

UCCSN Board of Regents' Meeting Minutes January 6-7, 1994

1-06-1994

Pages 1-53

BOARD OF REGENTS

UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA

January 6, 1994

The Board of Regents met on January 6, 1994 in the Pine Auditorium, Jot Travis Union, University of Nevada, Reno.

Members present: Dr. James Eardley, Chairman

Mrs. Shelley Berkley

Dr. Jill Derby

Mrs. Dorothy S. Gallagher

Mr. Madison Graves, II

Dr. Lonnie Hammargren

Mr. Daniel J. Klaich

Mrs. Nancy Price

Mrs. Carolyn M. Sparks

Mrs. June F. Whitley

Members absent: Mr. Joseph M. Foley

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

Chairman Eardley called the meeting to order at 11:15 A.M.

Thursday, January 6, 1994, with all Regents present except Regent Foley.

1. Introductions

CSUN President Joel Kostman introduced CSUN Senator David Turner.

UNR Vice President Bob Hoover introduced Marsha Read, Vice Chairman of the UNR Faculty Senate.

2. Chairman's Report

Chairman Eardley thanked all those who have expressed concern for his wife, Barbara, and reported that she is re-

covering well.

Chairman Eardley requested that annual reports on salaries for Deans and above be made at an open meeting of the Board of Regents.

3. New Business

Chairman Eardley stated that the Board of Regents officially recognizes outstanding faculty and students at its regularly scheduled meetings. He felt that classified employees and support staff should also be formally recognized. Mrs. Gallagher agreed that this was appropriate. Chairman Eardley requested the Presidents to consider this proposal and directed Interim Chancellor Richardson to work with the Presidents on this area of improved recognition.

4. 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

Glen W. Atkinson

Western Nevada Community College

Mildred Wade

Northern Nevada Community College

Bret J. Murphy

Carl Cook

5. 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

Lyn Carlson

Don Unruh

6. Information Only: Public Comment

No public comment was made.

7. Approved Sabbatical Leaves, 1994-95

Nevada Revised Statutes and Board of Regents' policy provide for the total number of sabbatical leaves which may be awarded each year.

Utilizing the criteria followed in previous years, the maximum available leaves for 1994-95 for:

UNR = 13

UNLV = 15

DRI = 3

CCSN = 7

NNCC = 1

TMCC = 3

WNCC = 2

Unit = 1

A. University of Nevada, Reno - President Crowley recommended the sabbatical leaves available to UNR be awarded to the following:

Richard Davies, History, Spring 1995

Jerry Downing, Couns & Educ Pay, Fall 1994

Sami Fadali, Electrical Engineering, Fall 1994

Maurice Fuerstenau, Chem/Met Engineering, Spring 1995

Fritz Grupe, Acct/CIS, Academic Year

Gary Hausladen, Geography, Academic Year

Alexander Kumjian, Mathematics, Academic Year

Glen Miller, Environ & Resource Sciences, Fall 1994

Pierre Mousset-Jones, Mining Engineering, Academic Year

David Seibert, Speech & Theatre, Spring 1995

James Trexler, Geological Sciences, Spring 1995

Robert Turner, Mechanical Engineering, Academic Year

Judith Whitenack, Foreign Language & Lit, Academic Year

Alternates

Richard Wirtz, Mechanical Engineering, Fall 1994

Jim Owen, Speech & Theatre, Spring 1995

Ref. E for summary of proposed projects is filed in the
Regents' Office.

B. University of Nevada, Las Vegas

President Maxson recommended the sabbatical leaves
available to UNLV be awarded to the following:

Frederick Bachhuber, Geoscience, Academic Year

Catherine G. Bellver, Foreign Languages, Spring 1995

Barbara G. Brents, Sociology, Academic Year

Robert Collins, Marketing, Spring 1995

David R. Dickens, Sociology, Spring 1995

Maurice Finocchiaro, Philosophy, Fall 1994

Christopher Hudgins, English, Fall 1994 or Spring 1995

Russell T. Hurlburt, Psychology, Academic Year

Lawrence Klein, History, Academic Year

Alan N. Miller, Management, Fall 1994

Gerald D. Newbould, Finance, Academic Year

Pasha Rafat, Art, Spring 1995

Stephen N. Rowland, Geoscience, Academic Year

Timothy E. Wallin, Geoscience, Academic Year

Charles Whitney, English, Academic Year

Alternates

Randall G. Shelden, Criminal Justice, Spring 1995

Cathie Kelly, Art, Academic Year

William M. Thompson, Public Administration, Spring 1995

Ref. F for summary of proposed projects is filed in
the Regents' Office.

C. Desert Research Institute - President Taranik recommended the sabbatical leaves available to DRI be awarded to the following:

Randolph D. Borys, Atmos Science Center, Academic Year

Judith C. Chow, Energy & Environ Eng Center, Spring 1995

Ref. G for summary of proposed projects is filed in the
Regents' Office.

D. Community College of Southern Nevada - President Meacham recommended the sabbatical leaves available to CCSN be awarded to the following:

Raymond Eade, Marketing & Resorts, Fall 1994

James Pomeroy, Ind'l Service Technology, Spring 1995

Frazine Jasper, LPN, Academic Year

Carolyn Anderson-Stewart, Hlth Info Tech, Academic Year

Sandra Goodwin, Office Admin, Spring 1995

Alyce Gray, Child Develop, Spring 1995

Ref. H for summary of proposed projects is filed in
the Regents' Office.

E. Northern Nevada Community College - President Remington

recommended the sabbatical leaves available to NNCC be
awarded to the following:

Cyndee Mc Mullen, English, Academic Year

Ref. I for summary of proposed projects is filed in
the Regents' Office.

F. Truckee Meadows Community College - President Gwaltney

recommended the sabbatical leaves available to TMCC
be awarded to the following:

Bill Baines, Communications Division, Academic Year

Barbara Chism, Prof Business Studies, Academic Year

John Septien, Applied Industrial Tech, Fall 1994

Ref. J for summary of proposed projects is filed in
the Regents' Office.

G. Western Nevada Community College - President Calabro
recommended the sabbatical leaves available to WNCC be
awarded to the following:

Valerie Anderson, Admin Services, Academic Year

Fred Kille, Academic Affairs, Fall 1994

Ref. K for summary of proposed projects is filed in
the Regents' Office.

Mrs. Gallagher moved approval of the 1994-95 Sabbatical
Leaves. Mrs. Whitley seconded. Motion carried.

8. Approved Naming of Buildings, TMCC

Approved the naming of two TMCC buildings:

Administration building to be renamed "Red Mountain -

North and South Buildings".

Phase V building to be named "Vista - East and West Buildings".

Mrs. Gallagher moved approval of the naming of two TMCC buildings as stated above. Mrs. Sparks seconded. Motion carried.

9. Report and Recommendations of the Audit Committee

A report and recommendations of the Audit Committee meeting, held January 6, 1994, were made by Regent Nancy Price, Chairman.

Chairman Price indicated that she felt the Audit Committee should serve as a committee of the whole. Attendance at scheduled meetings has been very poor. She has requested staff to call members of the Committee prior to the meetings to be sure a quorum is present. She announced that Mrs. June Whitley will serve as Acting Chairman in her absence during the next three months.

(1) Information Only: Follow-Up Report on the Community

Services Audit, WNCC - Acting Director of Internal

Audit John Love presented the follow-up audit report of Community Services, WNCC, July 1, 1992 through March 31, 1993. The follow-up report is filed in the Regents' Office.

Mr. Dane Apalategui, Associate Dean for Finance at WNCC, addressed the policy on compensation that was reported in the audit report. The internal auditors reported that a faculty member with a heavy workload was not addressed in the compensation policy. The original compensation policy was rejected by the WNCC faculty, and a revision is being developed to handle this situation. The policy will be reviewed by the Council of Presidents at its January 18 meeting.

It was stated that there is not a Systemwide policy on this issue. It has been determined that it is an institution matter and that the individual institutions should set the standards relative to faculty workloads.

(2) Information Only: Follow-Up Report on the Academic Advancement Audit, UNLV - Acting Director of Internal Audit John Love presented the follow-up audit report

of Academic Affairs, UNLV, September 30, 1992 through August 13, 1992. The follow-up report is filed in the Regents' Office.

Chairman Price requested Acting Director Love to explain the sampling process, which he did. Chairman Price stated that the purpose of sampling is to get an overall feeling of the sample pool. However, she noted that at every Audit Committee meeting there has been a problem with inventory. She has mentioned several times that a Systemwide standardized method should be implemented.

Chairman Price questioned whether the situation regarding the lost computer had been handled appropriately. UNLV Vice President for Student Services Robert Ackerman responded that he had sent a memorandum explaining the status of this occurrence.

In answer to Chairman Price's question, Dr. Ackerman responded that inventory does reflect upgrades on computers, and that the lost computer was not an upgraded computer.

Upon questioning, Dr. Ackerman stated that insurance recovery has been filed on the lost computer, and depending on the replacement value of the equipment it will be replaced.

(3) Information Only: Follow-Up Report on the Public Safety Audit, UNLV - Acting Director of Internal Audit John Love presented the follow-up audit report of Public Safety, UNLV, January 1 through December 31, 1992. The follow-up report is filed in the Regents' Office.

(4) Information Only: Report on Unrelated Business Tax - Acting Director of Internal Audit John Love presented information regarding the unrelated business tax. Chairman Price indicated that this issue is a very serious matter for the System and should be addressed appropriately.

Acting Director Love reported that the Exempt Organization Business Income Tax Return has been filed for approximately 4 years. Each UCCSN institution is responsible for sending in a schedule of unrelated business income (loss) in a format which shows in-

dividual line items of revenue and expenditures. He stated that UCCSN has not been assessed any taxes as of this date. UCCSN does keep up-to-date on this issue.

Acting Director Love reported that in 1992 the Internal Revenue Service (IRS) started a coordinated examination program. It is an audit based upon a team audit approach where IRS audit experts from a number of areas are brought together to audit all facets of an organization in a single audit. The intent is to increase tax assessments and to improve the IRS's knowledge of the individual entity being audited and the industry. Prior to this time, IRS focused on specific individual areas each time it performed an audit, such as employment taxes, Unrelated Business Income Tax (UBIT), fringe benefits, independent contractors, etc.

The IRS is sending 2 to 6 agents to an institution for a period of at least one year. They started with 7 institutions and are expanding. The IRS examination goes way beyond UBIT to include many other areas such as employment taxes and fringe benefits, W-2's, schol-

arships and fellowships, donors' records, etc.

