

UCCSN Board of Regents' Meeting Minutes
Desert Research Institute
Conference Room
April 24-25, 1997

Members Present:

Mr. Madison Graves, II, Chair
Mr. Mark Alden
Ms. Shelley Berkley
Mrs. Thalia Dondero
Dr. James Eardley (via telephone)
Mrs. Dorothy S. Gallagher
Mr. David L. Phillips
Mrs. Nancy Price
Mr. Howard Rosenberg
Mr. Tom Wiesner

Members Absent:

Dr. Jill Derby

Others Present:

Chancellor Richard S. Jarvis
General Counsel Donald Klasic
Vice Chancellor Tom Anderes
President Joseph N. Crowley, UNR
President Carol Harter, UNLV
President Richard Moore, CCSN
President James Randolph, WNCC
President Ronald Remington, GBC
President James Taranik, DRI
Interim President John Richardson, TMCC
Secretary Mary Lou Moser

Also in attendance were Faculty Senate Chairs Peggy Urie, UNR; John Sagebiel, DRI; Larry Hyslop, GBC; Nancy Master, UNLV; Becky Seibert, System Administration; Joanne Vuillemot, CCSN; Richard Stewart, WNCC; Dan McClure, TMCC. Student Government leaders were also present: Doug Flowers, ASUN; Aaron Rosenthal, UNLV; Jennifer Lee, ASTM; Victoria Briscoe, GSA, UNR, Joyce Marshall, GSA, UNLV, and Susana Hernandez, ASCCSN.

Chair Madison Graves called the meeting to order at 8:35 a.m. with all Regents present except Dr. Derby.

1. Introductions - President Crowley introduced the new ASUN President Mr. Doug Flowers stating that Mr. Flowers is a Reno High graduate, is in the UNR Honor's Program and a history major. President Harter introduced Dr. John Readence, Dean of the College of Education and Dr. Jeffrey Koep, Dean of the College of Fine Arts.

2. Chair's Report - Regent Tom Wiesner reported on the recent Association of Governing Boards (AGB) conference held in San Diego, California. He stated that the conference was very informative with over 800 institutions represented and that there were many break-out seminars and panels covering a variety of topics.

Mrs. Price entered the meeting.

3. Chancellor's Report - Chancellor Jarvis stated that he would defer his report to later in the meeting since much of it related to the Legislative Report which is on the agenda.

Presidents' Reports:

Interim President Richardson thanked the Board of Regents and the Chancellor for the opportunity to be interim president at TMCC. He is enjoying the challenges of this position. He reviewed his first day at TMCC reporting that it started with a meeting with the Vice Presidents, a campus tour, a meeting with representatives from the Michelin Tire Company who were on campus to recruit students for job opportunities in their new district office in Reno, and a Foundation meeting at which it was announced \$160,000 in scholarship money is available to TMCC students and graduates continuing on to UNR. The day ended with a GED graduation ceremony that President Richardson found to be a very rewarding experience and a pleasant end to a very busy first day on campus.

President Randolph reported that the cooperative efforts between WNCC and UNR's College of Education in developing an articulation process have been very successful with six different courses required effecting four different majors. This is part of the 2 + 2 program which meets critical articulation programs for the Carson and Fallon campuses.

President Taranik reported that DRI broke ground on April 10 for the Northern Nevada Science Center which is a 62,000 sq. ft. facility and will consolidate faculty and staff at the Dandini Research Park. Bids will be opened on May 14 for the \$13 million project which will be completed in June 1998.

President Moore reported that CCSN, in a cooperative effort with the Boys and Girls Club in Las Vegas, provides child care at the Cheyenne campus while their parents attend class. Over 480 children participated in the program this spring. President Moore thanked Mr. Mike Myers from the Boys and Girls Club for his efforts in getting this program off the ground.

President Moore also reported on the status of the Learning and Earning Initiative program at CCSN. Currently there are 47 students in the program and local businesses will provide opportunities for 45 additional students. Studies indicate that 80% of students in this program will graduate from high school and go on to college.

President Moore stated that in the fall CCSN will have two adjunct faculty teaching: Chancellor Jarvis will be teaching a geography course at Bonanza High School and Mr. Howard Rosenberg will be teaching a course on Italian New Wave Film.

Ms. Berkley entered the meeting.

President Remington reported that GBC will host a state-wide conference May 1-3, with nearly 200 participants registered for the conference. He also reported that 167 students registered for distance education on-line computer classes with over 50% from the Elko area. Mr. Stan Aiazzi, Vice President for Student Services, is currently sailing across the Atlantic Ocean from Virginia to Spain on a 28-foot sailboat. We all wish him well.

President Harter reported that UNLV has appointed Dr. Elvin Lashbrooke, Dean of the Business College. Dr. Lashbrooke has a doctorate in finance as well as a law degree. President Harter further reported on the dedication of the Baron Hilton Auditorium in the Lied athletic facility. The H'lel Society for Jewish students invited Mr. Edgar Bronkman to a May 1-2 event on campus to commemorate the Holocaust and Jewish heritage on campus. Two Goldwater scholarships in the amount of \$7,500 each were awarded to UNLV students Mr. Elias Bager, an Electrical Engineering student, and Mr. Michael Mina, a Biology student. Ms. DelShawna Jones, a UNLV student, is president for the Summit for America's Future and will attend a national conference in Philadelphia, PA.

Ms. Berkley thanked President Harter for inviting Mr. Bronkman to UNLV to speak and reported that he indicated to her that the highlight of his trip was interacting with the UNLV students stating that they are a very impressive group. Ms. Berkley also thanked Mr. Aaron Rosenberg, CSUN president for his wonderful speech at this event.

President Crowley reported on the outstanding teacher of the year award. The winner of the award will receive \$6,000, additional \$3,000 awards will be given to five runners-up.

President Crowley reported that a new highly sophisticated HDZP2 machine (Z-Pinch) which is a high powered voltage generator will be coming to UNR from the Los Altos National Laboratory. This gift was coordinated by Dr. Bruno Bauer, Physics Professor, and has a value of \$15-20 million. It is anticipated that this machine will generate millions of dollars in grants and contracts to the university from federal agencies. The machine is large, about the size of a basketball court, and will be placed in the Sage Building at UNR and it will take 3-6 months to assemble and have up and running.

4. Legislative Report - Chancellor Jarvis reviewed the testimony presented on behalf of the UCCSN at the latest hearing of the Joint Higher Education Sub-Committee of the Nevada State Legislature Senate Finance and Assembly Ways and Means Committees. The UCCSN request for allocation of Estate Tax revenues was updated at this hearing and currently unfunded priorities for additional General Fund consideration were also identified.

The Chancellor stated that another hearing will be held on April 30 and he would like to present some slight changes for Board approval to bring before the Legislature. The Chancellor stated that there was generally a very positive reception in the Legislature to an initial hearing with the full joint committees at which all the campus presidents testified. This was followed by a set of 36 extensive questions from the LCB staff that has been responded to in writing.

Current goals are to clarify for the Legislature the UCCSN unfunded priorities. At this point it is necessary to adjust the estimate of the Estate Tax revenue and the items requested for support from that revenue; to clarify technical adjustments and appeals; and to identify unfunded priorities.

Chancellor Jarvis stated that after the first hearing the Legislative staff felt UCCSN should be expending a higher portion of the Estate Tax Endowment than UCCSN indicated. They have a different view of how revenue should be distributed from the Estate Tax Endowment than the Board's policy, therefore, it is important to identify statutory guidelines for disbursement from revenues from the Estate Tax Endowment. He stressed how important it is to protect that endowment, as the Board has diligently done over the years.

Chancellor Jarvis proceeded to review the background of the Estate Tax stating:

- State estate tax collections are split 50/50 between K-12 and UCCSN;
- money in the UCCSN estate tax (endowment) account must be invested pursuant to the same investment policies as the other money in the endowment fund is invested. All interest and income earned on the money in the account must be credited to the account;

- Regents may spend \$2,500,000 each year;
- UCCSN must deposit all excess revenue in the endowment account until the principal in the account is sufficient to yield income of \$2,500,000 per year, after which the Regents may spend any money in the account which is not part of the principal to yield income of \$2,500,000 per year. The Chancellor noted that the legislature can void any expenditures or priorities presented by the UCCSN;
- Any expenditures must be approved by the legislature or by the interim finance committee.

Mr. Phillips entered the meeting.

Chancellor Jarvis reviewed the Estate Tax Considerations for 1997-99:

- very strong growth in Estate Tax revenues. Collections are up as State population and wealth increases and interest yields are very high; but
- there are some uncertainties in the future, such as suggestions from the Federal government to dispense with the Estate Tax all together, indicating that this may not be a permanent source of income for UCCSN.

Chancellor Jarvis clarified for the Legislature at a sub-committee hearing, the UCCSN investment policy approach as to how the funds are managed and disbursed from the Estate Tax Endowment:

- fair-market value of endowment is computed over a 20-quarter moving average. This policy has been adopted by the Investment Committee and ratified by the Board;
- fixed rate distribution of 4.5% of the fair market value;
- under those rules the endowment fund which is in excess of \$70 million will achieve \$2,500,000 yield in FY 97

Chancellor Jarvis stated that UCCSN intends to enter the next biennium recommending expenditures in excess of the \$2.5 million.

