strong support from the Regents has been vital to the success of the Campus efforts.

Dr. Laura Hammond, UNLV, was introduced as a new Committee member replacing Dr. Isabelle Emerson. Dr. Hammond related that UNLV's committee is addressing policy issues in the area of consensual relationships on Campus. Dr. Crowley related UNR has such a policy and that violations of the policy are ethical violations.

A long discussion ensued on the future role of the Committee. Some of the Committee's accomplishments include:

Establishing a common assessment vehicle which the Campuses can use for future data.

Providing a high-level forum for the issues.

Providing a budget for the dissemination of information across the Campuses and providing networking opportunities.

Suggestions for the future role of the Committee and for future activities included:

Sponsor an annual forum. Campus forums also needed.

Continue Campus committee emphasis. There is a need for more faculty awareness. Should identify and celebrate Campus successes.

Prepare a video which would be required in all classes and Freshman orientation.

All syllabi could contain a statement on sexual harassment; where, how to report.

Require statement of faculty division goals for consideration for merit pay and ratings.

Change name of Committee to include gender equity rather than just women.

Work with public schools to achieve gender equity, since higher education inherits these students.

Ensure that teacher education deals with diversity.

Send letter of support to State Round Table.

Encourage faculty to work gender equity issues into classes. (It has been found students will not attend forums.)

Provide peer counseling for students.

Prepare a statement on values for the adoption by the Board of Regents.

Don't limit the focus to just women; don't exclude anyone.

Develop a "Victim's Bill of Rights".

A draft of recommendations will be forwarded for review by the Committee prior to its October meeting.

Campuses are to report student survey results to Tamela Gorden by October 7, and will report to the Committee at the October 20-21 meeting.

A draft of further UCCSN Code changes was presented from TMCC. These changes were tailored for the TMCC Campus; therefore, review by all Campuses is necessary prior to discussion at the October meeting.

UNR has just completed a study of its Affirmative Action Office and has reorganized for a more effective outreach. They determined that affirmative action is the job of everyone on the Campus, and have provided a

network of sexual harassment advisors made up of faculty, staff and peer counselors for students. Also, they have established an ombudsman office and a dispute resolution officers network. Copies of the summary of the report were distributed.

It was determined that study and reorganization of the affirmative action offices should be left to the discretion of the Campuses. This is a Campus administrative issue, and affirmative action reports are made to the Board annually.

Dr. Derby moved approval of the report and recommendations of the Status of Women Committee. Mrs. Berkley seconded.

Motion carried.

31. Report and Recommendations of the Ad Hoc Committee on Ethnic

Minority Affairs

A report and recommendations of the ad hoc Committee on Ethnic Minority Affairs meeting held August 18 and 25, 1993 were made by Regent James Eardley.

August 18, 1993

Chairman Whitley stated that the purpose of the meeting was to review Campus committee reports which had been reported to the Board of Regents at its June 1993 meeting.

Dr. Michael Coray, Chairman of the Campus committee Chairs, gave an overview of the work of the Campus committees. He related that the decision had been made to survey ethnic minority students, academic faculty and professional staff on each Campus, and to hold a series of hearings for both groups on the Campuses. The hearings on the University Campuses were not well attended. However, the surveys have been more productive. The student survey results have been compiled and given to the Campuses for review.

At UNR, Dr. Coray reported that there has been a Diversity Committee in operation for over two years and it had completed a comprehensive study. It has been found there is an increasing access across the Campus to the ethnic minority groups. Efforts have also been made in hiring practices. Their data are based on the 6-year tenure group. Future reports will show the retention of faculty.

Acting Vice Chancellor Steinberg explained that the Commit-

tee had begun with broad goals, then realized they must concentrate on one goal at a time to enable implementation and action.

Mr. L. D. Lovett, TMCC, related that statistically there has been a great deal of change in hiring. They did learn through their hearings that most of the minorities are hired through federal programs and a program is needed to upgrade their skills in order to be eligible as other jobs become available. The student surveys revealed students would like more role models on the staff.

Ms. Julie King, WNCC, reported their committee would be reviewing the student surveys.

NNCC found a very enthusiastic and ambitious student committee last year. They began a series of fund-raising efforts which culminated in a multi-cultural day on the Campus, which was well attended by Campus and community people. They have stated that financial aid is their greatest need.