Some of the inside documentation they are examining are school bulletin and course catalogues, school telephone directories (useful tool to identify the institution's components and related organizations), any contracts the schools are involved in, list of all committees on Campus and any reports from committees such as minutes, including faculty meetings of any kind, student newspapers, alumni bulletins and magazines, any catalogue or descriptive lists of University publications, description of the institution's accounting system including chart of accounts, requisitions and purchase orders, looking for any arms-length contract, indirect cost reimbursement calculations for federal programs with HHS, employment taxes and fringe benefits, W-2's, FICA, FUTA taxes, independent contractors forms.

Acting Director Love reported that IRS also reviews outside documentation such as accreditation reports, independent auditors financial statements, management letter, identify any non-University related ancillary activities such as rental of facilities, or food

catering to the general public.

He stated that because of this review, UCCSN contracted Deloitte & Touche to give a 6 hour seminar on November 29, 1993 which was well attended. Advisory Tax Partner of Deloitte & Touch, Mr. Randall Snowling, has extensive experience in dealing with various kinds of non-profit organizations including colleges and universities. In addition, Mr. Russ Bradshaw, Tax Accountant of Deloitte & Touche, discussed reporting requirements and penalties.

Mr. Snowling stated during the seminar that from his conversations with the institutions being audited, it has taken an average of 2 man years to comply with IRS requests. It has taken approximately 500 to 800 hours of outside consulting work. The University of Colorado has been assessed \$20,000,000 for not complying with employment tax issues.

Acting Director Love stated that this is a very detailed compliance audit and UCCSN should be prepared:

Obtain and review IRS Examination Guidelines;

Review Employment Tax Issues such as Independent

Contractor Issues, scholarships, W-2 reporting/

fringe benefits, 1099's, etc.;

Consider setting up a contingency liability in the

budget;

When notified of the audit, have a contact person

that knows tax laws. It will be very important to

have such a person who can determine if the infor-

mation going to IRS is appropriate or if the infor-

mation received from IRS is appropriate;

Review UBIT for Lawlor Events Center, Thomas and

Mack Center and the Silver Bowl since they include

90% of the revenue not reported on the 990T (Unre-

lated Business Income Tax Form); and

Hire outside consultant to review 990T and Events

Centers to determine if they are appropriately re-

porting Revenue and Expenses.

Acting Director Love stated that he has sent a memoran-

dum to the Event Centers to set up a meeting to discuss these issues.

Chairman Price indicated to the Presidents that there were a number of people who should have attended the seminar, such as the alumni associations. She felt that just because people were not in attendance is no reason for not knowing the ramifications of such an audit. The information must be distributed throughout the institutions.

Chairman Price requested that the next Audit Committee meeting address the cost and process of such an audit.

Mrs. Price moved approval of the report and recommendations of the Audit Committee. Mr. Klaich seconded. Motion carried.

10. 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 January 6, 1994, were made by Regent Dorothy Gallagher, Chairman.

(1) Approved the M. S. and Ph. D. in Environmental Science and Health at UNR, as contained in Ref. ARS-2, filed in the Regents' Office.

This interdisciplinary program will include tracks in Environmental Chemistry, Ecotoxicology and Risk Assessment and Environmental Toxicology and Health. Faculty from 7 organizational units including the Medical School and the Desert Research Institute will participate in the program.

The proposed program will be coordinated through the University Center for Environmental Sciences and Engineering at UNR. No new faculty will be needed to implement this multidisciplinary program as approximately 25 current faculty members will participate.

Graduate student stipends will be funded by extramural grants. The program was identified in UNR's academic master plan for consideration during the 1993-95 biennium.

(2) Approved the B. S. with majors in Physical Education, Kinesiological Sciences and Fitness and Sports Manage-

ment at UNLV, as contained in Ref. ARS-3, filed in the Regents' Office.

This proposal is a request for a change in title from the existing B. S. in Education and a revision of 3 current areas of concentration to majors.

A reorganization in 1991 resulted in the replacement of the Physical Education Department, then located in the College of Education, with the Department of Kinesiology in the College of Human Performance and Development at UNLV. The proposed changes will better reflect the areas of study within the new Department and the relocation from the College of Education. No new resources are needed.

(3) Information Only: Report on UCCSN Campus Honors Programs - At the request of the Board of Regents, information on Campus honors programs and related activities were presented. Ref. ARS-1 is filed in the Regents' Office.

Mr. Klaich thanked the members of the Committee for allowing this item to be heard while he was in

attendance.

Interim Vice Chancellor Karen Steinberg highlighted the Community Colleges' prepared statement, contained in Ref. ARS-1. Both UNR and UNLV proceeded to make individual presentations on the Honors Program at the respective institutions.

Dr. Frank Hartigan, Director of Honors Program at UNR, presented a slide show which paralleled the report contained in Ref. ARS-1. He announced that his UNLV colleague, Dr. Len Zane, Director of the UNLV Honors Program, is also President-Elect of the National Honors Program.

Dr. Hartigan reported that UNR's Honors Program began in 1962 as a small independent studies program. The "University Self-Study" that was prepared for accreditation purposes criticized the old program and called for major reform. The new program enrolled its first students, a class of 50, in the Fall semester of 1989. In 1993, UNR graduated its first Honors Program class. During the 1980's, Nevada high school graduates left the State to attend College. In order for UNR to re-

verse the "Brain Drain", it began recruiting the top high school graduates in Nevada and offered them a competitive national education.

Dr. Hartigan reported that close contact is maintained with high school students through visits, participation in College fairs in Las Vegas and Reno, and participation in UNR's Out of Reach activities, such as the Nevada Institute for Gifted and Talented High School Students.

He stated that the Honors Program does not require its students to participate in service, but it is encouraged. Such service areas include tutoring of other students, participating in the Freshman Retreat and Welcome Week activities, and contributing to the environment through cooperation with the U. S. Forest Service in erosion control work.

Honor students are involved in the Western Regional Honors Council and the National Collegiate Honors Council. The Honors Program sponsors Pizza Seminars, which is a means for students to discuss issues with noted authorities. The Honors Program places all stu-

dents on "Internet" in order to better communicate electronically.

Dr. Hartigan reported that thus far every Honors Program student who has applied to Medical School has been accepted. A UNR student won a prestigious National Science Foundation Fellowship, which is the first by a Nevada graduate in at least 10 years. Of the 12 available National Samantha Smith East European Exchange Fellowships, UNR was awarded 4.

Dr. Hartigan introduced 3 Honors Program students, Lyn Carlson, Midori Ishibashi and Jeff Avansino.

These students each told his own story of how the program has enhanced his life academically, professionally and personally.

Dr. Len Zane, Director of Honors Program at UNLV, reported that UNLV encourages Nevada high school graduates to stay in Nevada and attend public higher education. After the student graduates and attains further education outside of Nevada, UNLV encourages him to return and contribute to Nevada. UNLV offers two different Honors Program tracks: a 4-year program and a

2-year program. These programs provide for the student to take specially developed courses which are designed around the general education core requirements. Students in the Honors Program replace the core requirements with honors courses.

Dr. Zane stated that honors courses have smaller enrollments and require more reading, writing and discussion. Students satisfy the majority of their core requirements with lower-division honors courses. The honors seminars were incorporated into the program so that students continue their liberal education during their Junior and Senior years and continue to interact with other diverse students. The honors students learn to respect all students and engage in various topics.

The Honors Program at UNLV has been in operation for 9 years and has graduated over 90 students. These students are now attending professional schools. UNLV is attempting to assess these students after they graduate from UNLV. If they should return to the Las Vegas area, Dr. Zane is hopeful that they will serve as mentors of the Program.

In closing, Dr. Zane stated that the two Honors Programs, UNR and UNLV, are striving to make the programs more competitive and attractive to the more competitive student in order that he will choose to attend either UNR or UNLV.

Mrs. Price commented that she served as Graduate Student President when this program was beginning. She has watched UNLV's program grow and is very excited about the progress the program has made.

Mr. Graves questioned the results of the follow-up student survey of 1989 and the test scores varying so much between the Universities. Dr. Zane responded that these responses were from the first students enrolled in the Honors Program. The program has made much progress over the years from its early inception. In regard to the test scores, Dr. Zane stated that the SAT scores are not always reliable predictors on how students will perform in the Honors Program. He gave a few examples of how the test scores may have hindered some of the students, but he gave these students a chance to prove themselves. He really tries to give every student the advantage to participate in the

Program.

Dr. Hartigan responded that UNR's program utilizes the test scores to reflect the fact that UNR has a limited number of places in the Program. UNR's Program has admitted students with as low an ACT test score of 20.

The Presidential Scholarship Program, which requires a 3.5 GPA and an ACT test score of 31 or higher, or an SAT test score of 1300 or higher, usually has a large number of students with high scores. The UNR Honors Board has felt that test scores were not always representative of a student's abilities. The test scores are used as a predictor.

Mr. Klaich commented that the term "Brain Drain" was used quite extensively in the 1980's, but he now prefers the term "Institution of Choice". This philosophy has become his focus in making UNR and UNLV proud institutions that will attract Nevada high school graduates as their first choice. Those students who have graduated at top of their high school class and have chosen to stay in Nevada, send a positive message back to their high schools for higher education in Nevada. He commended those who have sent that message

to the high schools and have stayed in Nevada because
UCCSN offers them an "Institution of Choice".

Mrs. Gallagher thanked the Community College Presidents
in recognizing the students of quality. She thanked
Drs. Hartigan and Zane for their presentations. She
stated that this report was a "breath of fresh air"
for UCCSN and she is delighted and proud of the insti-
tutions.

Mrs. Gallagher moved approval of the report and recommenda-
tions of the Academic, Research and Student Affairs Commit-
tee. Mr. Klaich seconded. Motion carried.

11. 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 meetings, held December 17, 1993
and January 6, 1994, were made by Regent June Whitley,
Chairman.

December 17, 1993

(1) Discussion of Committee Recommendations - Chairman

Whitley stated the Committee had originally planned to have recommendations for the Board of Regents in December; however, because of the delays with the student and faculty surveys on the Campuses, that has not been possible. She asked for suggestions from the Presidents for Committee recommendations.

President Remington stated that with review of all the Campus reports, the main items of concern are retention and recruitment of students and a need for more aggressive action with hiring of personnel. President Taranik stated that the one concern in recruitment is to make certain people are qualified for the position.

