

BOARD OF REGENTS
BRIEFING PAPER

1. Agenda Item Title: UNLV Repositioning in Asia

Meeting Date: December 5-6, 2013

2. BACKGROUND & POLICY CONTEXT OF ISSUE:

UNLV's Singapore campus was established in 2006 as part of Singapore's "Global School House" initiative, whereby top foreign universities were invited to Singapore to provide tertiary educational services in their respective fields of distinction. Although the initiative was originally intended to make Singapore a hub for international education, current efforts by the Economic Development Board and Ministry of Education have been largely repositioned to provide education for, and workforce development of, Singaporean citizens and - to some extent - Permanent Residents of the Republic.

The Board's approval of the Singapore campus was conditioned on the mandate that no state or institutional funds may be expended on it. Therefore, the campus is reliant on tuition and fees derived mainly from undergraduate education, but revenue also comes from non-credit certificate programs and has been raised in the past through graduate student tuition and fees.

The campus currently has about 650 students, 271 B.S. degrees have been awarded there, as well as 50 M.H.A. degrees. The current student body is almost entirely Singaporean, however ten full tuition and fees scholarships have been made available to UNLV main campus students for the last several semesters. Instruction is provided by six locally hired faculty members in residence (mostly with UNLV connections), augmented by on-line instruction from the main campus, traveling faculty from Las Vegas for summer sessions, and local part time instructors. The campus has approximately 12 other staff members, all local hires, except the Associate Dean/Managing Director, who is a UNLV employee funded by the Singapore entity.

3. SPECIFIC ACTIONS BEING RECOMMENDED OR REQUESTED:

Information only- UNLV has been in preliminary discussions with certain entities concerning relocating and/or expanding its academic activities in Singapore to Korea and/or China, also on a non-exclusive and self-supporting basis. The university may be in a position to bring at least one concrete proposal in this regard forward to the Board in Mid-2014.

A. KOREA: UNLV recently executed a non-binding Memorandum of Mutual Interest with the Incheon Free Economic Zone Authority and the Songdo Global University Foundation relative to a potential facility for the Hotel College outside Seoul, South Korea. It is anticipated that UNLV will next enter into a Due Diligence Agreement with the same parties, whereby they will provide \$1Million to the university for it to determine the feasibility and desirability of joining other U.S. and international tertiary institutions at the Songdo campus to provide a "3+1, Korea + Las Vegas" undergraduate Hotel College program. In no case will UNLV be liable to repay such funds. At the conclusion of the due diligence period, an Affiliation Agreement would be brought forward to the Board for approval, if UNLV concludes that establishing a program there is beneficial.

B. CHINA: At least two locations in China have been identified that could provide desirable locations for the Board to approve scholarly activities by UNLV entities, beginning with the Hotel College. For various reasons, conducting academics in China may be more challenging than in Korea. Currently, it is believed that activities in China would probably be less intensive (perhaps "2+2" articulations with the first half provided by a Chinese partner institution, monitored and assisted by one or more UNLV instructors, and the second half in Las Vegas), and that operating such UNLV China Centers, even without enrolling students in UNLV at them, might not be feasible without a management base in Singapore or Korea.

C. SINGAPORE: While the current full degree program for polytechnic diploma holders is slated to be discontinued, it is possible that governmental and/or other entities in Singapore may wish to retain a presence of UNLV that allows a sufficient range of teaching, research and service and drives students to the main campus for at least a year. Any such opportunity would need to meet the same levels of tuition/fees and initial subsidies available at other locations, and might involve location(s) outside of Singapore proper. Of course, establishing new locations in or around the Republic would likewise require approval of the Board at a future date.

4. IMPETUS (WHY NOW?):

A. UNLV's agreement with the Singapore Institute of Technology ("SIT") to provide the second two years of the Hotel College B.S. (Hospitality Management major) at UNLV's branch campus in Singapore at a set, discounted rate of tuition to graduates of local Polytechnic institutions - paid in bulk by SIT based on contractually guaranteed enrollments - expires at the end of 2015.

