

UCCSN Board of Regents' Meeting Minutes October 21-22, 1993

10-21-1993

Pages 87-131

BOARD OF REGENTS

UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA

October 21-22, 1993

The Board of Regents met on October 21-22, 1993 in Rooms 201-202,

Moyer Student Union, University of Nevada, Las Vegas.

Members present: Dr. James Eardley, Chairman

Mrs. Shelley Berkley

Dr. Jill Derby

Mr. Joseph M. Foley

Mrs. Dorothy S. Gallagher

Mr. Madison Graves, II

Dr. Lonnie Hammargren

Mr. Daniel J. Klaich

Mrs. Nancy Price

Mrs. Carolyn M. Sparks

Mrs. June Whitley

Others present: Interim Chancellor John A. Richardson

President Anthony Calabro, WNCC

President Joseph Crowley, UNR

President John Gwaltney, TMCC

President Robert Maxson, UNLV

President Paul Meacham, CCSN

President Ronald Remington, NNCC

President James Taranik, DRI

Mr. Donald Klasic, General Counsel

Mr. Ron Sparks, Vice Chancellor

Mrs. Karen Steinberg, Acting Vice Chancellor

Ms. Mary Lou Moser, Secretary

Also present were Faculty Senate Chairman Alan Balboni (CCSN), Phil Boardman (UNR), Chris Gaub (Unit), Scott Hawkins (NNCC), Dan Mc Clure (TMCC), Alan Mc Kay (DRI), Mark Melrose (WNCC), and John Swetnam (UNLV), and Student Association Officers.

Chairman Eardley called the meeting to order at 2:33 P.M. Thursday, October 21, 1993, with all Regents present.

1. Approved Consent Agenda

Approved the Consent Agenda (identified as Ref. A, filed with the permanent minutes), containing the following:

(1) Approved the minutes of the regular meeting held on September 9-10, 1993.

(2) Approved the gifts, grants and contracts, listed in Ref. C-1, filed with the permanent minutes.

(3) Approved the acceptance of a gift for UNLV. International Game Technology (IGT) has agreed to donate \$500,000 for purchase of a new marquee for the Athletic Department at UNLV.

The proposed marquee will be a state-of-the-art, 4-color animated system. It will enhance the ability to promote events as well as generate additional sizeable advertising revenue.

In exchange for the gift, IGT companies will be recognized on a tri-vision panel at the bottom of the marquee for 3 years and will deduct from the gift \$72,000 per year for 3 years in lieu of advertising.

(4) Approved an exception regarding early retirement for lecturer Frances Milne at UNLV. She has applied for the Phase II Early Retirement Incentive Program beginning July 1, 1994. The request is being made because Mrs. Milne will turn 60 two days after the cut-off date. This causes her to miss qualifying for the 2nd part of the provision by two days.

(5) Approved the following request to hire with tenure at UNLV:

Dr. Lawrence Larmore, Professor, Department of Computer Science, with tenure, retroactive to August 23, 1993.

(6) Approved the following appointments to the Engineering Advisory Council at UNLV. These members will replace Mr. Emmett Herbst and Mr. Gerald Valade, who have retired.

Mr. Le Roy Dale Foust, Las Vegas

Dr. Joseph G. Yeasted, Las Vegas

(7) Approved the following appointments to the Civil and Environmental Engineering Advisory Committee at UNLV.

The Committee is to provide external review of the academic, outreach, and research functions of the UNLV Department of Civil and Environmental Engineering, and provide advice and assistance for the continued growth and development of the Department.

Kelly Chuma, Las Vegas

Garth Dull, Carson City

James Gans, Las Vegas

Erv Koenig, San Francisco, California

Al G. Leskys, Las Vegas

James L. Mac Farlane, Las Vegas

Marty J. Manning, Las Vegas

(8) Approved the following appointment to the WNCC Advisory Board:

Mr. Al Escalante

(9) Approved the following appointment to the TMCC Advisory Board:

Mr. Fred Boyd

(10) Approved the following appointments to the College of

Business Administration Advisory Board at UNR:

Mac King, Reno

Steven J. Dodd, Reno

Lou Phillips, Reno

(11) Approved the following appointments to the College of

Education Advisory Board at UNR:

Ms. Mary Conklin, Reno

Ms. Shirley Woods, Reno

(12) Approved an amendment to the UCCSN Code, Section 6.3.