At DRI, he stated they had changed from a search committee to a screening committee. Specific qualifications for each position are identified and the committee screens for the potential in the applicants. That committee presents to the supervisor an unranked list of qualified candidates with strengths and weaknesses listed. The supervisors have been trained to be proactive in affirmative action affairs. Hiring decisions are made by the supervisor.

President Meacham questioned whether this process met legal guidelines and cautioned against reverse discrimination. He stated that CCSN currently is involved in a reverse discrimination suit.

Chairman Whitley stated she would recommend the Board have a permanent committee on diversity, and that there be an assistant to the Chancellor hired to oversee diversity for the System.

President Calabro suggested a Board policy might be developed for screening committees to provide unranked lists to the President (or supervisors). If such policy were approved, Campuses would then amend their bylaws to comply.

President Maxson suggested that recruitment goals, rather than quotas, might be set, with written reports to the Chancellor at specific times stating whether goals had been reached. In the area of retention, he suggested that both the System and the Campuses could establish programs, with funding provided. He also argued for a process which would take advantage of "windows of opportunities" which might be presented

to a Campus, and gave the example of UNLV awarding a Ph. D. to a Native American. Since they have an institution policy not to hire their own Ph. D.'s, the Education Department asked for, and received, special permission to hire this very talented person.

President Taranik suggested that recruiting goals could be based on population statistics.

President Gwaltney stated there is a need, at the Community College level, for a network to identify those persons being trained at Nevada's institutions.

One possibility would be to pay for a sabbatical leave at the Community College for a time. He also suggested that thought should be given to preparing part-time faculty for full-time positions.

Interim Chancellor Richardson announced that the Pew Charity has funded, through WICHE, grants for assistantships for graduate students.

Interim Chancellor Richardson stated that the System Office would review the Campus reports and the comments made at this meeting and would prepare draft

recommendations for review by institutional representatives and the Council of Presidents and then refer them to the Committee and the Board.

Chairman Whitley questioned why there were differences in statistics for the UNLV and CCSN Campuses when both institutions are in the same community. President Meacham explained that many Community College students and faculty do come from the Las Vegas area; that many students demand courses for retraining; and that many courses are technical in nature. President Maxson stated that most UNLV faculty do not come from Las Vegas, but come from outside the State. President Meacham also pointed out that when an institution has higher numbers, it is much more difficult to increase the percentage of change in diversity. President Maxson added that UNLV probably has the greatest diversity in faculty, staff and Administrators in the System. Chairman Whitley added that the Chancellor's staff has the least diverse representation. Dr. John Swetnam, UNLV Faculty Senate, offered that students from North Las Vegas attend CCSN because of the convenience of the Campus and the cost.

Chairman Whitley stated she wanted the Presidents to feel they are responsible for accomplishing diversity and felt that diversity should be a factor in their evaluations.

January 6, 1994

- (1) Information Only: Discussion of Committee Recommendations - Chairman Whitley led a discussion on suggestions for recommendations for the System.

Interim Vice Chancellor Steinberg summarized the recommendations discussed as follows:

Chancellor's staff will extract System recommendations from the Campus reports to be presented at the next meeting in February.

A strong policy statement and strong endorsement of ethnic activities throughout the System must be made. The policy statement should be made by the Board of Regents with the institutions responding accordingly.

A high level position in the Chancellor's Office

be created to monitor the goals set by the Board.

A Board of Regents' standing committee on diversity

be established.

In addition, Interim Vice Chancellor Steinberg stated

that the Blue Ribbon Task Force met and has responded

to the recommendations. She stated that their comments

were very similar to the System recommendations. They,

too, see a strong statement of vision and goals, and

that these goals should be monitored and implemented.

Chairman Whitley stated that a suggestion was made in

that the Affirmative Action Office or Diversity Officer

at each institution be able to intervene in the hiring

process. Each of the Presidents responded to this

suggestion and it was concluded that at each institu-

tion the Affirmative Action Officer is involved in the

hiring process. Chairman Whitley requested each Pres-

ident submit to the Chancellor's Office a description

of the hiring process.

In regard to the proposed new position in the Chancel-

lor's Office for diversity, Dr. Derby stated that she had contacted the University of California System for information on such a position. She suggested that additional information be collected from around the country in order for the Committee to be more specific in its discussions on this very important recommendation. Chairman Whitley directed Interim Vice Chancellor Steinberg to address Dr. Derby's request.

President Taranik commented that at this point in time, the System is under-represented for the desired diversity it wishes to have. However, over a long period of time the System has made progress in this area. Diversity takes time to obtain. If the System is making progress, then it should be noted that the process being used is operating.

Mrs. Carolyn Sparks cautioned the Committee on obtaining equity -- quality should not be sacrificed for the sake of reaching quotas. She stated that if qualified persons of color are not in the job market then it makes it difficult to fill the position with that objective in mind. It will become a disservice to the System if handled in this manner.

Chairman Whitley stated that she appreciated Mrs. Sparks' comments, but questioned why is there always a question of quality when diversity is the subject. Mrs. Sparks responded that she did not want to see a position filled with an unqualified person. Dr. Derby stated that the System will not lower its standards to fill a position. She recognized that the applicant pools may be limited, and this can become an excuse or a challenge for the System. She is hopeful that the System will become challenged to find the most qualified person for the position and who is of a minority race or minority gender.

(2) New Business - Mr. Jesse Sattwaite, President of Black Alumni, stated that he agreed that unskilled and uneducated persons should not be hired to meet a quota. He felt that the Blue Ribbon Task Force meetings have been very productive and the Committee is making progress. He praised Chairman Whitley for her leadership. In addition, he praised President Crowley and his staff for the progress UNR has made in addressing ethnic minority issues. He informed the Committee that he will approach the Black Alumni to raise money for the

UNR minorities. He thanked the Committee for helping minority students and alumnus.

Dr. David Turner, student at UNLV, stated that he was unhappy with the recent Campus report. He did not feel it accurately represented UNLV and the student government. One such statement made in the report was that there were no minority students serving in student government. He stated, for the record, that he does serve on the student government at UNLV, and has taken offense to this statement. The report does note some good ideas, but it will not do any good if the information is not accurate. He requested the Committee to review UNLV's report again after it has more accurately reported the views of students. As the report stands now, it will not benefit the students if it is followed. He offered to work in conjunction with the Campus committee to make the report more accurate. Interim Vice Chancellor Steinberg reminded the Committee that this report was developed based on an opinion survey.

Mrs. Whitley moved approval of the report of the ad hoc Committee on Ethnic Minority Affairs. Mr. Graves seconded.

Motion carried.

The open meeting recessed at 11:38 A.M. for UCCSN Foundation meetings and reconvened at 11:51 A.M. Thursday, January 6, 1994, with all Regents present except Regent Foley.

12. Closed Session

Upon motion by Mr. Klaich, seconded by Mr. Graves, the Board moved to a closed session for the discussion of the character, alleged misconduct, professional competence, or physical or mental health of an employee(s) of the UCCSN in accordance with NRS 241.030.

The open meeting recessed at 11:52 A.M. and reconvened in closed session at 12:15 P.M. with all Regents present except Regent Foley. The open meeting reconvened at 2:12 P.M. Thursday, January 6, 1994, with all Regents present except Regent Foley.

13. Information Only: Regents' Workshop

A workshop session was held to discuss two separate issues:

1) Student Affairs Council, and 2) the UCCSN Budget.

A. Student Affairs Council - The members of the UCCSN Student Affairs Council provided information in a workshop format about Student Services. An overview of the workshop materials is contained in Ref. D, filed in the Regents' Office.

Dr. Jackie Kirkland, Chair of UCCSN Student Affairs Council, introduced the members of the Council -- Dr. Patricia Miltenberger, Dr. Jean Thomas-Sims, Dr. Patricia Butler, Dr. Robert Ackerman, Mr. Bill Davies and Mr. Stan Aiazzi. Dr. Kirkland gave a description of what the area of Student Services encompasses.

There are approximately 26 areas from academic advising and counseling services to learning assistance programs and transfer centers. She distributed a handout that lists the common functional areas for comprehensive Student Services programs based on national standards.

Dr. Robert Ackerman gave an historical perspective of the role of Student Services in the development of students, from the practice of in loco parentis to today's student development theory. He stated that the Board of Regents has reaffirmed its commitment to Student Services, and the Council is appreciative of Interim

Chancellor Richardson's directive to expand the duties of the Vice Chancellor for Academic and Student Affairs to include the oversight of Student Services. Dr. Ackerman briefly outlined Student Services in higher education. The United States model of undergraduate education includes residential life. It is hoped that the experience of attending College will enable skills and values to be learned for the future. Human development is studied and practiced throughout Student Services. The staff uses the entire Campus as its classroom and laboratory and provides various experiences for students. Although development growth is difficult to measure, the Campus life experience is an educational experience that gives meaning to the human development experience.

Mr. Jean Thomas-Sims discussed the Student Services mission statement and the assumptions of Student Services, including that each student is unique and that out-of-class environments affect learning. Each student has worth and dignity, and personal circumstances affect each students' learning ability. She stated that student involvement also enhances the learning experience.

Dr. Patricia Butler highlighted the most prevalent

assumptions of learning:

1. That each student is unique.
2. Feelings affect thinking and learning: family, age, cultural and social needs.
3. Each person has worth and dignity: developing caring communities.
4. Personal circumstances affect learning: financial, handicaps, time management, alert to personal circumstances, family, work, gender, non-speaking English, ethnic, first generation.
5. Student involvement enhances learning: assume responsibility for quality of learning and for their lives.
6. Out-of-class environments affect learning: social and physical.

Dr. Thomas-Sims added that institutional characteristics

also enhance student development.

Mr. Bill Davies distributed the "Strategic Directions

for the University and Community College System of

Nevada". He identified the UCCSN strategic directions and objectives which relate to the Student Services function. The Executive Summary contains two strategic directions identified for the UCCSN that relate to Student Services:

- a) The UCCSN will strive to enhance access to and retention in public postsecondary education.
- b) The UCCSN will recognize and reflect the diversity of society within its institutions.

These directives are appropriate for the tradition and history of how Student Service programs are formed.

The Student Affairs Council is appreciative of the Board for including these particular directives for UCCSN.

Dr. Davies stated that people take care of people and people take care of students. With the current financial conditions placed on higher education in Nevada, UCCSN has been very fortunate to have quality people in the Student Services programs to implement the various programs. The budget constraints are a very serious

problem for Student Services throughout UCCSN.