A discussion of hiring incentives was held. It was suggested the Board of Regents might have a pool for minority hires and might set a target to reach for each year. It was noted

that there are minorities available for hire, and there needs to be incentives available because of the high demand for these people.

Dr. Paslov reported on an updated tracking system for high school dropouts, which has resulted in the dropout rate decreasing. It has also pointed out that early intervention is essential.

Ms. Kizer stated that she felt more individual attention is needed during recruitment of the minorities, especially the Native American students. She suggested that community people might be called upon to help with this recruitment. Also, she suggested that the Upward Bound program, so successful in Washoe County, needs to be extended to other bordering counties.

Mr. Feemster explained the Sierra Pacific Power Company's Internship Program wherein they provide Summer employment for minority young people in higher education in order to assist the retention problem. His goal is to take that program to 20 other major employers in the area. He also stressed that the current method of outreach needs to be changed and suggested the Campuses might consider contract-

ing with a "headhunter" to find instructors. If no employees are found that match requirements, no fee is paid to the headhunter.

Other suggestions that were made:

Review job descriptions for appropriateness.

Provide a reward system for minority faculty.

More community involvement with curriculum and faculty.

Provide a "hands-on" program for students with businesses.

Provide in-depth mathematics instruction for elementary teachers.

Program to change attitudes.

Involve community minority groups.

Recruit from high school minority faculties for Community College part-time instruction.

"Grow Your Own" programs were discussed at length. Dr.

Paslov related that Clark and Washoe counties have begun

such a program with funds from a federal grant. Acting

Vice Chancellor Steinberg stated that the Committee might

consider stipends for students beginning at Community Col-

lege level, the baccalaureate, and the master programs

with a stipulation the student return to the Community College to teach, thus providing more minority role models for students, as well as fulfilling diversity shortages.

Another possibility is reaching prison population through telecommunication classes for upper division classes.

Presently, the Community Colleges have strong 2-year programs at the prisons. Also, it was pointed out that there is a need for special support groups for parolees.

Acting Vice Chancellor Steinberg stated there will be a similar meeting on August 25 in Las Vegas for the southern members of the Task Force to review reports with the southern Campuses. There will be a meeting of the full Task Force scheduled sometime in September or October to begin drafting recommendations.

August 25, 1993

Acting Vice Chancellor Karen Steinberg reviewed for the Task Force members the activities to date of the Regents' and Campus committees. The Campus preliminary reports were presented to the Board of Regents in June. It is anticipated that a report with recommendations would be presented by

the Task Force to the Board at its October 20-21, 1993 meeting, in order to coincide with the System's budget cycle.

Mr. Rodriguez stated that he was aware of the report presented to the Board in 1985 and felt very little had been done to change the statistical results since that time.

He stressed that hiring practices must be changed, and that they can be changed successfully, as has been done by the Clark County School District. Ms. Davis questioned whether there was a commitment on the part of the Regents for affirmative action. Ms. Steinberg assured her the commitment was there and explained that because there are 7 different institutions with different findings, that it was important to proceed to pinpoint pockets of success which could be replicated at other institutions.

The Campus reports, which previously had been sent to the Task Force members, were highlighted by the Campus representatives.

Dr. Steve Mizell, DRI, related his committee had looked at documents from 1987 through the present to prepare a database, and had one-on-one visits with their ethnic minority professional and staff members. Of 105 research employees,

6% are ethnic minority. There are 18 Administrators, with 6% ethnic minorities, and there are 17 other professionals employed with 17% ethnic minorities. They found that the ethnic minority professionals all were in the upper salary ranges of research faculty, and the academic faculty were evenly divided in the ranges.

Two principal comments came from the interviews: 1) there was no intimation of problems in the work place, the ethnic minorities found they were very well accepted and respected; and, 2) there was concern with reducing the criteria for quality of research faculty. They felt more stress should be placed on recruiting faculty where ethnic minorities are found. They all felt the quality of the research faculty must be the first concern for the Institute. This group recognized that the pool for recruitment is small in the areas of science and engineering and expressed interest in finding plans which would steer youngsters into these fields.

Dr. Pat Butler, CCSN, identified a number of activities their Campus has stressed, such as emphasizing a retention program, beginning clubs and associations where ethnic minority students can become involved. A Director of Student Retention has been hired, an African American who has

been working with faculty, and who has just recently been assigned to head the Student Transfer Center. CCSN held faculty hearings and surveys last year, and will hold student hearings this year. The preliminary study of the results of the student surveys have revealed that work needs to be done to change the atmosphere in some of the classes and with some of the counselors, and has stressed the need for early intervention with students.