B. The lease on facilities at the Singapore National Library Building also expires at the end of calendar year 2015.

C. The start-up loan made by the Singapore Economic Development Board ("EDB") to UNLV Singapore Limited (a registered Singapore charity created pursuant to resolution of the Board of Regents) is scheduled to be paid in full in January, 2016.

D. All students currently enrolled in the full degree program in Singapore are scheduled to graduate by mid-2015. Several international students have enrolled with the explicit expectation of completing the last half of their degrees thereafter on the main campus.

5. BULLET POINTS TO SUPPORT REQUEST/RECOMMENDATION:

N.A.

6. POTENTIAL ARGUMENTS AGAINST THE REQUEST/RECOMMENDATION:

N.A.

7. ALTERNATIVE(S) TO WHAT IS BEING REQUESTED/RECOMMENDED:

N.A.

8. COMPLIANCE WITH BOARD POLICY:

- Consistent With Current Board Policy: Title #4 Chapter #14 Section #2(2) and 7(4)
- Amends Current Board Policy: Title #_____ Chapter #_____ Section #_____
- Amends Current Procedures & Guidelines Manual: Chapter #_____ Section #_____
- Other: _____
- Fiscal Impact: Yes_____ No x Explain: No State or institutional funds or credit are to be expended or relied upon.

MEMORANDUM OF MUTUAL INTEREST

This Memorandum of Mutual Interest ("MMI") is entered into this ___ day of October, 2013 by and between the **BOARD OF REGENTS OF THE NEVADA SYSTEM OF EDUCATION, ACTING ON BEHALF OF THE UNIVERSITY OF NEVADA, LAS VEGAS ("UNLV")**, the **INCHEON FREE ECONOMIC ZONE AUTHORITY ("IFEZ")**, and the **SONGDO GLOBAL UNIVERSITY FOUNDATION ("SGUF")**, hereinafter individually a "Party" and collectively the "Parties".

WHEREAS, the Parties are mutually interested in establishment of a facility of the UNLV William F. Harrah College of Hotel Administration ("UNLV Hotel College") at the campus of Songdo Global University ("SGU"), within the Incheon Free Economic Zone, Incheon, Republic of Korea, the Parties have agreed as follows:

1. PURPOSE

The purpose of this MMI is to memorialize the desire of the Parties to cooperate in order to enter into a formal agreement to provide for a good faith due diligence period that may lead to a further formal agreement to establish the UNLV Hotel College at SGU.

2. ROLES OF THE PARTIES

It is understood that each Party would have certain future responsibilities as to establishing the Hotel College at SGU, which may include, but not be limited to the following:

- a) IFEZ and SGUF would support UNLV with reference to scholarly activity, particularly teaching and research, to be conducted within the Incheon Free Economic Zone; and use their best efforts to provide assistance and support to UNLV relative to facilitating and expediting all necessary applications, permits, licenses, approvals or clearances which UNLV is required to obtain and submit to Korean national government authorities, the municipal government, and any taxing authorities in connection with its activities within the Incheon Free Economic Zone.
- b) UNLV would develop sustainable university programming in appropriate academic disciplines, to eventually include undergraduate and graduate instruction, executive education, research, and service to industry and the larger community.

The specific and detailed roles and responsibilities of each Party shall be established through mutual agreement of the Parties, based on dialogue and full disclosure of information in good faith. Such respective roles and responsibilities shall be delineated in future formal agreements between the Parties.

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3. UNDERTAKINGS

It is agreed by and among the Parties that:

- a) Each Party will work in good faith to further the goals and purposes of this MMI, subject to the terms and conditions herein. The Parties shall attempt to resolve any disputes, differences or controversies in connection with this MMI through good faith negotiation.
- b) No party shall be responsible for any costs, expenses, fees, liabilities or damages incurred by any other Party in performing or otherwise arising out of this MMI.
- c) Any notice, instruction or other document to be given by any Party to another Party in connection with this MMI shall be in writing and delivered to the attention of the following principle contacts:

For UNLV:

Richard C. Linstrom, Associate Dean
UNLV Singapore
100 Victoria Street
National Library Building #11-02
Singapore 188064
Fax: +65 6332 9531
Email: Richard.linstrom@unlv.edu.sg