Mr. Klaich stated that this was a very important presentation that gave the traditional view of education with the perfect mix of Student Services that enhances the College experience. Student Services are being talked about, and we need to all work together. This is a prime example of why the funding formulas are necessary. He stated that without the formulas, these programs would be diminished.

Dr. Derby stated that this presentation brings the Board back to the student issues. It is very important to know all the ways Student Services affect the students. She stated that the Student Affairs Council was part of the effort in developing UCCSN's Strategic Directions, and she was pleased to see that the directives are playing out throughout the System.

Dr. Kirkland informed the Board that this presentation has been condensed, and there is so much more to Student Services. The Student Affairs Council has a passion for these services and feels they are critical. She stated that Student Services does not exist in

isolation, there is a collaboration with the the entire
Campus.

Mrs. Berkley commended the Student Affairs Council for
the presentation. She, too, is pleased to see the
Strategic Directions being utilized. Mrs. Berkley
disagreed with Mr. Klaich by stating that formula
funding does not provide adequate resources for Student
Services, and that she does not see formula funding ad-
dressing these issues.

Mrs. Sparks suggested that the handout listing the
Student Services programs be included when discussing
student support and staffing with Legislators. She
felt that they would be greatly surprised at all the
services provided.

Mrs. Price clarified that prior to formula funding,
funding was based on prioritizing what UCCSN believed
was important. Dr. Eardley responded that at some of
the institutions, the Student Services staff also
teach courses. UCCSN has gone before the Legislature's
budget committees and were questioned why UCCSN would
need money for counseling -- adults don't need counsel-

ing. However, times have changed.

Mrs. Gallagher expressed her appreciation for the presentation. She has always believed in holding these types of workshop sessions for the Board of Regents which enlighten the Board of Regents of the specific issues throughout UCCSN. As Chairman of the Academic Research and Student Affairs Committee, Mrs. Gallagher stated that she would be willing to schedule additional presentations.

The workshop session is continued after item 14.

14. 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

December 2-3, 1993.

(2) Approved the gifts, grants and contracts, listed in

Ref. C-1, filed with the permanent minutes.

(3) Approved a Handbook amendment to Title 5, Chapter 18, Article III, Sec. 2.2, Constitution of the Graduate Student Association of the University of Nevada, Reno, as contained in Ref. C-2, filed in the Regents' Office.

(4) Approved a Handbook amendment to Title 4, Chapter 18, Section 5, Grants-in-Aid, Professional Staff and Dependents, as contained in Ref. C-3, filed in the Regents' Office.

The changes would allow employees to take 6 credits per semester without a limit on the number of classes and 3 credits per Summer Session without a limit on the number of classes. The policy would no longer require approval of a Dean or Department Head for University classes and the policy would no longer allow an institution to charge another institution out-of-state tuition for the spouse or dependents of an employee.

(5) Approved a USDA lease for the Fallon Service Center Office space at UNR. The lease is for 4789 sq. ft. of office space at the Fallon Service Center.

The original terms of the lease will remain in force

with the following exceptions:

1. Lease term shall be 3 years from date of inception.
2. Lessee shall pay to Lessor \$.80 per sq. ft. for a total of \$45,974.40 per year.
3. Total square footage leased will be 4789.

(6) Approved a UNR extension of lease of the Chaney Farm to Robert O. Burnham and Robert E. Burnham, DBA Hillside Farms of Diamond Valley.

The original terms of the lease will remain in force

with the following exceptions:

1. Article 2: Lease term shall be 6 years from date of inception.
2. Article 3: Lessee shall pay to Lessor twelve percent (12%) of total revenue generated from sale of crops produced on said premises.

(7) Approved authorization to utilize Capital Improvement

Fees at NNCC in the amount of \$54,000 for the following projects:

NNCC contribution to the Ely facility \$50,000

Civil Engineering fees for the Mark Dawson

Child Care Facility \$ 4,000

(8) Approved authorization to utilize Capital Improvement

Fees at CCSN in the amount of \$100,000 for the purchase of exercise equipment as per the lease-purchase agreement with Mr. Claude Howard for the former Camelot Spa on West Sahara in Las Vegas.

(9) Approved the following amendments to the Handbook:

A. Title 4, Chapter 3, Section 22, Summer Session

Salary Schedule, UNR, as contained in Ref. C-4,
filed in the Regents' Office.

B. Title 4, Chapter 3, Section 22, Summer Session

Salary Schedule, UNLV, as contained in Ref. C-5,
filed in the Regents' Office.

(10) Approved the 1992-93 Actual to Budgeting Budget

Reports which are filed in the Regents' Office.

(11) Approved the following Summer Session Budgets for

1994:

A. UNLV Summer Session Budget

Extended Education

Summer Term

1993 1994

Projected Budgeted

Actual Estimate

Resources:

Opening Account Balance \$ 230,028 \$ 229,097

Revenue:

Student Fees 3,332,730 3,432,712

Transfers In 1,387 2,000

Total Source of Funds \$3,564,145 \$3,663,809

Expenditures:

Professional Salaries \$2,541,195 \$2,795,315

Fringe Benefits 99,033 108,936

Classified Salaries 39,335 41,302

Fringe Benefits	8,654	9,086
Wages	1,000	2,500
Fringe Benefits	12	30
Operating	52,095	61,100
Out-of-State Travel	5,000	7,500
Total Expenditures	\$2,746,324	\$3,025,769
Transfers Out	588,724	408,040
Ending Account Balance	\$ 229,097	\$ 230,000
Total Use of Funds	\$3,564,145	\$3,663,809

B. UNR Summer Session Budget

	1993	1994
	Projected	Budgeted
	Actual	Estimate
Resources:		
Opening Account Balance	\$ 327,455	\$ 439,116
Revenue:		
Student Fees	1,254,992	1,280,000
Total Source of Funds	\$1,582,447	\$1,719,116
Expenditures:		
Professional Salaries	\$ 713,747	\$ 820,809
Fringe Benefits	22,054	29,140
Graduate Assistant Salaries	2,950	3,392

Fringe Benefits	35	41
Classified Salaries	0	0
(See Transfers Out)		
Fringe Benefits	0	0
(See Transfers Out)		
Wages	11,310	14,500
Fringe Benefits	136	174
Travel	4,400	6,000
Operating	78,082	75,550
Total Expenditures	\$ 832,714	\$ 949,606
Ending Account Balance	439,116	438,065
Transfers Out	310,617	331,445
Total Use of Funds	\$1,582,447	\$1,719,116

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

A. School of Medicine, Microbiology

School of Medicine/Microbiology

DNA Analysis Lab

1993 1994

Projected Budgeted

Actual Estimate

Resources:

Opening Account Balance \$ 621 \$ 0

Revenue:

Sales & Service 60,067 60,113

Total Source of Funds \$ 60,688 \$ 60,113

Expenditures:

Classified Salaries \$ 5,955 \$ 12,443

Fringe Benefits 135 4,355

Wages 0 11,000

Fringe Benefits 0 132

Travel 239 800

Operating 52,848 28,384

Equipment 1,511 2,999

Total Expenditures \$ 60,688 \$ 60,113

Ending Account Balance \$ 0 \$ 0

Total Use of Funds \$ 60,688 \$ 60,113

B. College of Agriculture, Laboratory Animal Medicine

UNR

College of Agriculture/Laboratory Animal

Medicine

Sheep Laboratory

Budgeted

Estimate

Resources:

Opening Account Balance \$ 0

Revenue:

 Sales & Service 153,230

Total Source of Funds \$ 153,230

Expenditures:

 Classified Salaries \$ 30,355

 Fringe Benefits 8,803

 Wages 13,116

 Fringe Benefits 1,573

 Operating 99,383

Total Expenditures \$ 153,230

Ending Account Balance \$ 0

Total Use of Funds \$ 153,230

C. Cooperative Extension, Southern Area, UNR

Cooperative Extension/Southern Area

ES-WIC/Nutrition Education

1994

Budgeted

Estimate

Resources:

Opening Account Balance \$ 0

Revenue:

Misc: USDA-WIC 30,000

Total Source of Funds \$ 30,000

Expenditures:

Classified Salaries \$ 16,667

Fringe Benefits 4,333

Travel 2,000

Operating 7,000

Total Expenditures \$ 30,000

Ending Account Balance \$ 0

Total Use of Funds \$ 30,000

(13) Approved the following interlocal agreements:

- A. UCCSN Board of Regents/UNR and the Department of
Human Resources/Division of Child and Family
Services (Interlocal Contract)

Effective Date: Date approved by Board through

June 30, 1994

Amount : \$25,051 to UNR

Purpose : UNR's College of Education to develop a program of early intervention services for children with developmental delays (ages birth through two years) and their families and early childhood mental health services for children (ages birth through six years) and their families.

B. UCCSN Board of Regents/Nevada School of Medicine and the Department of Human Resources/Welfare Division (Interlocal Contract)

Effective Date: Date approved by Board through

June 30, 1994

Amount : \$115,000 to Medical School

Purpose : Medical School to provide analytical reports and consultation services to assist the Welfare Division in rendering rehabilitation services to disabled clients eligible for Nevada

Medicaid.

C. UCCSN Board of Regents/UNR and the Department of
Human Resources (Interlocal Contract)

Effective Date: Amendment to extend time through

September 30, 1994

Amount : \$6,000 to UNR

Purpose : Amendment -- UNR's Center for

Applied Research to conduct

analysis of records contained

in database to establish base-

line of information regarding

high risk SED children (severely

emotionally disturbed).

D. UCCSN Board of Regents/UNR and the Department of
Human Resources/Division of Child and Family
Services (Interlocal Contract)

Effective Date: January 15 through June 15, 1994

Amount : \$10,000 to UNR

Purpose : UNR to provide early intervention

services for children with devel-

opment delays (ages birth through two years) and their families and early childhood mental health services for children (ages birth through six years).

E. UCCSN Board of Regents/UNR and the Department of Conservation and Natural Resources/Division of Environmental Protection (Interlocal Contract)

Effective Date: Date approved by Board through

August 31, 1995

Amount : \$236,841 to UNR

Purpose : UNR to provide pollution prevention technical assistance to Nevada businesses and assist with grant application, evaluation and project assessment components of the business grant program established under NAC 444.8752 through 444.8788.

F. UCCSN Board of Regents/UNLV and the Department of Human Resources/Health Division (Interlocal

Contract)

Effective Date: Date approved by Board through

November 1, 1994

Amount : \$6,300 to UNLV

Purpose : UNLV to conduct telephone survey

of primary care providers to col-

lect information on all primary

care providers practicing in

rural/frontier Nevada and a sta-

tistically significant sample of

primary care providers in urban

Nevada.