Chancellor Jarvis presented the Regents' Estate Tax Recommendations for 1997-99 indicating what the Governor's Budget recommends:

- Maintain long-term allocations of \$2.5 million per year to EPSCoR research, library support and student aid which the Executive recommends in the amount of \$5 million over the biennium;
- Seek priority support in Budget Request for: Student access (financial aid) \$1 million; Information technology \$4 million; Applied research (matching fund) \$4 million; SIIS unfunded liability (reserve) \$1 million. The Executive recommends the above amounts.
- Preserve the purchasing power of the \$2.5 million allocation and grow the endowment principal. Executive budget recommends any remaining balance be reinvested in the endowment. The Executive recommends \$2 million.

Chancellor Jarvis stated the total projected distribution in the Executive Budget recommendation is \$17 million to be distributed as indicated above.

Chancellor Jarvis stated that the rate of growth in the Estate Tax endowment revenue is higher than the UCCSN and the Legislature estimated and will be closer to \$15 million a year than the estimated \$8.5 million. The following

proposal was presented to the Legislature for the distribution of the additional \$13 million:

TOTAL

- Student Access: Financial Aid \$2.0M

Expand current access funding to keep up with projected enrollment \$0.9M

New "Earning & Learning" initiatives that support undergraduate and graduate scholarships with a work and/or service obligation \$1.1M

2. Information Technology (Computing) \$8.5M

Complete purchase of new/upgraded financial data system, server equipment (One Shot) \$2.5M

Campus Information Technology Enhancements: 50% of the items for administrative computing and information technicians in the original \$15M Technology Plan

(in Regents' Budget Request) \$4.5M

Faculty/Staff Workstations replacement/upgrades -- begin a program to maintain PC's and printers for 4,100 faculty and staff (approx. \$250/year) \$1.5M

3. SIIS Unfunded Liability \$2.5M

Add to the \$1M set-aside in the Executive Budget recommendations to address the requirement for a \$3.5M unfunded liability reserve (determined by actuarial study).

Chancellor Jarvis reviewed the UCCSN Unfunded Priorities for 1997-99 General Fund items that were not fully funded in the Governor's request. He stated that UCCSN has tried to adhere to the priority recommendations that the Board supported last fall in its budget request.

- Community College FT/PT Ratio \$1.65M

(Current funding of community college faculty is 60/40 ratio. Goal is 70/30. Regents Budget

Request sought to move to 65/35 this biennium. This request seeks 1/2 of that request to 62.5% FT)

2. Equipment (ONE SHOT) \$5.00M

(Regents Budget requested \$30M for academic program equipment, research and teaching labs, library & media programs, networks, and buildings and grounds. Executive Budget recommendation: \$17.1M)

3. UNLV Law School \$.70M

(The System priority for a new academic program.)

4. Non-Formula & Statewide Programs \$1.50M

(UNLV, UNR, DRI, System)

5. School of Medicine Initiatives \$1.20M

(Primary care instruction, clinical site consolidation (LV), family medicine faculty, and administrative support.)

6. Gender Equity (UNLV, UNR) \$.60M

(Regents Budget Request for \$1M. Executive Budget recommendation \$0.2M)

7. Hazardous Materials Management \$.55M

(Regents Budget Request for \$4.3M. Executive Budget recommends \$2.4M for UNLV and UNR only.

This addition needed to provide minimum staffing at the 4 community colleges and DRI (Regents requested \$1.19M for them.)

8. Safety/Security Initiatives \$.52M

(Regents Budget Request for \$2.14M. No recommendation in Executive Budget)

TOTAL \$11.72M

Mr. Alden asked how much money was needed for Gender Equity in order to be in compliance with Title IX. Chancellor Jarvis responded that \$2 million per year would be needed over a four-year period to come into compliance. President Crowley stated this would be possible if \$2 million per year was provided to UNR and UNLV.

Chancellor Jarvis commented that all of the items on the list are not funded at the level the Board requested and UCCSN is currently underfunded by \$11.72 million, therefore, all requests are attempts to close the funding gap. Chancellor Jarvis reported that he has already been informed by the Senate Majority Leader that the chances of additional funds are not great.

Mrs. Price commented on the request for \$4 million for applied research matching funds stating that at one time UNR had a \$1 million revolving bank loan fund and asked whether it had been paid back. President Crowley responded that it is still in effect to which Dr. Ken Hunter stated UNR has borrowed all of the \$1 million available in the revolving fund and stated that an additional \$500,000 will be paid off in the next few years. Mrs. Price reiterated her question asking if it will just disappear, to which Dr. Hunter responded yes.

Mrs. Dondero questioned why safety and security issues would not be important to the Legislature. Chancellor Jarvis stated that Legislators feel these issues should be covered in the support formulas.

Mrs. Price asked if all of these requests were funded, would the UCCSN be spending more money from the Estate Tax than in the past? Chancellor Jarvis answered yes. She asked how much more was being spent over the last three years. Chancellor Jarvis responded \$2.5 million per year and an additional \$13 million this biennium with Legislative approval. Mrs. Price stated that previously that money was put into the endowment, to which Chancellor Jarvis agreed.

Mrs. Price asked about the rumor regarding a \$45 million request for Thomas and Mack expansion. Chancellor Jarvis asked to defer his answer since it refers to item 19 on the agenda. Mrs. Price asked if there was any relationship to UCCSN spending more from the endowment and that request. Chancellor Jarvis stated no, not in his opinion. Mrs. Dondero stated that she felt this should be related to the percentage UCCSN has grown since the last budget request. This has been done according to the Chancellor and it is hard to get the extra funding since UCCSN has done very well.

Chancellor Jarvis presented the revised Estate Tax Increase/Requested Distribution of Additional \$13M proposal:

TOTAL

- Student Access: Financial Aid \$3.5M

Expand current access funding to keep up with projected enrollment \$0.9M

New "Earning & Learning" initiatives that support undergraduate and graduate scholarships with a work and/or service obligation \$2.6M

2. Information Technology (Computing) \$7.0M

Complete purchase of new/upgraded financial data system, server equipment (One Shot) \$1.0M

Campus Information Technology Enhancements: 50% of the items for administrative computing and information technicians in the original \$15M Technology Plan

(in Regents' Budget Request) \$4.5M

Faculty/Staff Workstations replacement/upgrades -- begin a program to maintain PC's and printers for 4,100 faculty and staff (approx. \$250/year) \$1.5M

3. SIIS Unfunded Liability \$2.5M

Add to the \$1M set-aside in the Executive Budget recommendations to address the requirement for a \$3.5M unfunded liability reserve (determined by actuarial study).

Chancellor Jarvis stated that in rearranging the priorities the total remains the same; \$13 million. The increase to \$2.6 million for student access/financial aid will provide funds for additional financial aid that is tailored to the students within the UCCSN institutions not served by Federal need-based guidelines. Chancellor Jarvis reviewed the proposed Regents' Scholarships Principals:

- Scholarships would have an on-or off-campus work or service obligation;
- Each campus would have flexibility to tailor programs to meet their specific student populations;
- Scholarships would be available to undergraduates and graduate students;
- Retain Regents' 80/20 need-based criterion, but design revised standards for "need" that more readily accommodates older, independent, work, or part-time students than Federal guidelines.
- Distribute funds to campuses based on annual average FTE enrollment.

Mrs. Price asked if students would have to work for this money. Chancellor Jarvis responded that there would be a work or service obligation to the students who receive these funds. Mrs. Price stated that she does not see the relationship to our student population; students already work and go to school and that what is needed is a relief from those additional burdens that students already have. She stated she felt it is very difficult for students to put their emphasis on their scholarly studies and also have to work. She continued that having taught at UNLV she is aware of the strain that a lot of the students are under and she would think that a Regents' Scholarship would be better to emphasize scholarly work; somebody needs to recognize that going to school and studying is hard work and she would think a scholarship that said Regents' on it would address those issues.

President Harter responded to Mrs. Price's comments stating that in some cases this type of work would substitute for low paying jobs off campus and a student would be involved in campus-oriented work on campus or in community service that would be a higher level activity. Mrs. Price stated that she understood that, however, she also has a problem with unpaid internships. She further stated that the reality that going to school and studying is very difficult and she felt it is not being addressed outside the academic world, and that it should be addressed inside.

President Moore stated that the first work preference for CCSN students is with the faculty and specifically within their departmental areas. Second, the Earning and Learning program salary was set deliberately at \$6.00 which is above the minimum wage. Students prefer to work at a higher rate of pay on campus. He stated that he supports this type of scholarship and that it is badly needed.

Mrs. Price asked if these students would have hospitalization, insurance, all the benefits that employees usually have. She stated she felt the problem is they do not have this type of coverage and are exploited. She stated that student athletes, interns, and graduate assistants do not have the benefits of being an employee and yet they are doing the work.

