

BOARD OF REGENTS BRIEFING PAPER

1. Agenda Item Title:

Jacobs Quasi Endowment for the TMCC Health Science Center

Meeting Date: December 5-6, 2013

2. BACKGROUND & POLICY CONTEXT OF ISSUE:

Dr. Maria C. Sheehan requests Board approval, consistent with Board of Regents policy, Title 4, Chapter 10, Section 9, to create an endowment for a \$1 million pledge donation from the Herb and Maxine Jacobs Foundation to be paid over three years that will support the construction of a \$10 million Health Science Center at the Redfield Campus. The \$1 million donation will be placed into an endowment fund while the remaining funds are raised by TMCC and the TMCC Foundation.

3. SPECIFIC ACTIONS BEING RECOMMENDED OR REQUESTED:

Accept the first installment of \$333,334 of the \$1,000,000 pledge and establish an endowment.

4. IMPETUS (WHY NOW?):

The Herb and Maxine Jacobs Foundation requested the funds be restricted for the construction of the new building and be placed into an endowment while the remaining funds are raised.

5. BULLET POINTS TO SUPPORT REQUEST/RECOMMENDATION:

Through in-depth research on nursing workforce supply and demand projections combined with recommendations from the 2012 nursing accrediting report, TMCC anticipates the need to increase the number of healthcare professionals that it graduates, and to also make provisions for changing employer expectations and educational needs.

- Nursing and Certified Nursing Assistant employment is anticipated to grow 17% and 16%, respectively, by 2022 in Nevada.
- Nevada expects a 23% deficit in the number of available Registered Nurses by 2015, and a 28% deficit by 2020. By 2020, Nevada is expected to have a shortage of 4,486 nurses, and Governor Sandoval has stated that Nevada will need up to 8,000 new health care workers by 2018.
- The graying of the workforce—average age of working nurses is 47 to 58.9 years old—exacerbates the shortage because the industry faces an exodus of retiring nurses over the next two decades.
- With an increase in nursing students, the availability of program-mandated clinical rotation slots will be at a premium.
- In response to employers' future preference for baccalaureate trained nurses, TMCC has partnered with Nevada State College to offer an articulated dual enrollment option for nursing students.
- TMCC's Nursing accrediting body—the National League for Nursing Accrediting Commission—has charged TMCC with consolidating the location of the Nursing program (currently instruction takes place at both the Dandini Campus and the High Tech Center at Redfield), increasing library holdings, and increasing faculty's use of technology.

TMCC will invest \$2 million of its local capital improvement funds in a new \$10 million dedicated Health Science Center located at the Redfield Campus and to the renovation of the existing High Tech Center at Redfield. The new Health Science Center and renovated High Tech Center will

- consolidate the Nursing Program in one location,
- provide the most up-to-date simulation equipment available,
- increase the number of Certified Nursing Assistants trained annually, and
- provide the space necessary to grow the Nursing program in the future.

6. POTENTIAL ARGUMENTS AGAINST THE REQUEST/RECOMMENDATION:

None.

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

Return the gift to the donor.

8. COMPLIANCE WITH BOARD POLICY:

XX Consistent With Current Board Policy: Title # 4 Chapter # 10 Section # 9

Amends Current Board Policy: Title # _____ Chapter # _____ Section # _____

Amends Current Procedures & Guidelines Manual: Chapter # _____ Section # _____

Other: _____

Fiscal Impact: Yes _____ No _____

Explain: _____

CAPITAL GIFT AGREEMENT

This Agreement made as of the first day of August, 2013 by and between (i) the Directors of the HERB AND MAXINE JACOBS FOUNDATION, INC. (the "Foundation") and (ii) TRUCKEE MEADOWS COMMUNITY COLLEGE FOUNDATION ("TMCC").

The background to this Agreement is set forth as follows:

(a) TMCC has proposed to build a new \$10million Nursing Center at the Redfield Campus (the "Health Sciences Center") and renovate the existing High Tech Center at Redfield (the "High Tech Center") for the primary purpose of creating improved space for the Maxine S. Jacobs Nursing Program.

(b) A \$10 million capital campaign has been initiated by TMCC to raise funds for the construction of the Health Sciences Center and the renovation of the High Tech Center (the "Capital Campaign").

(c) In order to encourage others to contribute to the Capital Campaign, the Foundation has indicated its willingness to contribute to TMCC amounts aggregating One Million Dollars (\$1,000,000), on the terms and conditions set forth herein, constituting a capital gift.