G. UCCSN Board of Regents/DRI and Clark County

Health District (Interlocal Contract)

Effective Date: Date approved by Board through

June 30, 1994

Amount : \$148,253 to DRI

Purpose : DRI to conduct a Winter Carbon

Monoxide Hotspot Study in Las

Vegas.

Mrs. Whitley moved adoption of the Consent Agenda. Mr.

Klaich seconded. Motion carried.

13. Information Only: Regents' Workshop (continued)

B. UCCSN Budget - A workshop on the UCCSN Budget was pre-

sented by Interim Chancellor Richardson and Vice Chan-

cellor Sparks. An overview of all formulas used to

construct the budget was presented. The Board of Re-

gents began discussing the base budget parameters and

priorities for new funding. Vice Chancellor Sparks

distributed material that supported his presentation,

filed in the Regents' Office.

Vice Chancellor Sparks reported that prior to 1985 there

were no formulas for funding for non-instructional func-

tions. UCCSN submitted individual requests, which had

to compete against each institution within the System.

The only funding that was secured from the Legislature

was for the instruction function of UCCSN. Since 1987,

Vice Chancellor Sparks reported that \$25-30 million has

been directed to support services, but part of this had

been returned due to the financial constraints placed on

UCCSN. This return of funding had to do with the State

of Nevada running out of money, not with funding formulas.

Vice Chancellor Sparks reported that one formula limited to the instruction function at the institutions provided faculty positions, classified support staff, and operating funds based upon the number of students enrolled.

This formula defined "student" in terms of full-time equivalent students, one FTE for every 30 undergraduate credits taken and one FTE for every 16 graduate credits taken.

He stated that this approach had important strengths: it provided an objective way to allocate resources equitably, was easily understood by Legislators, helped reduce political tensions among the institutions, regions and special interest groups, and provided some stability in planning and budgeting. This formula recognized the need for a basic support level per student, similar to an entitlement level used in funding K-12.

However, as the System grew by leaps and bounds, this approach of budgeting did not acknowledge the many de-

mands placed on institutions outside the classroom.

In addition, it did not account for actual numbers of students being served, the "headcount" populations.

He explained that five students, each taking one course, place more service demands on an institution than "one FTE" acknowledged in this formula. As one UCCSN Administrator stated, "...it is not FTE students that park cars, walk on the grass, drink coffee in the Union, flush the toilets, and require record keeping, academic advising and personal counseling -- it is headcount students that do and need these things."

Vice Chancellor Sparks stated that between 1985 and 1987 Nevada lawmakers established an interim committee to study higher education financing. The committee members were: Assemblyman Bob Thomas, Chair; State Senators Jim Gibson, Bill Raggio and Don Mello; State Assemblymen Joe Dini and Bill Bilyeu; Regents Daniel Klaich, Jo Ann Sheerin and Carolyn Sparks; UCCSN Presidents Joseph Crowley, Robert Maxson and Paul Meacham; Elaine Wynn of Las Vegas, representing the private sector; and Bill Bible, former State Budget Director.

The committee affirmed its support for the instruction formula and recommended a group of formulas to the 1987 Session of the Legislature which would relieve the crisis for the funding of support services. In the words of Senator Jim Gibson, the formulas are designed "to earmark funding on an empirical basis rather than a political basis". The formulas adopted recognized differences among the institutions, and were designed to meet the needs associated with growth.

Vice Chancellor Sparks reminded the Board that during the current biennium, all instruction and non-support formulas were suspended. He stated that the projected number of students on the Campuses are used when developing the student/faculty ratios. These ratios were suspended for the 1993-95 biennium.

Vice Chancellor Sparks explained the current instruction funding formula, which included the student/faculty ratios as approved by the 1991 Legislature for the 1991-93 biennium. He indicated that the Community College ratios are different than the University ratios. He stated that funding was not allocated on formulas for this biennium, but issued in a lump sum and distributed

throughout the System.

Upon questioning, Vice Chancellor Sparks indicated that the Board of Regents has been very involved in the preparation of the budget. The Board submitted a plan which was compiled by the System Presidents and approved by the Board of Regents.

He indicated that at the next workshop session in February, priority requests for new funding will be discussed for action at the next legislative session.

In responding to a question, Vice Chancellor Sparks stated that the reason for the differentiation between WNCC, NNCC, CCSN and TMCC is due to the economy of scale. Mrs. Price felt that the economy of scale poses a problem and this issue should be readdressed at the next workshop session.

Vice Chancellor Sparks explained that the method of calculating the number of faculty is different for Universities and Community Colleges:

Universities - The projected FTE student enrollment

is divided by the student/faculty ratio in each program.

Community Colleges - The projected FTE student enrollment is divided by the student/faculty ratio in each program and then a full-time/part-time ratio of 60/40 is applied.

Mrs. Price felt that the number of students is relatively flat with the recent budget reductions. Vice Chancellor Sparks explained that a 6% growth projection was used; however, the recent Fall enrollments have indicated a 2% decline. He indicated that UCCSN expects to continue growing in spite of the recent decline. He further explained that based on the budget approved by the Legislature and the projected enrollments, it is projected that UCCSN will be about \$25 million short in funding instruction by the end of the biennium. It is now between \$20-22 million, which is based on what UCCSN actually enrolled. UCCSN actually received \$185.7 million in FY 1993 from the State General Fund, and is currently budgeted for \$194.2 million.

Mrs. Price questioned the difference and how it is

allocated. Vice Chancellor Sparks responded that the allocation on the target appropriation approved by the Governor and the Legislature was based on several concepts, such as new buildings, reduction in instruction, merit increases, classified merits, and fixed costs that must be met. He reported that the increase in the appropriation was depleted after it was distributed throughout the System for those specific expenditures.

The Presidents met and recommended the allocations to the Board. Mrs. Price stated that it is the responsibility of the Board of Regents to allocate the funds and there is no value when the authority is given to the Presidents to transfer the funds at the institutions.

Mr. Klaich disagreed and stated that the transfer of funds at the institutions has nothing to do with the allocation from the Legislature. He stated that formula funding passes throughout the 7 institutions, and it is quite different from what the Presidents choose to do with the funds once it is appropriated.

Vice Chancellor Sparks added that funds cannot be transferred between the institutions; however, the institutions have been given the flexibility to trans-

fer funds between the budget functions at the institutions. It is important to allow the institutions this flexibility.

Upon questioning, Vice Chancellor Sparks indicated that under the current budget structure, the funds can be allocated between functions. However, if the formulas were fully funded, which currently they are not, then transfers would violate the integrity of the formulas.

Interim Chancellor Richardson stated that it is very important to distinguish between the appropriation and allocation process. UCCSN requests an appropriation based on the agreed funding formulas, although it would be best if the formulas were fully funded. This has never occurred in Nevada and the last legislative session chose to disregard the formulas altogether and allocated specific funding for each institution. He stated that what Vice Chancellor Sparks is saying is that UCCSN needs to return to the agreed upon standards for building an appropriation. Once the appropriation is made, then it becomes subject to an internal allocation. Once the appropriations have been approved, the Board of Regents has allowed the Presidents to develop

a budget and to present that operating budget to Board of Regents for approval. He noted that this may be different than the actual appropriation. He stated that this is a confusing process for any lay person; however, it is a far better process than those states who appropriate an amount of dollars for instruction and do not allow for transfers without approval. The Nevada Legislature allows UCCSN the authority to allocate the funds appropriated. Vice Chancellor Sparks agreed, and added that there are a number of letters of intent that address the specifics which need to be adhered to as well.

Mrs. Sparks reminded the Board that when UCCSN was first notified by the Governor that the budgets were going to be reduced and that he was going to recommend a lump sum appropriation rather than having a line item budget, the Governor gave authority to the Board of Regents and the Presidents to allocate the funds. The responsibility of the Regents is to allow the Presidents this flexibility and have them report back to the Board. It is not the Board's responsibility to direct the Presidents on how to spend their funds.

Mrs. Price stated that it was her understanding that the role of the Board of Regents in this budget process was to: 1) allocate funds on what the System values; and 2) actually spend those funds on those values.

The current budget process contains all those issues which Interim Chancellor Richardson discussed earlier. She felt that when there are additional funds, then the Board of Regents should set priorities that should be directed to the System's values. She did not feel that this was being performed in this manner.

Vice Chancellor Sparks stated that the process has been approved by the Board of Regents. He indicated that if the Board so chooses, it has the right to vote down the programs or change the programs. Mrs. Price felt that this is what happens after the process.

Dr. Derby stated that the Board needs to understand how the strategic directions intersect with the allocation of funds. She stated that the governing boards are about values and vision, while the budget is a statement of those values. Vice Chancellor Sparks responded that the student/faculty ratios and the continuation of existing programs are the basis of the base budget. He

felt that the strategic directions would greatly influence the priority requests for new funding which could include a new student/faculty ratio for that specific strategic direction. It will then be addressed in the operating budget in the future. He reminded the Board that the priority budget never gets funded in total and this is where the strategic directions are addressed for the most part.

Mrs. Berkley stated that if the base budget were ever fully funded, then it would be good for the System. However, it is never fully funded and therefore, UCCSN never has the opportunity to get priorities funded. There is no funding directed to the strategic directions at this time.

Mrs. Price indicated that funding from the Legislature is only a portion of what the System spends. She stated that less than half of the funding for higher education is allocated from the Legislature. The Board needs to discuss that other source of funding.

A five minute recess was called. All Regents were present upon return except Regents Berkley and Graves.

Chairman Eardley requested each President to respond to the budget process.

President Gwaltney stated that the Legislature instituted an 11% reduction for TMCC. This has affected TMCC's projections and dreams. Even though there is more money there is actually less money to operate with. He stated that 80% of the budget is allocated on fixed costs and if there is a 5% reduction it comes from the remainder of the 100% allocation (20%). It then becomes immensely magnified.

Mr. Graves returned to the meeting.

President Gwaltney continued by stating that Consumer Price Index is not increasing 2-3%; library materials have risen dramatically; handicap mandates are legal commitments that the institutions must address; leaving dreams for last. TMCC is facing a crisis, and the income is not expanding at the rate of the commitments that are being placed on the institution. The quality faculty members are feeling the same frustrations. Upon questioning, President Gwaltney stated that he was

in favor of some of the formulas for funding, but not all of them. He felt that the Community Colleges are continually losing when it comes to funding. There are some built-in formulas that have been ignored in the past, which he has brought to the attention of the Chancellor's staff.