Mr. Graves stated that Mrs. Price had an opinion that was not shared by the other Board members and that although he appreciated her position, it was necessary to proceed. Mrs. Price asked for a point of order.

Mr. Don Klasic, General Counsel, responded that the Chairman had ruled and if Mrs. Price wished to take the matter to a vote that was certainly her right. Mrs. Price asked for a definition of a point of order.

Ms. Berkley stated she feels this is a very intriguing and outstanding program, this is new and innovative, and that she felt Mrs. Price should be provided an opportunity to conclude her point.

Mrs. Price stated that there is a question nationally as to what an employee is, explaining that there is a category of individuals that do not get the benefits that they need even though they are provided with employment opportunities. She stated that if this is approved she would like the Board to also look at how student employees are being treated.

Chancellor Jarvis stated that he could provide a formal proposal at a later time. What is currently being considered is to essentially expand the federal work study program without using the term "work study" because this term carries with it the Federal guidelines for need which tend to be targeted to traditional full-time students. UCCSN has a population of older, part-time students who are not well served by those Federal funds. Chancellor Jarvis stated that he is seeking Board action on the principles at this time and a full proposal with details will be presented in the future.

Chancellor Jarvis continued his presentation addressing technical adjustments in the Governor's recommendations from general funds stating that these items should have been corrected. Adjustments that need to be consistent with Budget Guidelines and reflect the most current information include adjustments to: equipment deductions; utilities; fringe benefit calculations; maintenance/operations--new facilities; and to correct COLA and total \$3.7 million. Changes to the Estate Tax amounts to \$13 million with changes to the distribution to reflect financial aid; accountability finance system; information technology; faculty/staff workstations; and SIIS unfunded liability. The General Fund in the amount of \$11.72 million has not been altered in that UCCSN is still seeking these items.

Chancellor Jarvis stated that he is requesting the approval of the Board for this proposed approach as well as flexibility when he enters into budget discussions as the session moves to closure.

Mrs. Gallagher moved to approve the unfunded priorities as presented and instruct Chancellor Jarvis to proceed and allowing him flexibility.

Mrs. Price commended Chancellor Jarvis for his presentation since previously this type of detailed information has not been available during the Legislative session. She stated that she will vote no to this item for the following reason: that her no vote was not because she does not think these are wonderful items, there is always money that can be spent, however she feels her job is to protect the long-term status of the university. While in principal she agrees with the Chancellor to protect the endowment, and then put pressure on the Legislature and on fundraising to make-up any shortfalls, if this had been done 100 years ago UCCSN would have more money than they would know what to do with and students could go to school free.

Mrs. Price opposed. Motion carried.

Chancellor Jarvis continued stating that the UCCSN has given testimony on a number of proposed legislation including S.B. 13 which is an attempt to regulate junk e-mail in which technical information was provided by the staff at System Computing Services. On April 23 testimony was provided by Regent Gallagher and President Crowley against S.B. 311 which would remove the exemption for the UCCSN to award independent contracts without approval of any other body and would require independent contracts in excess of \$100,000 to go to the Board of Examiners. The UCCSN feels this is a constitutional violation of the autonomy of the Board of Regents and would also cause considerable time delays in the processing of the contract.

Chancellor Jarvis stated he has testified on behalf of the Governor's Bill for the Western Governor's University for the one-shot appropriation of \$100,000 and indicated that if this project goes forward, CCSN would be the lead institution in Nevada. He has also testified in favor of the Governor's Bill for standards-based school reform which would support standards for high school graduates and for the training of teachers.

Chancellor Jarvis stated the Board may wish to direct his testimony concerning the following proposed legislation:

Mr. Alden left the meeting.

AB337 Requires presiding officer of public body to place item on agenda for future meeting upon request of member of body.

Chancellor Jarvis explained that this is contrary to Board policy and procedure. A similar Bill was presented in the 1995 Legislature and at that time the Board directed the officers of the Board and staff to testify against it. He requested Board guidance at this time.

Mrs. Price stated that she would abstain from this item since it was her husband's Bill, however, she would like to clarify the perception in that this Bill is perceived to be hers. She explained that it is a Regents' Bill, that the origin was prior to her being on the Board.

Mrs. Gallagher moved to instruct the Chancellor to speak against AB 337. Ms. Berkley seconded.

Mr. Graves asked if all Regents understood what is being discussed. Mr. Rosenberg stated that it was his understanding that it requires four Regents to place an item on the agenda or at the chairman's request. He further stated that he did have a problem if a Regent wished to place an item on the agenda and called other Regents to get support for that item, this process might violate the open meeting law regulations. Mr. Graves further explained the philosophy behind this rule in that if there was a renegade with a rebel's cause, it could disrupt the business of the Board by being able to place any item on the agenda. Mr. Wiesner stated that he did not like the policy.

Mrs. Price noted some history regarding this situation stating that in the past it required three Regents to place an item on the agenda, but she had explained that the other Regents had her vote and did not have to call her because whether she agreed with the item or not she felt they were elected officials and should have the right to place any item on the agenda.

Motion carried. Mrs. Price abstained.

Mr. Alden returned to the meeting.

Mrs. Dondero asked if it was correct that if she wanted an item on the agenda that she would just call the Chair to request it be placed on the agenda. Mr. Graves stated that typically this was correct, however, if the Chair disagreed, then three other Regents would need to be solicited to support the item. Mr. Klasic responded stating that it would not violate the Open Meeting Law inasmuch as the act was to get an item on the agenda, and there would not be a vote, that is a typical political process.

Motion failed on a roll call vote. Yes: Berkley, Dondero, Gallagher and Graves. No: Alden, Rosenberg, Wiesner. Abstain: Price, Phillips.

Chancellor Jarvis proceeded to discuss SB 220 which authorizes formation of charter schools. He clarified that at no time before this bill was presented was he or any member of System Administration contacted on the potential role of the Board of Regents in the authorization of charter schools, and he did not feel this would be a wise venture for higher education. He asked the Board to consider if they desire to be set up as an authority to approve applications to establish charter schools.

Mr. Wiesner asked for the opinion of the presidents regarding this bill. President Crowley stated that he did not feel the UCCSN should get involved.

Ms. Berkley moved to approve the Chancellor to remain neutral on this legislation and to speak against the Board of Regents as a sponsor. Mr. Alden seconded. Motion carried.

Chancellor Jarvis next discussed SB 271 which establishes a trust fund for prepayment of tuition at institutions of higher education. He stated that he discussed with State Treasurer Bob Seale whether there was any provision

within this bill that would limit the ability of the Board of Regents to adjust tuition at any future time and was assured there was not.

Mr. Alden moved to approve the Chancellor to proceed with support of this bill. Mr. Rosenberg seconded.

Mrs. Price objected stating that there should be more discussion on this item, explaining that there have been several articles in the Chronicle of Higher Education talking about those states that have pre-paid tuition programs and how it has put pressure on schools to actually raise tuition.

Ms. Berkley stated that she feels this is a very innovative plan that will help Nevada's families save for the future educational needs of their children and felt that the Board of Regents has been very responsible in its tuition policies.

Mr. Graves commented that he felt it would only be as good as the plan and a plan has not yet been submitted.

Mrs. Price voted no. Motion carried.

Ref. A is on file with the permanent minutes.

5. Approved Contract Revision, Men's Basketball Coach, UNLV - President Harter recommended a revision of the contract for Mr. William Bayno, Men's Basketball Coach. The contract will run for five years, effective July 1, 1997 through April 30, 2002, with an initial base salary of \$130,000.

President Harter reported that the contract allows provisions for a \$125,000 bonus for TV and radio performances, as well as several other incentive clauses having to do with attendance for NCAA play-offs. The contract is essentially the same as last year with the removal of some language requested by the Regents'. There is a buyout clause if Coach Bayno leaves before the end of the contract period. She further commented she is very pleased with Coach Bayno's professional, caring manner and the manner in which he supports academic standards for the athletes who are maintaining a 2.8 GPA.

Ms. Berkley moved to approve a five-year contract effective July 1, 1997 through April 30, 2002, with an initial base salary of \$130,000 for Mr. William Bayno. Mr. Phillips seconded.

Mrs. Dondero asked if this new contract would bring Coach Bayno up to the base salary status of other basketball coaches to which President Harter replied this would bring him to the median range of Division I coaches.

Mrs. Gallagher commented that she was very proud of the UNLV basketball program and the class of players and although she did not have a problem with the contract, she was concerned about the manner in which the contract was publicly announced before it was presented to the Board for consideration. She cautioned that in the future all contracts must go through the proper levels for approval prior to release to the media.

Ms. Berkley stated that she felt Coach Bayno did an extraordinary job as basketball coach at UNLV. She agreed with Mrs. Gallagher in that she would have preferred to have the contract approved by the Board prior to the information being released to the media.

President Harter stated that Mr. Charlie Cavagnero, Director of UNLV Athletics, and Mr. David Chambers, Associate Director of UNLV Athletics, monitor the NCAA program area to check rules and regulations to ensure they are in compliance. Mr. Cavagnero stated that the university has one of the most monitored athletic programs in the country and all concerned can be very proud.