For IFEZ:

Jong-Hwan (John) Kim, Executive Director
Infra Service Industry Attraction Division
24-4 Songdo-dong, Yeonsu-gu
Incheon, Korea
Fax: +82 32 453 7329
Email: john3061@korea.kr

For SGUF:

Sang Hyun Chang
Manager of External Affairs
119 Munha-ro, Songdo-dong, Yeonsu-gu
Incheon, Korea
Fax: +82 32 626 0539, Mobile: +82 10 3018 5729
Email: csh@sguf.org

4. CONFIDENTIALITY AND USE OF INTELLECTUAL PROPERTY

It is further agreed by and among the Parties that:

- a) To the extent provided and allowed by law, any technical or commercial trade secret information, technical specifications, related materials, documents and other such information provided by one Party to another Party and marked confidential (“Confidential Information”) shall be deemed to be confidential and proprietary if it is reasonably so designated.
- b) As a condition of the mutual exchange and disclosure of Confidential Information, each receiving Party agrees, during the term of this MMI, and for one (1) year thereafter, not to disclose, use, copy or reproduce such Confidential Information, except to the extent that it is (1) in the public domain at the time of disclosure, (2) comes in to the public domain through no fault of the receiving Party after it is received, (3) it was already in the possession of the receiving Party and subject to disclosure at the time of receipt, or (4) required to be disclosed pursuant to applicable law or by order of a competent court or administrative officer.
- c) No Party may use the name, logotype or trademarks of any other party without the prior written consent of such other Party.

5. TERM

This MMI shall be effective for a period of one hundred and eighty (180) days from the date set forth above, unless extended for an additional term by written agreement of the Parties, or unless it is terminated pursuant to its own provisions.

6. TERMINATION

This MMI shall take effect upon the signing date hereof, as set forth above, and shall remain in force unless (1) terminated by mutual consent of the Parties hereto, or (2) upon ten (10) days’ written notice by any Party. Upon termination of this MMI, no party shall have any liability to another Party in respect of the matters contemplated herein, except that the provisions regarding Confidentiality and Use of Intellectual Property shall survive this MMI.

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7. NON-BINDING EFFECT

This MMI is a non-binding instrument and shall not be interpreted to create a joint venture, partnership, consortium, contractual relationship or any other form of business arrangement, or any legal obligations between the Parties.

IN WITNESS HEREOF, the Parties hereto have caused this MMI to be executed by their duly authorized representatives as of the day and year first written above.

**BOARD OF REGENTS OF THE NEVADA SYSTEM OF HIGHER EDUCATION,
ACTING ON BEHALF OF THE UNIVERSITY OF NEVADA, LAS VEGAS**

Recommended by:

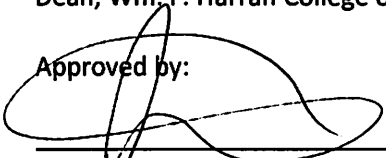


RICHARD C. LINSTROM
Hotel College Associate Dean for Singapore



STOWE SHOEMAKER
Dean, Wm. F. Harrah College of Hotel Administration


Approved by:



JOHN V. WHITE
Executive Vice President and Provost

Date: 10/24/13

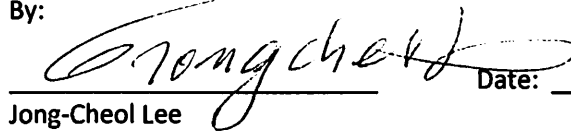
Approved as to Form and Content:



ELDA M. SIDHU
General Counsel

INCHEON FREE ECONOMIC ZONE AUTHORITY

By:

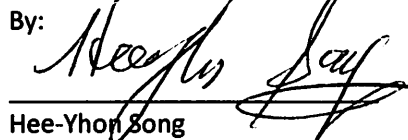


Jong-Cheol Lee
Commissioner

Date: 10/24/13

SONGDO GLOBAL UNIVERSITY FOUNDATION

By:



Hee-Yhon Song
President

Date: 10/24/13