Mrs. Berkley returned to the meeting.

President Meacham stated that the current method of funding contains several flaws, but he stated that this budget process is the best it has ever been. He did not feel that there was anything else to replace this process. It is the only way that Community Colleges have a chance of maturing. However, there are some inequities that should be addressed, such as the differential rate between the institutions. He has been given the rationale that CCSN is a Community College, but he does not think that that rationale is exact. He agrees with the funding formulas, but CCSN should have the ability to earn money accordingly. He did not think the Community Colleges were allowed to earn on the same basis as the Universities, and his institution is very frustrated. He stated that the majority of growth was experienced

at CCSN, which only received 68% of the allocation. He felt that good stewardship should have been acknowledged but it was not. He does not want that mistake to happen again, and requested that CCSN be given consideration so it is not penalized in the future. CCSN cannot survive on the recent method of allocation of funds.

Upon questioning, President Meacham explained that the mistake made by the institutions was that the System placed a mandate on its faculty and staff. Each institution was trying to keep pace with the other institutions. The institutions thought it would have been acknowledged, but it was not. The institutions placed a heavy workload on its faculty and staff. He agreed with President Gwaltney, that CCSN will not be managed like that again. CCSN hired part-time personnel, and have since then been penalized for it. CCSN consists of 3 Campuses, and has had to reduce hours and personnel in student services. The institution is wearing out its personnel. The environment is not the same. Good stewardship is not being rewarded.

President Calabro stated that President Meacham's remarks hold true for WNCC and at all the institutions,

not just CCSN. There are fewer people to perform the jobs with the same responsibilities. He stated that there are some glitches in all the budgets, and that line items which have to continue need to be corrected.

With regard to the previous discussion on the institutions' flexibility to transfer funds, he stated that 20% or less is available to transfer, and must be transferred very carefully because the next time the budget is built the base budget will not reflect these transfers. With regard to the Federal regulations, he reminded the Board that there are no resources for these mandates. He stated that the funding formulas do allow for a level playing field, but revisions are needed.

President Remington stated that he agreed with his colleagues and added that non-state funds should be discussed. The donors to the various foundations usually have very specific requirements for their donations, usually directed towards scholarships and buildings. Buildings are in great need, but they pose additional costs. Student scholarships are also very important. However, the Board should keep in mind that there are very few dollars for use at the institutions' discretion. He stated that grant monies are very limit-

ed at the Community Colleges, and indirect dollars are very small. So there really isn't much opportunity to transfer funds. NNCC experienced a 35% enrollment growth, but was not considered for any additional funding. There have been implied promises that have not been met. Personnel is becoming very important and crucial to the operation of the institution. Regarding the strategic directions, NNCC is making progress under difficult conditions and the Board should focus on that element for progress.

President Taranik stated that the budget process is a matter of timing. In the next 12 months, UCCSN will approach the Legislature with its budget that is currently being constructed. This budget must be finalized by September 1 to be presented to the Governor.

UCCSN needs a much longer period of timing to plan a budget if it is going to make changes to the process.

He suggested that the Board accept the funding formulas as they currently stand, and in the meantime use the formulas to effectively leverage UCCSN's position for change.

Mrs. Price left the meeting.

President Taranik stated that in the next legislative session, the Board should lay the foundation for any major changes with respect to the various budgets. This will allow UCCSN 36 months to prepare and justify the changes. Then, at the 1997 legislative session these changes should be instigated. UCCSN needs to surface its true needs to provide quality education in Nevada.

Mrs. Price returned to the meeting.

Mr. Graves questioned whether there might be a better budgeting system in the future, and President Taranik responded that he was not in favor of changing the formulas in respect to this upcoming legislative session, but to hold to the current funding formulas and then within the next 36 months UCCSN needs to look at ways to bring on new programs while being creative. The funding formulas will never catch the System up to where they need to be, but they will gain some ground during the next legislative session.

Dr. Derby stated that the discussion thus far has been

very refreshing. It has been determined that UCCSN needs to get a sense of priorities, and to become more creative with its restricted funding. She stated that President Taranik's remarks were very encouraging. UCCSN needs to look ahead and incorporate change as priorities are established.

President Maxson stated that he was in favor of the funding formulas. The funding formulas have taken an uneven playing field and allowed equity between the two Universities. He stated that the System can budget for priorities, but that some items will be left out of the appropriation. He stated that the real villain to the budget process is that of no actual money. The System is continually broke. With regard to the discussion on reallocation of funds within the institutions, it was a very small percentage that was transferred at UNLV. The State allocation to UNLV was 65% and the Board of Regents controls the student fees and tuition. At the time when the institutions were requested to give back money, UNLV made reductions in the finance area, which included having new buildings but no custodians to maintain the buildings. He mentioned that if there is an academic program at UNLV in which

its accrediting body requires more faculty, then UNLV transfers funds to make those adjustments. The UNLV Administration meets with its faculty to discuss these issues and recognize the priorities with which the institution must deal. He suggested that the Board of Regents review this process. He expressed sympathy for President Meacham, who took the hardest hit of all the institutions. He reminded the Board that UNLV faculty gave up a merit pay and utilized the savings to hire part-time personnel. He did not think that this process caused a ripple to any of its faculty. However, there was not one positive editorial or accommodation extended to UNLV's faculty. He stated that he was appreciative to President Meacham for his remarks.

UNR Vice President for Finance and Administration Ashok Dhingra stated that President Crowley had had at least 24 years of experience with budgets. He stated that the members of the Board have, over the years, earned an honorable doctorate degree in dealing with budgets. However, the Board continues to discuss the budgets abstractly and not in actual terms. The institutions address every item that the Board of Regents have discussed. He stated that he was in favor of the

funding formulas. Due to the way the formulas are constructed, it does not give more funding to UNR, but does give more funding to CCSN and UNLV, which have experienced much growth. The formulas meet the needs of the citizens of the State who wish to be educated.

He stated that it is a rational process. The strategic directions are addressed when making allocations. The institutions address exactly what the Board expresses.

Dr. Dhingra stated that each year the institutions develop a budget plan that is shared with the faculty and discussed by the Board of Regents. The funding formulas help to outline the needs in the budget. Due to the suspension of the formulas for this biennium, the institutions were allocated less funding. During the next year of this biennium, if the formulas were to be funded, UNR would be allocated \$75 million, which would be distributed based on allocation of UNR's mission to meet the needs of programs, values and vision.

Each year, UNR spends much time to make certain that accreditation needs, new programs, positions in programs, libraries, counselors, books, police officers, academic advisors, etc. are addressed. This is how UNR allocates its funds. UNR provides program budgets and the Board of Regents approves the budgets. It is

an acquisition process that gets the institution its funding. The formulas need refinement, but he believes that they will work for funding higher education in Nevada.

Mr. Graves indicated that there is a division among the Board members with regard to the funding formulas and changing the entire budget process. Every President has indicated support for the funding formulas, even with its flaws and glitches. He suggested that a list of problems with solutions be submitted to Vice Chancellor Sparks for further discussion.

Vice Chancellor Sparks suggested that it may be time to request another study of funding on higher education. He reminded the Board that they cannot change the process without the legislative and executive branches' input. The Board may wish to include funding for another study in its next budget request.

Dr. Derby stated that she appreciated hearing from Presidents on their view of the funding formulas. It seems that there is more consensus on retaining the formulas, but that they need refinement.

Mrs. Price stated that she had never felt that the formulas were to be discarded, but that a change was to be made to the budgeting process. She agreed that she is trying to formulate a complete picture of the budget process.

Mr. Klaich indicated that he has been regarded as the "Defender of the Formulas". He stated that he felt that this role has been given to him because of the "love it or leave it" attitude which Regent Foley has indicated in the past. It is his understanding that Regent Foley wishes to disband all the formulas in the budget process and is very persuasive in his arguments.

Mr. Klaich stated that he does not wish to see the formulas discarded, and he would argue to save them. However, he stated that by no means are the formulas perfect.

Mr. Klaich explained his own frustrations with the budget process and stated that approximately 3 1/2 months after the last biennial budget was passed the reductions were made. Much to his amazement, after the reductions it appeared to him that very little changed

at the institutions and he felt "duped" by the institutions who were crying "wolf". There were comments made that these reductions were a temporary downturn and that the State would soon be able to fund the institutions appropriately. But there was more doom and gloom that was expressed by the institutions. He explained that UCCSN is in a different economic environment with dwindling resources. The institutions are faced with Federal mandates that are not being funded, while Federal programs are continually being reduced. He felt that the System should look at the way it does business and find out if it is going to work. The present way of doing business is going to lead us to the edge of a cliff, as President Meacham stated in his remarks. Mr. Klaich stated that he was very moved by what the Presidents expressed, but felt that they were their own worst enemy. The Presidents need to find out where the changes should come from and report to the Board.

Mrs. Sparks stated that some of these budgets were reduced close to cataclysmic stages in order not to sacrifice quality. The formulas have never been fully funded; however, if they ever were, UCCSN would be

discussing this issue quite differently. The funds would be used differently. She did not feel that the Regents have been "duped" by the institutions. The faculty and students have tried to maintain a level of quality for what the Board expects for the citizens of the State. The formulas are not perfect, and will need some changes, but it is the best process that UCCSN has currently to operate. The formulas have never had a chance to work. The Presidents did "bite the bullet" and the System has performed admirably. The Legislature has taxed UCCSN and the System did it without major damage to higher education in Nevada. She did not feel that UCCSN should have to go on like this.

Mrs. Gallagher agreed with Mr. Klaich in that all the problems will not disappear. Adjustments need to be made in higher education throughout the nation. She agreed that UCCSN needs to look at different and better ways of doing business. There is a possibility that the System may have to cap enrollment and reduce programs in order to maintain quality. There needs to be a real effort made to develop a better process. She indicated that all national literature points to changes that need to be made. UCCSN will have to

change the way it does business and the Board should work with the Presidents and Chancellor's staff to develop such changes. She did not feel it was a time for doom and gloom, but a time for challenge and the opportunity to be more innovative.

President Meacham stated that he needed to clarify Mr. Klaich's remarks that the Board of Regents had been "duped". The institutions have done their best to deal with the reductions placed on the System. The institutions are hurting and many personnel are becoming more frustrated because of the overload of work. There is a great deal of stress on the Campuses. He stated that he has always stated that CCSN could handle this temporary reduction, and he believed it to be temporary, but the institutions cannot operate in this fashion much longer.