Mr. Graves echoed Mrs. Gallagher and Ms. Berkley's comments on contract procedure and thanked Mr. Bayno for the outstanding job he is doing.

Regents suggested that some amendments to the contract needed to be reviewed and clarified such as: Page 28, item 9.06 regarding amendments; Page 13, item 5.06 regarding season tickets. Mr. Cavagnero agreed with the changes.

Mr. Rosenberg asked where funds for the base salary and the components for incentives came from. Mr. Cavagnero replied that State money was not being used for these expenses that they were factored into the Athletic Department's budget. Dr. Norval Pohl, Vice President for Finance, agreed that no State funds were utilized for this contract, that it is all self-supported money.

Ms. Berkley moved to amend, and Mr. Phillips agreed, that the motion be changed to include the contract regarding items 5.06 and 9.06. Motion carried.

6. Approved Spring 1997 Enrollment and 1996-97 Annualized Enrollments - Approved the enrollment report for Spring 1997 and for the 1996-97 annualized enrollments as presented by Ms. Karen Steinberg, Deputy to the Chancellor for Planning and Policy Analysis. Ms. Steinberg noted that there was an 8% system-wide increase in Spring 1997 enrollments from the previous year and that total headcount was 76,601 which reflects an increase of 7,000 students from last year.

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

7. Information Only: Creating Electronic Student Services Benchmarking Study - The University and Community College System of Nevada is currently participating in a consortium to explore best practices in creating electronic student services. Ms. Tamela Gorden, UCCSN Research Analyst, stated that the title of the Benchmarking Consortium is "Creating Electronic Student Services" and was brought to Chancellor Jarvis' attention by SHEEO and its partner the American Quality and Productivity Center (APQC). They conducted a study on creating electronic student services in higher education. SHEEO's role is as liaison to the higher education community to identify systems and institutions of higher education that would be interested in participating in this study. APQC provides the process expertise as well as the benchmarking data computations, facilitation of the process, and most of the legwork. Ms. Gorden stated that the purpose of the consortium is to determine what works best in the electronic delivery of student services and to apply that knowledge to the delivery of student services within UCCSN in areas of admissions, advising, financial aid, grade reports and transcripts.

Ms. Gorden continued stating that currently there are a total of 25 higher education institutions participating in this consortium which represents 12 states as well as four businesses that are developing products in this area. Current UCCSN institutions that are participating are UNLV, UNR, CCSN, TMCC and System Administration Office.

Ms. Gorden further reported that at the initial meeting which was held in November 1996 it was determined what areas would be studied and the best practices representing these areas. At that time a list of the best institutions that might have the best practices was also developed; businesses were also included in this list since they also deliver electronic services. At the second meeting in February 1997 all the data for screening surveys was compiled so it could be reviewed and ranked by the "partners" represented by University of Minnesota, Minneapolis; University of Pennsylvania at Philadelphia; Oregon State University at Corvallis; University of British Columbia in Vancouver B.C.; in addition the two businesses were Hilton Hotels in Beverly Hills, California; and New Brunswick Telephone Company in St. John, New Brunswick.

Ms. Gorden continued that during the site visits each sponsor conducted a half-day presentation wherein they were able to meet with the partners to discuss their experiences, successes, challenges, etc. The site visits concluded last week and APQC will report back to the sponsors with a summary, after a final meeting in May.

Dr. Juanita Fain, Dean of Enrollment Management, UNLV reported on the relevance of electronic student services and UNLV's strategic plan. She stated that her goals are to become more student focused and to develop a service-oriented, responsive, accountable administration. She further reported on UNLV's World Wide Web activities stating that they have been on-line since February 1996 and they have 107,000 Web Site hits per week. She reviewed policy and strategic issues and concerns as follows:

- Establishment of a mission/vision regarding electronic student services at system level and campus levels to include goals, objectives, timelines;
- Funding sources to support the development and maintenance of electronic student services;
- Impact of electronic student services initiatives on organizational structure, e.g., job responsibilities, requisite skills, cross-functionality, staff training and technical/professional development;
- Development of performance measures to assess effectiveness/benefits of services.

8. Information Only: Review of Deferred Maintenance Priorities at UNLV and UNR in Connection with Pavilion Bonds and Slot Tax Revenues - Chancellor Jarvis, Vice Chancellor Anderes, and Presidents Harter and Crowley presented a report on deferred maintenance priorities at the two universities, particularly in relation to their major athletic facilities, debt service on the Pavilion Bonds, and the utilization of slot tax revenues.

Chancellor Jarvis explained the difference between the uses of the Slot Tax revenues relative to the Higher Education Capital Construction (HECC) funds, which is for campus improvements and maintenance projects, and Special Higher Education Capital Construction Funds (SHECC), which are utilized for debt service, planning, design, property acquisition, construction, furnishing, equipment and campus improvements in addition to HECC, and provided a handout as Ref. 19 on file with the permanent minutes.

A lengthy discussion ensued concerning the use of funds if new bonds were to be issued:

- The Thomas and Mack Events Center and the Sam Boyd Silverbowl at UNLV are in great need of maintenance. UNR has a number of academic and athletic renovation projects which need funding.
- No state funds were used for the Demitron sign at Thomas and Mack Center.
- About \$2.7 million from earnings at Thomas & Mack and the Silverbowl was returned to UNLV for projects, mostly in athletics.
- It has been estimated that since the opening of the two facilities at UNLV, \$1 billion has impacted the community from events held there. An updated report is in preparation and will be published within a few weeks.
- Expansion of the two facilities, while benefiting UNLV to a degree, would greatly enhance tourism funds in the Las Vegas area.
- There are specific critical maintenance projects that must be completed for the two UNLV facilities and UCCSN could accomplish those projects through bonding. Expansion of these two facilities would not be done by UCCSN and outside funding would be necessary.
- The administration is very cognizant of safety needs for all events conducted at the facilities.
- If UCCSN does bond for maintenance projects, UNLV would devote their portion to Thomas and Mack

and the Silverbowl. At UNR, a number of maintenance projects, including both academic and athletic facilities, could be accomplished: renovation projects for older buildings on campus, major renovation for Frandsen Humanities, maintenance at Lawlor Events, campus wiring upgrade project, a series of environmental health and safety upgrade needs, upgrading at Bishop Manogue High School (which UNR is negotiating to purchase) for women's soccer fields.

- The original distribution of the bonding funds to build the two events centers was to split the amount 54% to UNLV (\$30 million) and 46% to UNR (\$26 million). Discussion was held on changing this split to increase the amount UNLV would receive inasmuch as the Clark County area has grown faster and more slot tax dollars emanate from there.

Mr. Scot Nash, Howarth & Associates, explained that the debt service on the existing pavilion bonds continues until approximately 2001, so the goal of this is to not increase debt service, but to see how much money can be borrowed. One way to accomplish this is called "capitalizing interest" UCCSN could borrow approximately \$51.7 million, but since interest must be paid on the bonds for the first four years, approximately \$7 million of that would have to be set aside to pay the bonds so that there is no increase in the \$4.8 million already set aside per year for the bonds. Once the bonds are sold, interest begins accruing, and funds would be set aside until \$4.8 million is available to pay the debt service. An obvious disadvantage of bonding now is that the \$7 million is money that is not used for projects, but is used merely to support the bonds until the \$4.8 revenue stream is set aside. A further limitation is that State law limits how much capitalized interest can be used, and in the year 2001 there is a \$3 million shortfall that needs to be recovered. Essentially, from the analysis done as of October 1997, the bottom line is that \$44 million could be raised.

Mr. Nash continued that if UCCSN waits until no capitalized interest is needed and bonding could wait until the year 2000/2001 about \$55.9 million could be raised for the project as opposed to \$44 million. Therefore, the longer the wait, the more money that will be provided. This analysis was run within the parameters of Nevada State law that applies to these types of bonds. For example, these bonds would be issued as State General Obligation Bonds that are initially secured by slot tax revenue. They are what is called in the industry as "double barrel bonds" which can pick up two possible revenue sources. The State can effectively co-sign on the loan, thereby UCCSN would be able to take advantage of the State's great bond rating.

Mrs. Price questioned the case of Morris vs. Board of Regents during the time of the original bond issue. Mrs. Gallagher questioned whether re-doing the current bonds would be economically a disaster. Mr. Nash replied that the current bonds are limited to 2000, they originated in 1981 and the original pavilion bonds cannot extend past 2001. Also, it is not possible to refinance those bonds at a lower rate. Therefore, it probably would be best to leave them alone.

Mr. John Swendseid, Swendseid and Stern and UCCSN Bond Counsel, provided legal parameters of bonding. He stated that the original pavilion bonds were the subject of the Morris vs. The Board of Regents case in the Nevada Supreme Court. The Supreme Court held then that the bonds are secured by slot taxes and must be State General Obligation Bonds and cannot be revenue bonds. General Obligation Bonds must be paid off over 20 years or less, and interest has to be paid semi-annually because of the stipulations in Nevada's Constitution. It does limit the amount to be borrowed and the structure of the borrowing. This type of bond issue has to be specifically authorized by the Nevada State Legislature; they have to adopt an act that authorizes issuance of the bonds.