6(b) in order to maintain the overtime exemption of

the UCCSN's professional employees under the Federal

Fair Labor Standards Act. Ref. C-2 is filed in the

Regents' Office.

This item was circulated to the Chancellor, Presi-

dents, and Faculty Senate Chairmen as provided in

Section 1.3.3(a) of the UCCSN Code. No comments

have been received.

(13) Approved an amendment to the UCCSN Code, Section 3.3.1

Probationary Period for Universities and Section 4.3.1

for Community Colleges, which would extend the tenure probationary period for faculty who are absent due to extenuating circumstances, such as illness and child bearing, for more than one semester, but not more than one year. This proposal was endorsed by the Council of Presidents. The original language was redrafted by General Counsel Klasic, as contained in Ref. C-3, filed in the Regents' Office.

These proposed amendments were circulated to the Chancellor, Presidents, and Faculty Senate Chairmen as provided in Section 1.3.3(a) of the UCCSN Code.

(14) Approved a Handbook change, Title 4, Chapter 3, Sec-

tion 13.6, Professional Leave, which will bring the Handbook in compliance with the UCCSN Code change proposed for Section 1.3.1, Probationary Period.

6. A professional staff member is entitled to use accumulated sick leave for personal illness;

disability; medical, optometric, or dental service or examinations; or temporary disability, such as child-bearing upon approval of the appointing authority. Unpaid child-rearing leave shall be granted to either parent, upon request, up to a maximum of one year. The University guarantees that the professional staff member will return to his or her original position without loss of seniority or other benefits.

(15) Approved an addition to the Handbook, Title 4, Chapter 3, to bring the System in compliance with the Federal Family and Medical Leave Act of 1993:

Section. Family and/or Medical Leave

1. Professional staff are entitled to take leave in accordance with the Federal Family and Medical Leave Act of 1993, its implementing regulations (Part 825 of Title 29 of the Code of Federal Regulations) and institutional policies promulgated in accordance therewith. See, for example, 29. C. F. R. 825.301.

2. For additional information, see the Appendix at the end of this chapter.

The document entitled, "Appendix", attached to Ref. C-4, filed in the Regents' Office, should also be added to the end of Title 4, Chapter 3 of the Board of Regents' Handbook.

(16) Annually, when approving the UCCSN Self-Supporting Budgets, the Board approves the following policy statement:

Current Board of Regents policy requires that all accounts except grants and contracts, regardless of amount, which include the payment of salaries for 1/2 time position or more, will be budgeted and are subject to approval by the Board.

Presidents have the authority to make transfers within and made budget augmentations to these budgets and report them to the Board annually.

This policy has never been added to the Board of

Regents Handbook and approval was given to add it as a new section in Title 4, Chapter 10, General Business Management.

(17) Approved authorization to utilize Capital Improvement

Fees at WNCC in the amount of \$5000 for the following purposes:

Installation of FEX lines between the Carson City and Fallon Campuses to support the Rural Nursing Project Smart 2000 equipment. \$3000

Salary expenses for casual labor employees to landscape the Family Services Center. \$2000

(18) Approved a Handbook change, Title 4, Chapter 17, Section 10, Student Fees at UNLV, effective October 25, 1993.

UNR UNLV CCSN NNCC TMCC WNCC

Graduation, Diploma or

Certification Fee,

all programs 25 30 15 15 15 15

Late Application for

Graduation 5 20 5 5 5 5

There has been such a large growth in the number of students participating in commencement that a change in the format of the graduation ceremony has been considered. The new format would consist of one large degree conferring convocation followed by individual College diploma award ceremonies. These fee increases are necessary to offset the additional expenses that this new format would require and to encourage students to apply for graduation early so that proper planning can be done.