Mr. Klaich stated that his words were poorly chosen and that he did agree with what President Meacham stated.

President Maxson stated that it is a new way of doing business and that all states are going through this process. He stated that if the institutions were to have handled this situation in a dramatic sense, then

it would have been more of a shock therapy for the Board. He reminded the Board that 80% of the budget is allocated for salaries, and a reduction is to reduce the number of personnel. Nevada is the fastest growing state and when funding was reduced, the enrollment flattened out. He indicated that CCSN was hurt the worst when these reductions took place. Instead of cutting programs, the institutions cut positions and did not purchase any new equipment. These reductions do not appear to the average person within one year. There has not been any blood flowing on Maryland Parkway, but this may have been a mistake, because now there are fewer faculty and more students attending UNLV.

Mrs. Berkley stated that her frustration level with this budgeting process is not the same as President Meacham's, but a tremendous sense of letting down her own family and other Nevadans who wish to attend the institutions of higher education in Nevada and to provide them with a good quality education. She stated that she was looking forward to the upcoming Regents' workshop, which she hopes will help her perform her job effectively. She has an obligation to get the

budget process together and to make some tough decisions for higher education.

President Gwaltney complimented the discussion and Mr. Klaich's remarks. He relayed an incident at TMCC where employees are submitting more sick leave forms for major medical problems than in the past. The System is asking them to give more and more and they are abusing their own health to grapple with these issues.

Chairman Eardley stated that Board members are being contacted all the time, and recently because of a program that is being cut at UNR. The logic is reasonable but it affects even the Board members. Mrs. Gallagher stated that these are the tough decisions that the System has to make and support.

15. Disapproved Allocation of Regents' Special Project Funds

Regent Lonnie Hammargren requested Board approval for an allocation not exceeding \$10,000 from the Regents' Special Project Funds to the Desert Research Institute for the purpose of leasing an earth globe and distributing educational materials to schools in Nevada.

Dr. Hammargren gave a short presentation of the Earthwinds Outreach program. He requested approval for an allocation of \$5000 from the Regents' Special Project Funds, with the remaining \$5000 being solicited from the Nevada Space Grant Consortium.

He explained that the Earthwinds flight is scheduled to launch on January 9 or 10, 1994. He distributed to the members of the Board a map for tracking the flight, lesson plans, and general information. He suggested that every classroom in Nevada receive this information. This project will integrate K-16 students.

Mrs. Berkley questioned if students have been preparing for this project and whether it was addressed in the Master Plan. She stated that Regents' Special Project Funds are to be used for special projects. She explained that she would be voting against a proposed 2% merit increase for Administrators later in the meeting, and she did not feel comfortable in voting for the allocation.

ASTM President Don Isler stated that this is a worthwhile project, but did not feel the Board of Regents should be

funding a project for K-12. He requested that the College students' needs be addressed before aiding K-12.

Mrs. Berkley suggested that this issue be brought before the Academic Research and Student Affairs Committee for further review.

No motion was made.

16. Distinguished Nevadan Nominations and the Nevada Open Meeting Law

Nominees for Distinguished Nevadans are discussed in closed meetings of the Board of Regents. Under amendments to the Nevada Open Meeting Law, persons who are to be discussed in closed meetings of a public body must be given written notice that they will be discussed in a closed meeting either by certified mail at least 21 working days or by personal notice at least 5 working days before the closed meeting.

Interim Chancellor Richardson requested consideration of this fact because of the possible problems such notice may have on the Board's subsequent relations with potential nominees.

Interim Chancellor Richardson stated that in the past a number of nominations have been forwarded for consideration in awarding only a few nominees. Under the Nevada Open Meeting Law nominees must be made aware that the Board of Regents would be discussing them during a closed session.

He felt that those not chosen may be offended and felt this item should be addressed by the Board of Regents prior to a scheduled closed session at the February meeting.

General Counsel Klasic stated that this issue has been raised by a President, and it was suggested that UCCSN address the Nevada State Legislature to make an exception to this law. However, the Legislature does not meet until 1995. He stated two options for the Board of Regents: 1) not make any award this year, or 2) abide by the Nevada Open Meeting Law and alert the nominees of the closed session.

Mrs. Price suggested that UCCSN seek an Attorney General's opinion. Although she agreed with the Attorney General's recent opinion regarding the Chancellor's Search applications, she felt that this situation is a selection process for an award, not an operation of the University System,

or involvement of System employees, or perspective employees.

General Counsel Klasic responded that he did not feel the Attorney General's office would review its most recent decision. The Nevada Open Meeting Law is very clear on its requirements.

Mr. Graves stated that he did not see a problem with informing the nominees of the Nevada Open Meeting Law. He felt that it would be a honor just to be nominated for such an award. Mrs. Berkley agreed and requested that the letter be congenial and congratulatory.

President Maxson stated that he did not wish to see this long-standing process discontinued. These awards are the only time the Board of Regents recognizes those special persons. He suggested that the policy to carry names forward be continued this year with a letter sent to those nominated, and that the institutions restrict the number of nominations submitted to the Board of Regents' Office. In the past the number of nominations did not matter, but he felt that the lists should be narrowed down this time. He suggested that the letter indicate that if not chosen

this year, they would be considered in the future.

Mrs. Sparks suggested that the Board seek cooperation from the media regarding this process. If the nominations are made public it could cause problems for those persons not chosen for these awards. She did not feel this was something for the media to take lightly. The Board should make this situation as fair as possible for those nominated.

Mrs. Gallagher stated that the Distinguished Nevadan award has always been awarded by the Board of Regents, while the Honorary Degrees are awarded by the institutions. She suggested that the Board of Regents make its own award distinct from the institution award. President Maxson requested that the institutions do the screening of nominations prior to the selection by the Board of Regents. Mrs. Gallagher clearly stated that the Distinguished Nevadan award should be awarded by the Board, and the Honorary Degrees awarded by the institutions.

Dr. Derby questioned the validity of President Maxson's suggestion with regard to the letter to nominees stating that if not awarded this year, they may be considered in the future. She did not want to be obligated to honor this

statement year after year. Dr. Derby agreed that the Board of Regents needs to bring this situation before the next legislative session for consideration.

Mrs. Price suggested that the members of the Board of Regents whose terms are ending this year make the selection of awardees for this year. This process would give all 11 members an opportunity to make the selection. Mrs. Sparks pointed out that retiring members of the Board are allowed to submit nominations, and if performing the selection other nominations would be at a disadvantage. She felt that if this process is adopted, as an on-going member, she would feel slighted and would consider this award a "Retiring Regents Award".

Mr. Klaich moved approval that all nominees for awards for this year be returned to the institutions for review and resubmitted to the Board of Regents' Office, and that the Board of Regents comply with the Nevada Open Meeting Law which requires that the nominees be notified that they will be discussed in a closed session. Mrs. Sparks seconded.

Mrs. Berkley suggested that the letters to be sent to the

nominees allow them the opportunity to withdraw from being considered.

Mrs. Gallagher voted no. Motion carried.

General Counsel Klasic was directed to prepare a bill draft at the appropriate time for reconsideration by the Legislature of the Nevada Open Meeting Law.

17. Approved an Emergency Item: Chancellor's Search

Late afternoon on January 3, 1994, the Chancellor's Office received a copy of an opinion of the Attorney General concerning making the Chancellor's position applications public. Because this may affect the search process and because the Board of Regents will not meet again before the February 3, 1994 meeting of the Board's ad hoc Chancellor Search Committee, discussion of the Attorney General's opinion is necessary at this meeting in order to allow the Board to give instructions, if any, to the Committee.

Mr. Klaich moved to accept the Emergency Item regarding the Chancellor's Search. Mrs. Whitley seconded. Motion carried.

18. Chancellor's Search

Discussion of status of search to fill the position of Chancellor of UCCSN was held. Chairman of the ad hoc Chancellor Search Committee Madison Graves reported that the media has been very concerned with this search and stated in a news release that only 17 applications had been filed. He officially reported that the Committee has received 57 applications and 12 nominations. There are some very qualified persons to be considered.

The selection of a new Chancellor is inevitable; however, in light of Nevada's Open Meeting Law, the Committee has some issues it needs to address before proceeding with the search process. As Chairman of the Committee, he has directed staff to notify the applicants that they would be discussed at the Committee's February meetings. He has cancelled the January meetings, due to the 21-day notification requirement.

In addition to the requirements of the Nevada Open Meeting Law, the Las Vegas Sun has compelled the Committee to seek a ruling by the Attorney General on the issue of releasing

the names of the applicants to the public. The Attorney General rendered an opinion as of 3:00 P.M., January 3, 1994 in that the applications would be made public. At that time Mr. Graves spoke with General Counsel Klasic regarding the opinion, and General Counsel Klasic offered that the Attorney General's opinion is law. As Chairman, he directed the staff to add the following paragraphs to the notification letter to the applicants:

This is to also notify you that, in response to a news media request for an opinion, the Nevada Attorney General has held that all applications for the position of Chancellor must be made available for inspection by the public. The Attorney General also advised that applicants who may not have been aware that their applications would be made public should be notified of this and be given the opportunity to withdraw their applications before they were made public.

Therefore, please be advised that unless you notify me in writing by mail or facsimile (702-784-1127) by no later than January 21, 1994 that you wish to withdraw your application for the position of Chancellor of the University and Community College System of Nevada, your

application will be made available for public inspection under the Nevada Open Meeting Law.

He stated that he personally felt that the letter should be conservative; however, he did not agree with this process that has been put upon this Committee. He felt that this will endanger the top applicants for this search and all other searches to be held in the future. However, he stated that he did not feel that he was above the law.

He offered the following solutions:

- 1) the Search Committee could abort the search for the Chancellor's position and continue with the Interim Chancellor. In the meantime, the Board of Regents should lobby the next legislative session to have the Nevada Open Meeting Law reconsidered;
- 2) the Search Committee be instructed to comply with the Nevada Open Meeting Law and notify all applicants that their names would be made public; or
- 3) the Search Committee ignore the Attorney General's opinion, which would then place the Board of Regents

in violation of the law and possibly be served with
a law suit.

From these 3 solutions, Mr. Graves recommended that the Search Committee be instructed to comply with the Nevada Open Meeting Law and notify all applicants that their names would be made public.

He stated that he was aware that some of the Committee members have expressed that he, as Chairman, had overstepped his boundaries in reacting to the Attorney General's opinion without bringing this issue before the full Board of Regents for advice and direction.

