

BOARD OF REGENTS
BRIEFING PAPER

1. AGENDA ITEM TITLE: Approval of Sale of Violin Gifted to University of Nevada, Reno

MEETING DATE: September 7-8, 2017

2. BACKGROUND & POLICY CONTEXT OF ISSUE:

In 1974, Edwin L. Wiegand gifted to the University Music Department, without any restrictions, one (1) violin made by Antonio Stradivari. The violin has been kept secure and has been played by graduate students studying violin at the University. Over the years, the violin has from time to time required maintenance and restoration.

3. SPECIFIC ACTIONS BEING RECOMMENDED OR REQUESTED:

University of Nevada, Reno President Marc A. Johnson requests approval to sell, for an amount at or above fair market value, a violin gifted to the University, the proceeds of such sale to be used toward the funding of construction of the University Arts Center Building and the purchase of musical instruments.

4. IMPETUS (WHY NOW?):

- The University has had the violin restored in preparation for a possible sale and its value has increased as a result.
- The University has engaged an experienced consultant to assist in marketing the violin for sale. The University is able to monetize this gift now, use the proceeds toward the funding of the University Arts Center Building, and thus benefit the entire music department for whose benefit the gift was originally made.

5. BULLET POINTS TO SUPPORT REQUEST/RECOMMENDATION:

- The University has had the violin restored in preparation for a possible sale and its value has increased as a result.
- The University has engaged an experienced consultant to assist in marketing the violin for sale.
- The minimum price for any sale of the violin has been set at three million dollars, provided that if the consultant determines in his professional opinion that a lower purchase offer reflects the fair market value of the violin, the University, following review of the sale terms by the Vice Chancellors of Finance and Legal Affairs, may accept an offer below the minimum price.
- The University is able to monetize this gift now, use the proceeds toward the funding of the University Arts Center Building, and thus benefit the entire music department for whose benefit the gift was originally made.
- Monetizing the gift allows the gift proceeds to benefit the many, many students, faculty, and members of the public who will learn, teach, and perform in, as well as patronize, the new University Arts Center Building.

6. POTENTIAL ARGUMENTS AGAINST THE REQUEST/RECOMMENDATION:

- Some may argue that the violin should be kept forever, which will continue to require insurance and security for the violin, as well as possible additional maintenance and restoration expense.

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

Forego a sale of the instrument and continue to maintain it in a secure location to be used periodically by a select few.

8. COMPLIANCE WITH BOARD POLICY:

- Consistent With Current Board Policy: Title #_____ Chapter #_____ Section #_____
- Amends Current Board Policy: Title #_____ Chapter #_____ Section #_____
- Amends Current Procedures & Guidelines Manual: Chapter #_____ Section #_____
- Other: _____
- Fiscal Impact: Yes_____ No_X_____ Explain:_____