Chancellor Jarvis explained what would happen in the long term if the UCCSN prepared a bond proposal now. Referring to page 12 of the reference he stated the UCCSN receives \$5 million each year from the HECC funds for maintenance and this amount has been the same for many years. This is the only growth capacity UCCSN has for deferred maintenance anywhere in this System. Just to stay even with the required deferred maintenance in the

System will be a job. By proceeding along the lines of the plan presented this date, the Board would be preserving the solvency of this fund and would allow the System to continue with the debt service of the current bonds and continue with at least the current commitment to capital improvements and would not foreclose the Board's opportunities to have some positive reserve to deal with in the future years.

Chancellor Jarvis asked the Board for:

Approval of the plan for the \$12 million reserve mentioned earlier. UCCSN will be having a capital hearing sometime soon at the Legislature and this question will come up.

Prepare a bond proposal as outlined today with the parameters that Mr. Nash indicated and which falls within the laws of the state. This proposal would be forthcoming at a future meeting and a proposal for specific projects would accompany that.

Mrs. Gallagher moved that the Board direct the Chancellor to prepare a bond proposal as outlined. Mrs. Berkley seconded.

It was clarified that this proposal does not include any expansion for Thomas and Mack or the Silverbowl.

Mr. Graves introduced Mr. Jim Orr who had been working with the original committee to promote Las Vegas and the planning of the slot tax rebate plan. Mr. Orr stated that his organization had determined that a viable way to improve the university was through athletics and that to do this a new facility would have to be constructed which would provide seating for considerably larger numbers than were being accommodated at the facility being used at the time. At that time the State was already receiving 80% of the slot tax imposed by the Federal Government, or \$200 per machine, and these funds were being used for K-12. Therefore, the decision was made to try to have federal legislation to return the full \$250 per slot machine tax to the State of Nevada and to use these funds for higher education and specifically to build the two pavilions. The Federal Government then decided to repeal the whole rebate to Nevada. Then Senator Paul Laxalt was able to delay that federal legislation until the Nevada State Legislature could convene and pass the necessary legislation urging the return of the full \$250 rebate.

Mr. Orr commended President Crowley for his assistance in helping to build UNLV and for his efforts with the State Legislature in securing the necessary legislation which has provided the HECC and SHECC funds enjoyed today.

Motion carried.

Dr. Eardley left the meeting.

9. Closed Session - Upon motion by Ms. Berkley, seconded by Mr. Phillips, the Board moved to a closed session in compliance with N.R.S. 241.030, for purposes of discussion of the character, alleged misconduct, professional competence, or physical or mental health of employee(s) of the UCCSN.

The Board moved to Closed Session at 12:55 p.m. and reconvened at 2:00 p.m. with all Regents present except Dr. Derby, Mrs. Dondero, Dr. Eardley and Mr. Phillips.

10. Approved the Academic, Research and Student Affairs Committee Report - Chair Shelley Berkley presented the following report on the Academic Research and Student Affairs Committee meeting held on April 24, 1997.

The following item was presented to the Committee for information only:

A Review of Existing Programs - This is the fifth year in which annual reports have been submitted to the Board of Regents on the review of existing programs at UCCSN institutions. These reviews are conducted to assure academic quality and to determine if need, student demand, and available resources support program continuation. A ten-year cycle of all programs is used for the university and community college programs and a five-year cycle is used for the Desert Research Institute.

A total of 27 reviews were submitted this year, building upon 168 programs which have undergone review since 1992, the first year in which annual reports were submitted to the Board. These reviews, which include a mix of both degrees and entire departments, represent over 40 degree programs.

Both the processes and criteria of the reviews have become more formalized over the past five years and the quality of the reports submitted continues to be high. An increased emphasis on the development of comprehensive evaluation plans is evident this year, and the future plans for many of the program areas include refinement of curriculum, obtaining additional resources and overall strengthening of the programs. Campus summaries can be found in the ARSA Agenda, Ref. 2. on file in the Regents' Office.

Ms. Berkley moved to approve the report. Mr. Alden seconded. Motion carried.

10.1 Approved an Associate of Business, CCSN - Approved an Associate of Business at CCSN as contained in Ref. B on file in the Regents' Office.

Ms. Berkley stated that one of the major goals of the articulation initiatives approved by the Board of Regents in March 1996 was to improve the transferability of business courses within the UCCSN. As a result of cooperative efforts between CCSN, UNLV, and System Administration, this specialized degree has been established to provide students with the foundation necessary to transfer to UNLV and complete the bachelor's degree. A similar proposal is in the process of development between UNR, GBC, TMCC, and WNCC.

Ms. Berkley moved to approve an Associate of Business at CCSN. Mr. Alden seconded. Motion carried.

10.2 Approved an AAS Graphic Communications, TMCC - Approved an AAS Degree in Graphic communications at TMCC as contained in Ref. C on file in the Regents' Office.

Ms. Berkley stated that the proposed degree will be an expansion of an existing Certificate of Achievement program and will include emphases in both Graphic Design and Printing Technology.

Ms. Berkley moved to approve an AAS Degree Graphic Communications at TMCC. Mrs. Gallagher seconded. Motion carried.

10.3 Approved a MFA Creative Writing, UNLV - Approved the MFA, Creative Writing at UNLV as contained in Ref. D on file in the Regents' Office.

Ms. Berkley stated that the proposed program is a three-year studio arts degree with a strong international emphasis which will prepare graduates for professional writing or college teaching careers.

Ms. Berkley moved to approve the MFA in Creative Writing at UNLV. Mrs. Gallagher seconded. Motion carried.

10.4 Approved the MS, and Ph.D., Environmental Sciences, UNLV - Approved the Master of Science and Ph.D. in Environmental Science at UNLV, as contained in Ref. E on file in the Regents' Office.

Ms. Berkley stated that this interdisciplinary program will involve faculty from 12 UNLV departments and Centers, and the Desert Research Institute. Three tracks will be offered: Environmental Chemistry, Environmental Policy and Management, and Environmental Geology.

Ms. Berkley moved to approve the MS and Ph.D. Degrees in Environmental Sciences at UNLV. Mrs. Gallagher seconded. Motion carried.

10.5 Approved the Bachelor of Fine Arts, UNR - Approved the Bachelor of Fine Arts at UNR as contained in Ref. E on file in the Regents' Office.

Ms. Berkley stated that this proposal is for an interdisciplinary degree in the visual arts which will provide professional preparation for students who wish to complete a terminal graduate degree in the arts or to become practicing artists.

Ms. Berkley moved to approve the Bachelor of Fine Arts at UNR. Mrs. Gallagher seconded. Motion carried.

10.6 Approved the BA, Major in Women's Studies, UNR - Approved the B.A. with a major in Women's Studies at UNR as contained in Ref. G on file in the Regents' Office.

Ms. Berkley stated that the proposed interdisciplinary major will build upon the existing minor program to provide graduates with a multicultural foundation in the area of women's studies.

Ms. Berkley moved to approve the BA Major in Women's Studies at UNR. Mr. Alden seconded. Motion carried.

10.7 Approved Changes to Existing Programs, TMCC Automotive Technology and Diesel Power Technology - Approved the merge of four existing automotive and diesel programs into a single Department of Transportation as contained in Ref. H on file in the Regents' Office.

Ms. Berkley moved to approve a single Department of Transportation at TMCC. Mr. Rosenberg seconded. Motion carried.

11. Approved the Audit Committee Report - Chair Mark Alden reported on the meeting of the Audit Committee held on March 31, 1997.

The following items were presented to the Committee for information only:

FOLLOW - UP REPORTS - The Committee heard follow-up reports on the following Internal Audits:

Physical Plant, UNR

Fire Protection Training Academy, UNR

Office of Community Development, UNLV
Campus Recreational Services, UNLV
Thomas and Mack Center, UNLV
Controller's Office Bank Reconciliations, UNLV
Motor Pool Department, UNLV
Recharge Centers, UNLV
Recharge Centers, CCSN
Communications Services, CCSN
Business Office, WNCC

Mr. Alden stated that Ms. Sandi Cardinal, Director of Internal Audit, reported that all recommendations made in the audits had been implemented by the campuses.

Mr. Alden stated that bank reconciliations were up to date within the specified guidelines at all institutions. A proposal was presented for a change in the Internal audit reports which will now include a chart of revenues and expenditures. Mr. Alden stated that the Department of Health and Human Services has approved the UCCSN OMB Circular A-133 audit report for the year ended June 30, 1995.

Mr. Alden moved to approve the report. Mr. Rosenberg seconded. Motion carried.

11.1 Approved Internal Audit Report - Approved the Internal Audit Report for the Jot Travis Student Union at UNR as contained in Ref. on file in the Regents' Office.