Mrs. Gallagher stated that she thought Mr. Graves acted appropriately. She did not feel that the Board of Regents has a choice in going against the opinion of the Attorney General. She suggested that the ad hoc Chancellor Search Committee continue with the search process; however, if many or all top candidates should decide to withdraw, then the Committee will need to reconsider the process.

Mrs. Berkley stated that this is an item worth fighting for with the Attorney General. She agreed with Mr. Graves, but

felt that if the Search Committee loses one candidate, one is too many. She informed the Board that there have been Attorney General's opinions that have been overturned by the court system. She felt that if a law suit is forthcoming, then so be it. General Counsel Klasic would be able to handle the law suit. She felt that it would be wrong if the Board of Regents did not choose to fight this issue.

Dr. Derby requested General Counsel Klasic to respond to the law, in that it was her understanding the law was not intended to affect searches.

General Counsel Klasic stated that there is not a Nevada court opinion on this particular matter. What Nevada courts have said in the past is to look to a "balancing test" -- to the public's interest vs. the government in the right to know. There are several law cases that are split on this issue. He referenced a case out of Arizona, which also was quoted in the Nevada Attorney General's opinion, whereas the initial process of the search be kept confidential, but release the names of the finalists. There seems to be an interest when the applicant pool is narrowed to a few.

Other cases have stated that the public always has the right to know, and that applicants should have thick skin if ap-

plying for a public position. However, the recent trend is towards the Nevada Attorney General's opinion, in that all names be made public. General Counsel Klasic did not feel that there was sufficient amount of time to make a study of this opinion.

General Counsel Klasic did feel that the Board of Regents would have a case if they should decide to not comply with the Attorney General's opinion, but cautioned the Board that the Nevada Supreme Court has a very liberal view towards the sunshine laws. The Nevada Supreme Court has upheld the Open Meeting Law and has overridden the attorney/client privilege. He felt that the Board of Regents would have a slim chance in winning the law suit.

General Counsel Klasic stated that during his conversation with Assistant Attorney General Brooke Nielson, it was pointed out in regard to the Arizona case, there was a detrimental affect on the applicant pool when the names were released. Although, in other cases there was not a problem. There is no guarantee that applicants would remain or withdraw. He stated that if the Search Committee loses too many candidates, as the Arizona case did, then it was suggested that the Committee reconsider the process.

Mr. Graves requested clarification of the conversation between General Counsel Klasic and Assistant Attorney General Nielson. It was his understanding that she said that if UCCSN had a significant number of applicants withdraw, not just the top five candidates, then it should be reconsidered. General Counsel Klasic confirmed that conversation, but noted he agreed with Regent Gallagher that a case could be made on the issue of quality vs. quantity.

Mrs. Berkley stated that she felt this issue is dealing with academia, not a public office. Academic credentials are being considered and that the Chancellor's position is not one that is in the public's eye, such as City Managers, etc.

Mr. Klaich left the meeting.

Mrs. Berkley suggested that the Board of Regents discuss this issue with the editorial boards throughout the State. She had requested Secretary Moser to research information on this issue, and Mrs. Berkley stated that there are some incredible cases regarding this very issue. This issue is a disservice to the System and to the candidates.

Mr. Klaich returned to the meeting.

Mrs. Price stated that she did not agree with the discussion that was being held. She stated that she was in agreement with the Attorney General's opinion. Applicants must recognize that government is different than the private sector and sacrifices must be made if applying for such positions.

Mrs. Gallagher requested clarification on how the Board of Regents intended to "fight" the Attorney General's opinion and what the time frame should be. If the Board of Regents chooses to ignore the opinion and continue with the search, and a law suit is filed in which UCCSN loses the case, then where does that leave the search process? Is the search aborted, or is the Chancellor hired illegally?

General Counsel Klasic responded that if a law suit was filed against UCCSN, any case that deals with the Nevada Open Meeting Law receives priority on the court calendar and it would be heard before the Search Committee would make its decision.

Dr. Derby requested advice from Interim Chancellor Richardson and General Counsel Klasic.

General Counsel Klasic reported that the letters have already been sent to each applicant stating the process. The Search Committee is now in a position to see if candidates will choose to withdraw or not. If a number of candidates do choose to withdraw, then the Board of Regents can approach the Attorney General with this information, and the search should then be aborted.

Mrs. Gallagher cautioned the Search Committee to not settle for a less qualified person, just because qualified persons have withdrawn. She suggested that the search be aborted if it comes to that scenario.

Mrs. Berkley suggested that another letter be sent to the applicants explaining the dilemma which the Board of Regents is facing.

In response to Dr. Derby's request for advice, Interim Chancellor Richardson suggested that the Regents poll its Presidents to see if they would apply for such a position under these conditions. He reflected on his earlier career when he was subject to an open search process. Based on his previous experience, he stated that he would never be

a candidate in an open search again. He clarified that he did not have anything to hide, but the exposure with his young family was not fair. He felt that General Counsel Klasic gave the correct advice -- the courts have decided both ways. He felt that governing boards have the right to conduct searches, but must conduct the search in accordance with the law. These laws differ from state to state. He recommended fighting against the law, not only for this present search, but for future searches to be conducted by UCCSN. He has seen searches where the media conducts the search and investigates the applicants by contacting the applicant's home town, Legislators and other viable persons. He stated that he does believe in open governance, but also believes in protecting himself.

General Counsel Klasic suggested that the Search Committee play out the process and see what the candidates choose to do with Nevada's law. This may help with establishing a case against the Nevada Open Meeting Law, but it may also become a disadvantage to this current search process. There is a chance that UCCSN may not be in violation of the law, but at this point it is unsure on how the courts would decide this particular case.

Mr. Klaich moved to ratify the action taken by Regent Madison Graves and proceed with the search subject to review at the next Board of Regents' meeting regarding the effect the letter to the applicants has taken, whether it be quality and/or quantity. Mrs. Whitley seconded.

Mrs. Gallagher requested clarification on the motion. Mr. Graves stated that it gives the Search Committee the authority to abort the search process. Mr. Klaich explained that the motion does not say that the Board of Regents should seek a law suit, but to comply with the letter sent by the Chairman of the Search Committee and make the applications public after the stated date in the letter.

Mrs. Berkley stated that she completely opposed this motion. The issue is fundamental to the search process. Names must be kept confidential, and she strongly disagrees with the Attorney General's opinion. She felt the Board should challenge this opinion.

Dr. Derby suggested that a special meeting be scheduled.

Mr. Klaich agreed, but added that this is not the only search that will be conducted by this Board and the confidential process should be fought for.

It was suggested that a special meeting be scheduled for Friday, January 21, or Saturday, January 22, and that the Secretary of the Board and the Interim Chancellor monitor the withdrawals.

Mr. Graves questioned what good a meeting would do at this point in time.

Mrs. Berkley stated that she was in opposition to an open search. This is one of the most important searches that this Board will ever be faced with.

In response to Mr. Graves' question, Mr. Klaich stated that the special meeting would allow the Board of Regents to abort the search and retain the Interim Chancellor for an extended period. The results from the letter sent by Chairman Graves may enlighten the Attorney General's opinion.

Affirmative votes: Regents Gallagher, Graves, Klaich,

Hammargren, Price, Sparks, Whitley

Negative vote : Regent Berkley

Motion carried.

As a point of order, Mrs. Price indicated that she would be unavailable for the next 8 weeks, and stated that she is not in favor of fighting this case.

19. Approved FY 94 Merit Increases for Administrators

At its October 1993 meeting, the Board approved granting merit increases retroactive to July 1993 to Associate Deans and above and to other personnel reporting to the Chancellor or a President not considered for a merit increase earlier this fiscal year. In accordance with Board of Regents policy, Interim Chancellor Richardson presented the following recommendation for merit increases for Chancellor's Office staff:

	2% 1993-94		
	Current	Merit	Total
	Salary	Increase	Salary
Chancellor's Office			
Sue Baker	\$ 35,706	\$ 714	\$ 36,402
Doug Burris	114,200	2,284	116,484
Pamela Galloway	51,519*	1,030	52,549

Donald Klasic	86,650	1,733	88,383
Mary Lou Moser	65,629	1,312	66,941
Thomas Radko	62,845	1,257	64,102
Ron Sparks	102,787	2,056	104,843
Karen Steinberg	84,000*	1,680	85,680
Donald Zitter	84,407	1,688	86,095

* P. Galloway voluntarily reduced to .95 FTE. Actual salary - \$49,157

K. Steinberg voluntarily reduced to .90 FTE. Actual salary - \$76,300

Interim Chancellor Richardson recommended that these salary increases be retroactive to July 1, 1993.

Mr. Klaich moved approval of the 2% merit increase for Administrators, retroactive to July 1, 1993. Mrs. Gallagher seconded.

Mr. Klaich clarified his position on this issue by stating that at the December meeting he voted against this merit increase for Administrators. Interim Chancellor Richardson has since explained his rationale for the increase and was very persuasive. Interim Chancellor Richardson has an-

nounced that he would not be applying for the permanent Chancellor's position. He has had limited time in his capacity as Interim Chancellor and will return to the position of Vice Chancellor for Academic and Student Affairs. A strong message has been sent to the Presidents that the Board of Regents expects merit increases to be carefully reflected upon and not made across the board. The UCCSN is under strained financial circumstances. Mr. Klaich stated that he was prepared to reverse his position and support the Interim Chancellor's recommendation.

Dr. Derby stated that she did not support the motion. She stated that UCCSN is very fortunate to have an Interim Chancellor such as John Richardson who is very wise and experienced. She believed that he did make his very best judgement in recommending this merit increase. However, she disagreed with the recommendation in light of the difficult financial times UCCSN is experiencing. It is not business as usual. She felt that UCCSN has denied students access to classes because of the well-paid Administrators. It is an easy approach to award across the board merit increases and she understands that it is a tough decision to make, but one that should be made in accordance with performance. She felt that this current situation was dif-

ferent and unique because of the short period of time the Interim Chancellor has served in this capacity.

Mrs. Price questioned how merit is applied and if it has ever been discussed by the Board. It was explained that the institutions have autonomy in awarding merit.

Affirmative votes: Regents Gallagher, Klaich, Price,
Sparks, Whitley, Eardley

Negative votes : Regents Berkley, Derby, Graves

Motion carried.

Mrs. Price reserved the right to make corrections to the December 2-3, 1993 Board of Regents' minutes because she has not yet reviewed them.

The meeting adjourned at 6:23 P.M.

Mary Lou Moser

Secretary of the Board

01-06-1994