Mr. John Lujan, UNLV, reported that they were not successful with the hearings held on the Campus; however, the faculty and student surveys should be helpful. He related that President Maxson has been supportive of the efforts and had authorized a \$10,000 budget for the committee.

The following items were offered as suggestions for consideration of recommendations:

Change in hiring practices.

A scholarship pool for ethnic minority students.

Seeking assistance from the Foundations.

Establish a goal for diversity within the faculty.

Establish general policy goals.

Review of curriculum - i. e. - Requirement for Western

Tradition courses does not help ethnic minorities.

There is a need for enthusiastic ethnic minorities to hold responsible positions, not these with negative attitudes.

Develop a "grow your own" program within the System.

Review recruitment practices.

Acting Vice Chancellor Steinberg urged the Task Force members to draft recommendations and send them to her to be compiled and circulated to all members prior to the next meeting, which will be held via video conference sometime prior to the Regents' October meeting.

Dr. Eardley moved approval of the report and recommendations of the ad hoc Committee on Ethnic Minority Affairs. Mr. Klaich seconded. Motion carried.

32. Report and Recommendations of the Ad Hoc Foundation Liaison Committees

A report and recommendations of the ad hoc Foundation Liaison Committee meetings, held April 23 and September 9, 1993, were made by Regent Lonnie Hammargren, Chairman.

April 23, 1993

(1) Discussion of Committee Mandate - Chancellor Dawson

presented a list for discussion consisting of 9 items

which might be included in a Committee mandate:

Liaison between the Board of Regents and the
Foundations - attend foundation meetings and re-
port back to the Board;

Develop reporting format for uniformity in report-
ing to the Board of Regents;

Develop a statement of mutual responsibilities and
obligations;

Review proposed contract(s) between foundations and
institutions;

Statement of purpose - what does the Board of Re-
gents expect the foundations to do?;

Fund raising or spending priorities given to the
foundations by the Board of Regents;

Compensation coming from the foundations to institution employees;

Reports given to Regents pertaining to foundation expenditures - making sure that the reports given to the Board balance;

Report of Ethics Commission decision on UNR Foundation.

Chancellor Dawson related he has sent a list of Foundations to each Campus requesting the President to review, complete the list and return it to him. That information will be forwarded to the Committee.

Chairman Hammargren reported on a meeting he and Mrs. Sparks attended at the AGB Conference concerning how institutions and foundations work together. Mrs. Sparks added that the presenters stressed that they had found communications between the two was the main problem, and they further stressed that fund raising should be for an institution and not for specific departments. Most foundations have chosen to be private,

but there is an intermingling of employees between the institutions and the foundations.

A general discussion was held on the following:

Whether special legal expertise was needed to review contracts which might be proposed by the foundations.

The National Council for Resource Development has a number of publications on Community College foundations which would be available.

Because the foundations, especially at the Universities, are under scrutiny, the Board need to establish basic policies.

Most of the UCCSN foundations do not have the resources to pay employees.

Should a System Development office be considered where all funds would be deposited and dispersed to the various institutions, thus reducing administrative costs. It was pointed out that with the

current controversies, there are people who have made large institution donations, but are now reluctant to do so, but would make those donations under another system of management.

The discussion then turned toward the items presented for consideration of a charge to the Committee:

1. Liaison between Board and Foundations - Chairman

Hammargren suggested there be a liaison section set for each foundation meeting. Mrs. Gallagher stated that many Regents have attended foundation meetings since they were first begun. It was suggested the Chairman of the Board could be the liaison and attend all meetings and report back to the Board. A concern expressed was that it would only add another layer between the foundation and the institutions. Mrs. Berkley stated she had promised the Legislature that there would be a more formal agreement between the Board and the foundations. It was also suggested that the Chairman and Vice Chairman of the Board make assignments of Regents to act as liaisons.

2. Uniform Reporting Format - Chancellor Dawson reported that when CCSN had last reported, the format used seemed to be appreciated by the Board. This has been distributed to the institutions and foundations. The standard operating date is July 1 through June 30.

The reports are presented to the Board at different times, however. The Chancellor will report back to the Committee on the reporting format.