Mr. Alden moved to approve the Internal Audit Report. Mrs. Gallagher seconded. Motion carried.

12. Approved the Finance & Planning Committee Report - Chair Dorothy Gallagher reported on the meeting of the Finance & Planning Committee held on March 31, 1997.

The following items were presented to the Committee for information only:

1. Legislative Questions - Mrs. Gallagher reported that Chancellor Jarvis presented the committee members with notebooks containing the questions asked UCCSN representatives at their initial budget hearing. There were 33 questions posed to which the System has responded. Chancellor Jarvis reported the key items they were asked to clarify centered around the Estate Tax and the Regents' unfunded priorities list, Distance Education, Merit Pay for faculty, and the proposed Law School.

2. Continuous Improvement Alternative - Mrs. Gallagher stated Vice Chancellor Tom Anderes reported that in the near future there will be a need to hire an individual to provide an oversight function for this area. He reported several institutions have been doing a great deal of work and these functions, plus a number of benchmarks from other organizations, such as NACUBO, could be utilized by UCCSN.

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

Mrs. Dondero entered the meeting.

12.1 Approved Dedication of \$6.00 Registration Fee - Approved the dedication of the \$6.00 increase in registration fees which occurred for the 1995-97 biennium.

Mrs. Gallagher stated that in the initial approval of the \$6.00 fee increase the Board stipulated that the \$6.00 would be used for services and/or equipment to students and that students would be consulted on the use of the fees. Chancellor Jarvis will review the structure of dedicated portions of the registration fee.

Mrs. Gallagher moved to approve the continued dedication of the \$6.00 of the registration fee. Mr. Rosenberg seconded. Motion carried.

12.2 Financial Policies, LCB Audit Response - Mrs. Gallagher stated that the proposal and new financial policies addressing the LCB audit findings will be submitted to the Regents in a written report and that Vice Chancellor Anderes will make a presentation at the June Board meeting. Ref. J is on file in the Regents' Office.

This item was tabled and will be discussed at the June Board meeting.

12.3 Approved Proposal to Hire a Consultant to Review SIIS Claims & Costs - Approved the System Office to implement a comprehensive request for proposal to review System-wide SIIS claims in anticipation of reducing the numbers of claims and premium costs.

Mrs. Gallagher moved to approve the recommendation to direct the System Office to implement a comprehensive RFP for a review of System SIIS claims and costs. Mr. Rosenberg seconded. Motion carried.

13. Approved Contract, President James Randolph, WNCC - Approved a contract for President James Randolph at WNCC. Chancellor Jarvis has completed a periodic evaluation of President Randolph and recommended that his contract be approved effective July 1, 1998 through June 30, 2001.

Mr. Wiesner moved to approve the contract for President James Randolph at WNCC effective July 1, 1998 through June 30, 2001. Ms. Berkley seconded. Motion carried.

14. Approved Appointment, Acting Vice Chancellor for Academic and Student Affairs - Approved the appointment of Dr. Jane Nichols as Acting Vice Chancellor for Academic and Student Affairs, effective May 1, 1997 through June 30, 1998, at an initial annual salary of \$122,000. Chancellor Jarvis stated that Dr. Nichols is presently serving as Associate Dean of the College of Education at the University of Nevada, Reno.

Mrs. Gallagher moved to approve the appointment of Dr. Jane Nichols as Acting Vice Chancellor for Academic and Student Affairs effective May 1, 1997 through June 30, 1998. Mr. Rosenberg seconded. Motion carried.

15. Approved Appointment, Far West Laboratory Board - Approved the appointment of Chancellor Richard S. Jarvis to serve on the Far West Laboratory Board for the three-year period May 1997 through May 2000.

Mrs. Gallagher moved to approve the appointment. Mr. Alden seconded. Motion carried.

16. Approved the Use of Regents' Contingency Fund - Approved the use Regents' Contingency Funds for the salary of Acting President John Richardson, TMCC, for the period of May 1, 1997 through June 30, 1998.

Mr. Alden moved to approve use of Regents' Contingency Fund. Mrs. Gallagher seconded. Motion carried.

17. Approved the Consent Agenda

(1) Approved the minutes of the meeting held March 13-14, 1997.

(2) Approved Emeritus, UNR - President Crowley requested Emeritus status for the following faculty member effective June 30, 1997:

Hazel Ralston, Student Development Counselor, Emerita

(3) Approved Leave, UNR - Approved a one-year extension of sick leave for Mr. John Doetch, Payroll Manager, BCN, who is on standby for a heart transplant.

(4) Approved Leave, GBC - Approved extended leave of absence without pay for Karen Tempel for the academic year 1997-98.

(5) Approved Leave, UNLV - Approved extended sick leave for Dr. Carol Ann Peterson, College of Urban Affairs, UNLV, for the period April 7, 1997 through June 30, 1997.

(6) Approved Handbook Change, UNLV Bylaws - Approved a Handbook change, Title 5, Chapter 6, Section 10.3 and 10.4, UNLV Bylaws as contained in Ref. C-6 on file with the permanent minutes.

(7) Approved Acceptance of Gifts, GBC - Approved acceptance of the following gifts donated to the Great Basin College Foundation:

- A \$300,000 gift has been offered through the GBC Foundation from Barrick Goldstrike. This gift is intended to supply the furnishings, equipment, and landscaping/parking for the new classroom building which will open August 1997.
- A \$150,000 gift has been offered through the GBC Foundation from Cashman Equipment. This gift is intended to endow a chair in the Diesel Technology area for three years.
- A \$50,000 gift has been offered through the GBC Foundation from Santa Fe Pacific Gold Company. This gift is intended for the Winnemucca Center.
- A \$50,000 gift has been offered through the GBC Foundation from Placer Dome U.S. Inc. This gift is intended to be used at the Ely Center.
- A \$220,000 gift has been offered through the GBC Foundation from a Foundation drive in the Winnemucca area. This gift is intended to supply some of the furnishings, equipment, landscaping and building costs at the new center in Winnemucca.

(8) Approved Easement, CCSN - Approved an easement for a traffic signal at the Charleston Campus, CCSN as contained in Ref. C-8 on file in the Regents' Office.

(9) Approved the following Interlocal Agreements:

A. Parties: Board of Regents/WNCC and Nevada Department of Prisons (Interlocal).

Purpose: Joint organization, administration and operation of WNCC Nursing Education Program and the Department of Prisons.

\$\$: None.

Effective Date: Date of approval of the contract to June 30, 1999.

B. Parties: Board of Regents/UNLV and Clark County (Interlocal).

Purpose: UNLV to act as subcontractor to Clark County in administering the Business Development Assistance Program funded by Federal Title XX Grant Funds (Social Services Block Grant).

\$\$: \$60,000, maximum.

Effective Date: Date of approval of the contract to March 31, 1999.

C. Parties: Board of Regents/GBC and White Pine School District (Interlocal).

Purpose: GBC and school district to share classroom space at their respective facilities in Ely, Nevada.

\$\$: None.

Effective Date: Date of approval of the contract. Indefinite term, subject to termination on one year's notice.

D. Parties: Board of Regents/CCSN and Nye County School District (Interlocal).

Purpose: Joint use, design, development, and operation and maintenance of existing and future properties of the parties.

\$\$: None.

Effective Date: Fifty years from the date of execution of the contract, with a 90 day notice termination clause.

E. Board of Regents/UNR and Sierra Pacific Power Co. (Interlocal).

Purpose: Easement for underground electric transmission and communication on UNR property between Evans Avenue and the railroad track parallel to Evans Avenue.

\$\$: \$2,700

Effective Date: Upon executive of the agreement.

F. Board of Regents/UNR and Division of Environmental Protection (Interlocal).

Purpose: To provide data base software and support to the Division of Environmental Protection.

\$\$: Not to exceed \$90,800.

Effective Date: July 1, 1997 to August 31, 1999.

G. Board of Regents/UNR and Department of Human Resources

Purpose: Gather and analyze research data for the Department of Human Resources (Interlocal).

\$\$: \$10,000 maximum.

Effective Date: February 3, 1997 to September 30, 1997.

H. Board of Regents/UNR and Nevada Junior Livestock Show Board (Interlocal).

Purpose: UNR to hire coordinator for the Junior Livestock Show.

\$\$: \$30,344

Effective Date: July 1, 1997 to June 30, 1998.

Mrs. Gallagher moved to approve the Consent Agenda. Mr. Alden seconded. Motion carried.

18. Approved Enrollment Increases Augmentation to Budgets- Approved increase expenditure authorization for Community College of Southern Nevada, Truckee Meadows Community College and the University of Nevada, Las Vegas. Each institution has realized enrollment increases and as a consequence additional tuition and fees. Request is also made to seek approval from the Interim Finance Committee for this expenditure.

Mr. Rosenberg moved to approve increased expenditure authorization and to seek Interim Finance Committee authorization. Mrs. Gallagher seconded. Motion carried.

19. Approved Student Fees - Approved increases in student fees for 1997-98 as contained in Ref. K on file with in the Regents' Office.