NOW, THEREFORE, in consideration of the mutual promises contained herein and for other good and valuable consideration the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. The Foundation hereby agrees to contribute to the Capital Campaign on the following terms:
 - (i) The sum of Three Hundred Thirty-three Thousand Three Hundred Thirty-four Dollars (\$333,334) shall be paid to the Capital Campaign on or before December 31, 2013.
 - (ii) The sum of Three Hundred Thirty-three Thousand Three Hundred Thirty-three Dollars (\$333,333) shall be paid to the Capital Campaign on or before December 31, 2014.
 - (iii) The sum of Three Hundred Thirty-three Thousand Three Hundred Thirty-three Dollars (\$333,333) shall be paid to the Capital Campaign on or before December 31, 2015.
 - (iv) The foregoing contributions shall be used by TMCC as part of a 1:2 dollar challenge grant, but the parties agree that the annual contributions to the

Capital Campaign are not contingent upon TMCC raising Two Million Dollars (\$2,000,000) prior to December 31, 2015 from sources other than the Foundation.

2. The Capital Campaign for the Nursing Center for the Maxine S. Jacobs Nursing Program consists of the following initiatives:

The new Health Sciences Center will include:

- 16,000 square foot instructional space dedicated to training the nurses of the future
- 4,200 square foot high-tech Nursing Lab with four technologically advanced patient simulation rooms and two debrief rooms for faculty and student review.
- Two 40-student classroom spaces.
- Immediate adjacency and connection to the TMCC High Tech Center for curriculum required by the Maxine S. Jacobs Nursing Program.
- Faculty offices and support spaces for all nursing faculty and staff.
- Dedicated lab storage and student dressing/locker room to support the new Nursing Lab.

Proposed renovations to the High Tech Center include:

- Conversion of half of the existing open computer lab into a library to meet accrediting agency requirements for significant enhancements to the electronic and text library needs required by the National League for Nursing Accrediting Commission for the Maxine S. Jacobs Nursing Program.
- Conversion of the small existing nursing library into a microbiology preparatory laboratory and quiet study zone.
- Conversion of a general classroom into a computer lab to comply with the National League for Nursing Accrediting Commission requirement that nursing students have access to a dedicated computer lab for testing, assessments, and online course modules.
- Upgrade the existing nursing laboratory to also accommodate CNA instruction.

3. TMCC shall also, at its expense, install and maintain permanently a prominent sign in the lobby of the entrance of the Health Sciences Center in the name of the "Maxine S. Jacobs Nursing Program".

4. Notwithstanding anything contained in this Agreement, the Foundation shall not be obligated to make any payment under this Agreement if, at the time that such payment would otherwise be due hereunder, TMCC shall not be an organization which is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (or any corresponding provision then in effect) and to which contributions are deductible for federal income, gift and estate tax purposes under the Internal Revenue Code as then in effect.

5. All sums contributed to the Capital Campaign by the Foundation shall be held in a short-term endowment fund established by the Nevada System of Higher Education and withdrawals from the endowment fund shall be made only for the purposes of the Capital Campaign as set forth herein. If in the unlikely event, in the judgment of TMCC, it becomes impossible or impracticable to accomplish the purposes of the Capital Campaign, the funds will be used as mutually determined by TMCC and the Foundation.

6. The parties hereto each agree, upon the request of any of them, to execute, acknowledge and deliver any additional instruments or documents that may be reasonable or necessary to accomplish and affect the intention of this Agreement.

7. This Agreement contains the entire understanding of the parties hereto. There are no representations, warranties, promises, covenants or undertakings, oral or otherwise, other than those expressly set forth herein.

8. No modification or waiver of any of the terms of this Agreement shall be valid unless it is in writing and executed with the same formality as this Agreement by all the parties hereto. No waiver of any breach or default hereunder and no failure to exercise any right created by this Agreement shall be deemed a waiver of any subsequent breach or default of the same or similar nature, or a waiver of such right in the future.

9. A breaching party shall be liable for any reasonable attorney fees, costs and expenses incurred by the prevailing party in attempting to enforce the provisions of this Agreement.

10. Any provision contained in this Agreement which shall be determined to be invalid shall be deemed a separate provision, severable from the remainder of the provisions herein contained which are not invalid, and this Agreement, without said invalid provision, shall continue to be the Agreement of the parties hereto with full effect just as if said invalid provision were not contained herein, but only to the extent that the same continues to reflect fairly the intent and understanding of the parties expressed by this Agreement taken as a whole.

11. This Agreement shall be governed by the laws of the Commonwealth of Massachusetts as to all matters, including, without limitation, matters relating to its validity and effect, regardless of where the parties may reside at the time of any application hereof.

12. This Agreement shall inure to the benefit of the parties hereto and their successors and assigns.

Signed under seal as of August 1, 2013.

HERB AND MAXINE JACOBS FOUNDATION, INC.

Jill Jacobs
Jill Jacobs, Director

Carl H. Whittaker
Carl H. Whittaker, Director

Deborah Kay
Deborah Kay, Director

TRUCKEE MEADOWS COMMUNITY COLLEGE
FOUNDATION

By: Maria C. Sheehan
Dr. Maria C. Sheehan, TMCC President
Hereunto Duly Authorized

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