3. Statement of Mutual Responsibilities and Obligations and Review of Contracts - Mrs. Edna Brigham

4. stated that the role of the foundations and their relationships with the Board need to be reviewed.

She explained that the majority of gifts intended for the Universities or Community Colleges are now given through the foundations. This means that the Board's ability to add discretionary funds to its Special Projects account has diminished graphically, as has the account itself.

Mr. Les Sully, attorney for the UNLV Foundation, stated that UNLV has proposed a contract which

lists the services the Foundation will provide and clarifies that all funds designated for special areas go to the Board of Regents. General Counsel Klasic reminded the Committee that when the foundations were begun, only the UNR Foundation stated obligations with the Board. He added that the Board could adopt a policy statement which describes such obligations, or that the Board could enter into separate contracts.

Mr. Graves remarked that the foundations raise funds, then turns them over to the Board. The UNLV contract proposes the Foundation will manage its own funds; however, he stated that the System has done very well in managing the funds. Mrs. Brigham explained that prior to the foundations, donations went to the Board and were invested. 20% of the interest went to the Board for their Special Projects Fund and 80% was returned to the institution. Now, the funds go to the foundations, and nothing is coming to the Board which depletes their Special Projects Fund. Ms. Mac Donald further explained that the endowment funds are separated from the operating funds. The only discretionary funds the

Board has are the 20% from operating fund investments. Now, the foundations invest the cash flow for their operating and discretionary needs. The foundations reimburse the respective institutions on a cost reimbursement basis resulting in negative operating cash balances for the Board to invest.

Mr. Sully stated that the proposed contract states that the Foundation will invest the funds which will be accumulated for one year, then 5% will go to the Foundation for operating dollars. Chairman Hammargren stated that he learned Texas A & M takes 5% of every gift for operating purposes.

Mrs. Price stated that this is precisely the reason the Board has abdicated its responsibility when the Foundation does this sort of thing and questioned what would happen if the Foundation does not agree with the Board's priorities?

President Maxson stated that the UNLV Foundation has a President's Circle in which each member donates \$5000 per year and these funds then are for the operation of the Foundation. He explained that

Mr. Sully was saying the new contract reads that 5% of the interest will go to the Foundation for operating and added that the UNLV Deans have agreed to this arrangement. He related that the University submits its priorities to the Foundation. He then stressed that the President needs flexibility in raising funds so that the institution is able to take advantage of opportunities as they arise. He added that the Board always has the final say in whether a gift is accepted. He reminded the Committee that he informs the Board by either telephone or letter when a large gift is about to be received.

President Crowley stated that if the Board has a priority, the foundation is obligated to meet it, but the management of the funds poses serious questions for both the Board and the foundations. He suggested a meeting with the finance officers of the foundations, Mrs. Brigham, Ms. Mac Donald and Vice Chancellor Sparks to prepare a report on the pros and cons of management of funds. He felt, and the Committee agreed, that the report should include statements of mutual responsibilities and

obligations, purpose - what the Board expects of the foundations, fund raising or spending priorities and reporting of expenditures. It was also agreed that the Chancellor's Office would coordinate the meeting.

Ethics Commission Report on UNR Foundation - President

Crowley stated the report has been sent to all Regents.

He added that UNR is pleased with the opinions of the Commission.

Public Comment -

A. Regents: Mrs. Berkley stated the question of whether the foundations are public or private must be addressed, as well as which records are public. Mr. Sully stated that UNLV Foundation has identified these in their proposed contract. Mrs. Berkley replied that the Board must determine what is best for all foundations, not just the UNLV Foundation.

B. Public: Ms. Doris Grosman stated that Mrs. Berkley had spoken for her, but that she was only concerned with the UNLV Foundation. Mr. Sully explained that every

single record of the UNLV Foundation has been and is open for inspection by any Regent. Ms. Grosman questioned that if that were so, then why had there been so much concern. (Note: Mr. Sully and Ms. Grosman continued talking, but they were not speaking into microphones, and the conversation was not picked up.)

September 9, 1993

(1) Mr. William T. Hutton's letter regarding recommended future action of the Board of Regents in regard to institutional foundations in light of the passage of SB 322 (Ref. FL-1a) is enclosed as Ref. FL-1b. Mr. Hutton stated that "I believe that the Regents' interests will best be served by promulgation of a set of guidelines, intended to facilitate compliance with the provisions of the new statute, and to deal as well with other aspects of UCCSN's relationships with its support organizations." The staff concurs with Mr. Hutton's assessment.