Mr. Alden asked if the system-wide student government groups have agreed with the fee increases to which Ms. Berkley stated that a report was presented at the last meeting.

Mrs. Gallagher moved to approve fee increases. Mrs. Dondero seconded.

Mr. Rosenberg stated that he was concerned about other fee increases to students such as application for graduation and transcript fees. He requested that these increases be discussed at a later time and Chancellor Jarvis agreed to discuss this matter with him.

Motion carried.

20. Approved Permission to Seek Bank Loan, GBC - Approved GBC to seek a bank loan for the construction of an addition and renovation on Berg Hall at the Elko Campus. President Remington stated that the loan would be for \$600,000 and would be repaid over a ten-year period with payments of approximately \$80,000 per year. The source of the funds would come from the campus Capital Improvement Fund. The current revenue per year is \$120,000 and GBC would pledge \$80,000 per year of this revenue for debt service.

Mr. Alden moved to approve GBC to seek a bank loan. Mrs. Gallagher seconded. Motion carried.

21. Approved the Western Athletic Conference Agreement, UNLV - Approved the Western Athletic Conference

"Articles of Incorporation," "Agreement for Incorporation and Continuance of the Western Athletic Conference," and the "Bylaws of the Western Athletic Conference." President Harter stated that both Mr. Klasic and Mr. Cardinalli have reviewed the agreement and the document contains standard boilerplate language that is required to incorporate the 16 member institutions into the WAC.

Mrs. Gallagher moved to approve agreements. Mr. Wiesner seconded.

Mrs. Price asked about the signatures on the various documents and questioned President Crowley about his arrangement with NCAA and whether the Chancellor must approve or sign the contract. She stated that she noticed the Chancellor's name was on the contract rather than the president in one part. President Crowley replied that he doesn't recall having a document such as this as part of UNR's association of being part of the Big West Conference. Mrs. Price then wanted to know what the purpose of this contract would be. Mr. Klasic stated the document in question is the Article of Incorporation; apparently the WAC is re-incorporating itself and each of the institutions are members. UNLV is not a legal entity able to contract on its own, therefore, in this particular instance, it is the UCCSN that is contracting and the Chancellor is the CEO of the System, and that is why that signature block was necessary. The President signs the other areas because it is a situation where she is delegated to sign; it is not a basic creation of a document.

Mrs. Price also asked about the use of the logo. She referred to the Foundation agreement in which there is also discussion about the use of the logo, that is the Foundation's authority to use the logo, and questioned if there was any conflict with the use of the logo. Mr. Graves replied that the university empowers the Foundation and the WAC to be able to use the logo; he stated the university owns the logo. President Harter agreed and asked Dr. Andy Fry to address this issue. Dr. Fry stated that his understanding is that the use of the logo is allowed by the conference for tournaments or things of that nature. Beyond that use, any use of the logo must be approved by UNLV or any of the other institutions. UNLV maintains control and regulates the use. Mrs. Price stated for clarification, that whatever our document says regarding the Foundation does not conflict with anything here and Dr. Fry stated not to his knowledge.

Mrs. Price continued asking about cost because to her knowledge when the UCCSN first entered the WAC there was a very quick presentation and she did not feel there was adequate information regarding the on-going costs, therefore, she requested some concept of cost at this time. She stated that at the Association of Governing Boards it was brought out that there are only 48 institutions in the entire country that make money on this; that it is a losing proposition and recognizing that, she thinks more information is needed.

President Harter replied that UNLV does net positive revenues for WAC membership. The initial entry fee to join the WAC is \$175,000; \$75,000 in private funds were put forward to begin that process, thereafter there is a \$35,000 charge per year until the \$175,000 is paid. In addition, there is \$150,000 per year for annual dues; and for the first five years of membership UNLV's revenues from the WAC are reduced by \$100,000. She continued that effectively there is another \$500,000 that is not received in revenue in the first five years of membership. She stated that it is her understanding that last year UNLV made about \$600,000 from the WAC in revenues, and that is essentially the annual revenue that will be made, and if football is added the amount will be considerably more.

Mrs. Price asked if the athletic program made money to which Dr. Pohl replied that is a different issue. Mrs. Price then asked about operating costs in moving to the WAC. Dr. Pohl replied that the operating costs are slightly more primarily due to the larger travel budget. The WAC tries to address this issue by dividing into quadrants and tries to rotate within those quadrants. President Harter replied that revenues are also higher so the increased costs are essentially offset.

Mrs. Price asked if there was anything in writing that explained the different areas of the budget that addresses that

issue and requested a copy. Dr. Pohl stated that he would provide her a copy.

Mr. Wiesner stated that he was not at that AGB meeting and asked Mrs. Price if a reason was given for not making money. Mrs. Price stated that the assumption was that the expenses were higher than the income. She stated that it was not a discussion of sports in total, but the figure of only 48 schools that made money was a fact and that she was sitting with a gentleman from Ohio who stated that he was with one of the schools that did make money.

Motion carried.

22. Approved Naming of Building, TMCC - Approved renaming the ATC/Library building to the Sierra Building which houses the Elizabeth Sturm Library and the Advanced Technology Center.

Mrs. Gallagher moved to approve naming of the building to the Sierra Building. Mr. Alden seconded. Motion carried.

23. Approved Grant Request, GBC - Approved the request which would allow Great Basin College to submit a Summary Proposal to the Don W. Reynolds Foundation for the purpose of assisting Great Basin College to landscape the Elko campus. This project conforms to the long-range facilities plan as approved by the Board of Regents.

Mrs. Gallagher moved approval of the request to allow Great Basin College to submit a Summary Proposal to the Donald W. Reynolds Foundation. Mrs. Dondero seconded. Motion carried.

24. Approved Grant Request, CCSN - Approved CCSN to pursue an \$11 million grant from the Donald Reynolds Foundation. One of the requirements of the grant is that the governing board be aware and supportive of the building and its inclusion into the Facilities Master Plan should the grant be approved.

President Moore stated that the proposed 40,000 sq. ft. building will be located on the Charleston Campus and will house telecommunications, journalism, marketing, digitized graphics, distance education, classrooms and production facilities. No new programs will be created. The \$11 million grant will pay for development, construction and capital equipment costs.

Mrs. Dondero moved to approve CCSN to seek a \$11 million grant from the Donald Reynolds Foundation. Mr. Alden seconded. Motion carried.

25. Approved Extension of \$25 Registration Fee for Nevada Resident High School Students in Distance Education Enrollment - Approved extending, through the 1997-98 academic year, the opportunity for Nevada resident high school students to enroll in dual credit or college or university credit courses delivered to a high school by electronic means for a \$25 registration fee per course, subject to the approval of the course fee by the institution president and the Chancellor.

Chancellor Jarvis reported that last Fall a pilot project was conducted to create a special registration fee of \$25 per course which allowed for testing the price sensitivity of the distance education initiative funded through Senate Bill 204. He reported that during the Spring semester 1996 nine sections were offered with 65 students attending. In the Fall semester 1996 twenty-eight sections were offered with 267 students attending. He continued that in the Spring semester 1997 sixty-six sections were offered with 735 Nevada high school students taking college/dual credit

courses through the advantage offered by the \$25 fee. He requested approval to extend this fee through the 1997-98 academic year to build upon the initiative started.

Ms. Berkley moved to approve to extend the \$25 Registration fee for Nevada resident high school students in distance education through the 1997-98 academic year. Mr. Rosenberg seconded. Motion carried.

26. Approved Purchase of Mackay Manor Apartments, UNR - Approved UNR to purchase the Mackay Manor Apartment Building, located at the corner of 11th and Virginia Streets, for a price of \$490,000. President Crowley stated that this price is the appraised value of the property as determined by John S. Wright, MAI, Real Estate Appraiser and Consultant. As part of the selling price, the owners have agreed to perform significant deferred maintenance on the property and the sale will not become final until all the required maintenance on the property has been completed. This property is in the university's master plan and is the only parcel of land on that block that the university does not own.

Mr. Rosenberg moved to approved the purchase of the Mackay Manor Apartment Building for a price of \$490,000. Mrs. Gallagher seconded.

Mr. Wiesner asked where President Crowley would get the funds to purchase this property. President Crowley stated that UNR has a property acquisition fund built from fees from property rentals and the sale of property that allows for the purchase of additional property within the campus master plan. Mr. Wiesner asked if these funds earned interest to which President Crowley replied these funds are part of the general university short-term investment pool and would earn interest from that account.

Mr. Graves asked about asbestos problems, to which President Crowley stated that would be part of bringing the property up to standards.

Motion carried.

Mrs. Price left the meeting.

27. Approved Transfer of State Health Laboratory to UNR - Approved an agreement to support a change in legislation to enable a transfer of the State Health Laboratory to the University of Nevada, Reno. President Crowley stated that the laboratory is housed on the UNR campus. He stated that he has been in discussion with the Governor's office as well as the legislative Joint Health committees regarding this proposal. President Crowley stated that at this time he is requesting a change in legislation to enable the actual transfer of the property at which time an Interlocal Agreement will be forwarded to the Board for consideration.