Based on earlier discussions with the Board, the staff believes the Board wishes to accomplish the following objectives in the revision of existing and develop-

ment of new foundation guidelines:

Maintenance and enhancement of the institution through private support;

Standardize reporting from the UCCSN foundations to enhance fiscal control and public and Board of Regents understanding of the foundations' contributions to the member institutions.

Establish requisite system for the implementation of the policies and procedures as approved by the Board of Regents including assurances for carrying out the donors' intent and statutory and other legal requirements.

Staff is further of the view that the above objectives can best be accomplished through the development of Board approved guidelines that apply to all foundations. Any elaboration beyond such guidelines deemed necessary because of the special nature of the relationship between an institution and its related foundation(s) should be dealt with through means of memorandum of agreement between the institution, its foun-

ation(s), and the Board of Regents.

Interim Chancellor Richardson, Assistant Treasurer

Mac Donald, and Director of Endowment Brigham recom-

mended that staff be directed to work with institution

and foundation representatives to develop a draft set

of guidelines governing the relationship between the

institutions, the foundations and the Board of Regents

for review and consideration by the Regents' ad hoc

Foundation Liaison Committee. It is further recommend-

ed that staff work with the separate institutions and

their related foundation(s) to develop memoranda of

agreement for review and consideration by the Regents'

ad hoc Foundation Liaison Committee if such memoranda

are considered necessary.

Interim Chancellor Richardson offered the following

alternatives:

Alternative #1: The Committee could decide to do

nothing, thereby leaving present guidelines and ar-

rangements in place. Staff does not believe such a

course of action is desirable given the nature and

extent of questions which have been raised regarding

the relationship between the Board, the institutions,
and the foundations by Regents and by others.

Alternative #2: The Committee could decide to work directly with the institutions and the foundations to draft new guidelines. Staff believe the Committee's members' time utilized more effectively if staff were directed to carry out the preliminary work and bring forward recommendations for the Committee's consideration.

Chairman Hammargren, Mrs. Sparks and Mrs. Brigham recommended acceptance of alternative #2; however, Interim Chancellor Richardson strongly urged the Committee to allow staff to work with institution and foundation representatives to develop a draft set of guidelines governing the relationship between the institutions, the foundations, and the Board of Regents for review and consideration by the Regents' ad hoc Foundation Liaison Committee, and that staff work with the separate institutions and their related foundation(s) to develop memoranda of agreement for review and consideration by the Regents' ad hoc Foundation Liaison Committee if such memoranda are considered

necessary.

It was approved to direct staff to work with institution and foundation representatives to develop a draft set of guidelines governing the relationship between the institutions, the foundations and the Board of Regents; and to direct staff to work with the separate institutions and their related foundation(s) to develop memoranda of agreement for review and consideration by the Committee.

Mr. Graves and Mr. Klaich directed the staff to comply with the American Institute of Certified Public Accountants' (AICPA) recent compliance of standards as found in the publications, "Statement of Financial Accounting Standards #116 Accounting for Contributions Received and Contributions Made."

Mr. Graves cautioned the staff that discussion has been previously held by the Chancellor's Committee on Private Partnerships regarding gifts of appreciated property. Mr. Hutton addresses this issue in his letter on page 3 under item (4). Mr. Graves pointed out that the last sentence in that paragraph is a very delicate

issue. It reads, "(The requirements of a 'qualified appraisal' and the threat of overvaluation penalties under federal law still serve to check tax-inspired avarice, and the foundation need play no part in the appraisal process.)"

Mr. Les Scully, UNLV Foundation Attorney, informed the Committee that the UNLV Foundation has a Gift Acceptance Committee, and he will inform them to work with staff to develop appropriate guidelines. Mr. Sully also stated that the UNLV Foundation has a Real Estate Committee which addresses how the book value is placed on gifted property.

Mrs. Mac Donald stated that sale of personal property within two years of the gift must be reported to the Internal Revenue Service (IRS). Chairman Hammargren requested a two-page summary of all reporting practices including AICPA, National Association of College and University Business Officers (NACUBO) and IRS.

Upon questioning, Mr. Sully stated that gifts are booked for what the gift is worth and the Foundation reports to IRS the sales price when the gift is sold.

A disclaimer is submitted that states that consultation has taken place with financial advisors and attorneys.

Mrs. Gallagher stated that the foundations have been made to feel uncomfortable, and suggested that the Committee move forward on developing guidelines and to inform the foundations that they are an important source for the institutions which they represent. The guidelines should not be restrictive, but more of a protection for foundations and the Board of Regents.

Mrs. Sparks agreed with Mrs. Gallagher and emphasized the importance of the foundations. The Board of Regents should not discourage and prevent hesitation of giving to the institutions through the foundations.

A discussion was held on the use of the University logos. Mr. Sully felt that if the foundations are instructed to abide by the Board of Regents' guidelines, then the foundations should be able to use the logos. Mrs. Mac Donald stated that the use of the University's name has value. She assumes the Board of Regents wants to know how and when the name is used.

Mrs. Berkley commented that the past year has been very unsettling for the Board of Regents and foundations.

The two are now entering into a new phase, in that the Regents care enough to ask the appropriate questions and are making an effort to save and enhance the foundations. She stated that criticism does not necessarily mean that you are an enemy.

Chairman Hammargren stated that he was pleased with the healing process that is now taking place and looks forward to working toward productivity of the foundations.

(2) New Business

A. Board of Regents - Mr. Graves questioned how the Committee felt about SB 322. Mrs. Berkley stated that General Counsel Klasic will address the legislation during the Board's Legislative Liaison Committee meeting.

B. Public - Mr. Lee Scully, UNLV Foundation Attorney, requested clarification and discussion on SB 322

which becomes effective October 1, 1993.

Dr. Hammargren moved approval of the report and recommendations of the ad hoc Foundation Liaison Committee. Mr.

Graves seconded. Motion carried.

The open meeting recessed at 2:30 P.M. and reconvened at 3:17 P.M. Friday, September 10, 1993, with all Regents present except Regents Foley and Whitley.

33. Establishment of a Board of Regents Committee on Athletics

Regent Lonnie Hammargren requested the establishment of a Committee on Athletics. Ref. J is filed in the Regents' Office.

Dr. Hammargren moved approval to establish a Regents' Committee on Athletics. Mrs. Price seconded.

Mr. Graves suggested that rather than establishing another Regents' committee, a symposium or workshop be conducted to address athletic issues. Since President Crowley serves as President of the NCAA, it may be prudent to request him to speak to the athletic issues.

President Crowley informed the Board that the standard procedure for members of NCAA is to establish a Faculty Advisory Committee that deals with athletics. UNR's Faculty Advisory Committee advises the President on athletic issues. He suggested having the institutions regularly make a report to the Board of Regents on significant issues, such as gender equity, financial limitations, academic requirements, etc.

Mrs. Price felt that a Regents' committee should be established. It would give credence to this issue at the institutional level. Athletics is a nationwide issue and should be addressed.

Dr. Derby stated that she did not feel comfortable conducting a one-time workshop on such an important issue. Mrs. Berkley suggested placing an athletic item on the Board of Regents' agenda every other meeting in order to develop a dialogue and become better informed.

Interim Chancellor Richardson reminded the Board of its discussion earlier in the day regarding the committee structure and cautioned them in creating a new committee.

Some of the athletic issues could be addressed under already established committees; i. e., general equity by Status of Women Committee, financial limitations by Budget and Finance Committee, and academic requirements by Academic, Research and Student Affairs Committee.

Dr. Hammargren withdrew the motion.

Dr. Hammargren stated that the Board needs basic information on athletics which could be acquired through quarterly reports, and agreed with Interim Chancellor Richardson that certain issues could be heard by the appropriate committee.

Mrs. Price withdrew the second to the motion.

President Crowley stated that the Faculty Advisory Committee at UNR is a very positive entity that addresses all issues in athletics. He did not wish the Regents to reflect an empowerment concern towards the Faculty Advisory Committee.

34. New Business

Mr. Klaich requested a job description for the Director

of Community College Affairs.

Mr. Klaich stated he had received a letter from the Interim Chancellor regarding cost savings in the Chancellor's Office. Mr. Klaich requested that the Public Information office not circulate the tabloid "Casino News" in the clipping packets. Regents Graves, Eardley, Sparks and Gallagher agreed. However, Interim Chancellor Richardson stated that it is being circulated because it is reporting on the Regents or higher education issues.

The meeting adjourned at 3:22 P.M.

Mary Lou Moser

Secretary of the Board

09-09-1993