Dr. Ken Hunter stated that in 1909 the State Hygiene Laboratory was established to support public health in Nevada and was operated by UNR. It was subsequently transferred back to the State and has been in the Health Division since that time. Now UNR has a Medical School and many of the faculty serve as consultants to this laboratory and over the last year it has become apparent that the public health of Nevada would be best served by transferring this facility back to the university system. This transaction would involve a transfer of the responsibilities for the laboratory, as well as the fully-funded budget would which would require amending N.R.S. 439.240. A 50,000 sq. ft. fully equipped building would be transferred in a separate agreement, all environmental issues will be met, and 30 employees will be transferred to UCCSN. He further stated that the Governor's office and UCCSN legal counsel will revise the language necessary to make the changes in the statutes.

Dr. Hunter stated that he felt this is a great opportunity for both research and education at the university and that public health will be better served in Nevada.

Mr. Rosenberg asked how the 30 employees that would be transferred would be paid to which Dr. Hunter stated that the operating budget that pays for them would be transferred in its entirety.

President Crowley added that there is some concern about the potential risk involved in this transfer and UCCSN is looking at this situation initially as an experiment stating that one very important part of the interlocal agreement would provide for a one-year notice if the agreement wasn't working out.

Mrs. Gallagher moved to support a change in legislation to enable a transfer of the State Health Laboratory to UNR. Mrs. Dondero seconded. Motion carried.

28. Approved Loan and Gift, School of Medicine - Approved an agreement between the University and Community College System of Nevada and Joseph B. Gould for gift and loan funding for the School of Medicine building in Las Vegas.

President Crowley stated that this agreement has been extensively reviewed by campus personnel as well as Vice Chancellor Tom Anderes and this gift and loan would allow UCCSN to proceed with the construction of the building.

Resolution 97 -1

WHEREAS, the University and Community College System of Nevada (the "University") intends to borrow up to \$8,800,000 from Joseph B. Gould (the "Donor") pursuant to an agreement (the "Agreement") between the University and the Donor in substantially the form attached hereto for the purpose of financing improvements for University of Nevada School of Medicine consisting of a medical building in Las Vegas (the "Project"), such borrowing to be evidenced by a note signed by the appropriate officials at the University (the "Note") in substantially the form attached to the Agreement; and

WHEREAS, the Donor also proposes to make a donation (the "Donation") to the University for the Project in the amount of approximately \$6,300,000 pursuant to the Agreement; and

WHEREAS, the Donor also desires to lease approximately 5,000 square feet of space in the Project pursuant to the Agreement and a separate lease agreement the form of which has been filed with the Secretary of the Board (the "Lease").

Mrs. Gallagher moved to approve the gift and resolution as presented. Mr. Rosenberg seconded. Motion carried.

29. Approved System Administration Reorganization - Approved the administrative reorganization of System Computing Services from a regional to a functional structure.

Mr. Davan Weddle, Executive Director of System Computing Services updated the Board on the status of prospective personnel changes and plans for associated organizational adjustments in the System Administration offices in Reno and Las Vegas. He reported that for the past ten years SCS has been organized into three areas under three directors. One director was responsible for administrative applications statewide. The other two directors, one in Las Vegas and one in Reno, provided regional services in telecommunications, computer operations, software support, network analysis and academic services.

He continued that to standardize network operations, serve the expanding customer base, and accommodate new initiatives with existing resources, SCS proposed a realignment of resources into three statewide functions. The System Administration Faculty Senate and various groups have provided input throughout the reorganization planning process.

This proposal calls for three directors with system-wide responsibility for three functional areas: Mr. Floyd Burnett, Director of Applications and Technical Services; Mr. Richard Belaustegui, Director of Telecommunications Services; and Mr. Maurice Mitchell, director of Customer Services.

Mr. Alden moved to approve administrative reorganization of SCS. Mrs. Gallagher seconded. Motion carried.

Chancellor Jarvis continued to report on the personnel changes within UCCSN System Administration in the Chancellor's Office. He reported that the search for the position of General Counsel continues and that a search committee has been formed which includes Ms. Karen Steinberg, Chair; Vice Chancellor Tom Anderes, Presidents Remington and Harter, and Ms. Mary Lou Moser. Mr. Caesar Naples has been retained to act as consultant for this search. Mr. Naples has served as general counsel in both the California and Florida systems. The target date for appointment is July 1, 1997.

Chancellor Jarvis announced the resignation of Ms. Constance Howard this summer at which time Ms. Howard and her husband will travel to France where he will conduct research while on sabbatical leave. He continued that the vacant position will be moved to Las Vegas since it reports to Ms. Suzanne Ernst, Deputy to the Chancellor for External Relations. A search has been initiated for an External Relations Associate and part-time secretarial support effective July 1, 1997.

Chancellor Jarvis stated that he intends to move a mid-level Research Analyst position to Academic Affairs which is contingent upon funding. Chancellor Jarvis concluded with the announcement of the prospective resignation of Ms. Sue Baker within the next several months. He stated that she will be a great loss for him personally as well as for the System. In addition, reorganization changes to the Chancellor's staff include the creation of a new Senior Deputy position which will involve a promotion for Ms. Karen Steinberg as well as trying to provide some part-time secretarial support to be accomplished within the existing budget. He concluded that a full report will be made to the Board once all those changes are made.

Ms. Berkley stated that negative information in the newspapers stated that Ms. Howard may be leaving for reasons other than to join her husband in France, and she would like both Ms. Howard and Ms. Baker to state for the record why they are leaving. Ms. Howard stated that her husband has been granted a sabbatical leave to France starting in July and she would be accompanying him. Ms. Baker stated that she and her husband will realize a ten-year dream of travel and retirement. Ms. Berkley stated that both Ms. Howard and Ms. Baker will be greatly missed.

30. Approved Modification of Assignment, Dr. Kenneth E. Wright - Approved a modification in the assignments for Dr. Kenneth E. Wright that the Board approved at the March 14, 1997 Board meeting: instead of pursuing a professional development leave through the Fall semester 1997, Dr. Wright will conclude his administrative leave on June 30, 1997, and undertake a full teaching assignment for the 1997-98 academic year.

Mrs. Dondero moved to approve modification of assignment. Mr. Rosenberg seconded. Motion carried.

31. Public Comment - Mr. Aaron Rosenthal, UNLV Student Body President, stated that this is the end of his term

and he introduced newly elected officers Mr. Joe Mills, President; Mr. Luis Vallera, Vice President; and Mr. Terry Moore, Senate President. He expressed his gratitude to the Board and to UNLV administration as well as all who work with and helped him with campus issues during his tenure as president. He stated that he felt the Board is one of the most pro-student focused groups around and that all members are concerned with student issues. He also stated that it was a pleasure to work with President Harter and that he felt she is doing a great job as president in leading the university into the future. He also thanked Provost Ferraro and Vice President Ackerman for the fine job they are doing.

Mrs. Dondero thanked Mr. Rosenthal for his representation to the Board and that he has done an outstanding job as President and she wished him well.

President Harter stated that Mr. Rosenthal and the other student leaders have been some of the best she has worked with in the last 30 years in the sense of their responsibility and understanding of complex issues. She commented that it was a joy working with all of them.

Ms. Berkley stated that Mr. Rosenthal is a good friend and will be a tough act to follow and she further stated that she felt there has not been a better student body president in 25 years.

Mr. Luis Vallera, Vice President-elect, spoke to the issue of his support of President Harter. He stated that he felt she has served as inspiration to him over the last two years and that she has stood strong in the face of adversity. He appreciates the fact that she has worked hard to increase the value of his degree from UNLV. He continued that he is very excited about pending projects such as the UNLV Law School, a new library and the prospects for advancing the university into the future. He stated that President Harter's devotion to UNLV is further demonstrated by her interaction with students where she regularly meets with student groups and advisory committees as well as through other channels.

Mr. Vallera concluded stating that at the June meeting he felt the Board will have the destiny of UNLV in their hands at which time they will consider and review the job components of President Harter. He wished to assure the Board that President Harter is the right person to lead UNLV into the future.

Mr. Terry Moore, Student Senator President-elect, stated that as a Las Vegas native he has been attending UNLV for the past four years and has had an opportunity during that time to observe many changes that have occurred, both positive and negative. He continued that he speaks to the positive changes today in his support of President Harter. He felt that during the first years of President Harter's administration UNLV has experienced a series of remarkable accomplishments: the Law School, Lied Library, and the state-of-the-art Lied Athletic complex. During this time President Harter has made it a priority to listen to and include the advice of the UNLV students. He stated that President Harter's commitment to the students is more than a loosely used phrase, he feels it is a belief in which she and her administration have dedicated themselves daily.

He concluded stating that during the June meeting the Board will not only be evaluating President Harter's performance but her future and the future of higher education in southern Nevada. He stated that it is due to his belief of her plan and vision for UNLV's future that he expresses his support for President Harter to lead UNLV into the next century.

32. New Business - None.

Meeting adjourned at 3:05 p.m.

Mary Lou Moser
Secretary of the Board