(19) Approved a Handbook change, Title 4, Chapter 17, Section 10, Student Fees at UNR, effective January 1, 1994:

Independent Study (correspondence) 60

(20) Approved the following UNR Self-Supporting budgets:

Student Services, Student Development

Academic Advisement/Monitoring for Athletes

1992

1991 Budget

Actual Est

Resources:

Opening Account Balance \$ 0 \$ 0

Revenue: Student Fees 0 28,000

Total Revenue \$ 0 \$28,000

Transfers In:

Intercollegiate Athletics \$34,622 \$25,000

President's Account - NCAA 0 25,000

Total Transfers In \$34,622 \$50,000

TOTAL SOURCE OF FUNDS \$34,622 \$78,000

Expenditures:

Professional Salaries \$29,058 \$44,605

Fringe Benefits 5,564 9,942

Graduate Assistant Salary 0 8,026

Fringe Benefits 0 96

Classified Salaries 0 11,642

Fringe Benefits 0 3,689

TOTAL EXPENDITURES \$34,622 \$78,000

TOTAL USE OF FUNDS \$34,622 \$78,000

Mackay School of Mines, Dean's Office

MMRRI Visiting Faculty

1993-94

Budget

Est

Resources:

Opening Account Balance	\$46,686
Revenue: Student Fees	0
TOTAL SOURCE OF FUNDS	\$46,686

Expenditures:

Professional Salaries	\$36,890
Fringe Benefits	5,409
Operating	2,250
Ending Account Balance:	\$ 2,137
TOTAL EXPENDITURES	\$46,686
TOTAL USE OF FUNDS	\$46,686

(21) Approved the following interlocal agreements:

A. UCCSN Board of Regents/UNLV and the Las Vegas

Valley Water District (Interlocal Contract)

Effective Date: Date approved by Board through

March 1, 1994

Amount : \$74,127 maximum to UNLV

Purpose : UNLV's College of Engineering

to prepare a Master Plan for

a Desert Demonstration Garden.

B. UCCSN Board of Regents/UNLV and the Nevada

Department of Human Resources/Divison of Child

and Family Services (Interlocal Contract)

Effective Date: Date approved by Board through

October 1, 1993

Amount : \$4466 maximum to UNLV

Purpose : UNLV to monitor adjustment and

adaptation of adolescents in

foster care or formerly in foster

care to independence and commu-

nity life.

C. UCCSN Board of Regents/CCSN and the Nevada

Department of Human Resources/Divison of Mental

Hygiene and Mental Retardation (Interlocal

Contract)

Effective Date: Date approved by Board through

June 30, 1994

Amount : \$22,775 maximum to CCSN

Purpose : Course of instruction for mental

health and mental retardation

technicians.

Mrs. Gallagher moved adoption of the Consent Agenda and approval of the prepared agenda with the authority to change the order of items as specified throughout the meeting. Mr. Graves seconded. Motion carried.

Mrs. Price questioned whether the Chancellor's signature is final on documents signed on behalf of the Board of Regents and Interim Chancellor Richardson replied that as Chancellor he has been authorized by the Board of Regents to sign documents that are legal, practical, ethical, and non-controversial. Questionable documentation is brought before the Board for their consideration and, if approved, the Chancellor is authorized to finalize the documentation.

2. Chairman's Report

Chairman Eardley announced that CCSN is now on line to conduct interactive video communications. He encouraged the System to hold as many meetings as possible via video conference.

Chairman Eardley stated that the Board of Regents has a tremendous responsibility towards the students of UCCSN and he respects the fellow Board members for serving as a Regent. He urged the Board of Regents to accept his proposal of a new committee structure which will be considered later in the meeting.

Chairman Eardley reported that the Chancellor's Search Committee has held its first organizational meeting and it seems that the Committee will work effectively and cooperatively to accomplish the selection of the next Chancellor for UCCSN.

3. Chancellor's Report

Interim Chancellor Richardson informed the Board that the schedule for the FY 1993-94 audits was approved in June. He mentioned that UNLV Athletics audit began September 6, 1993 and will be completed in late November; UNR Athletics audit

began September 20, 1993 and will be completed in mid-November. He stated that these two audits are routine procedures and upon completion each will be reported to the Audit Committee.

Interim Chancellor Richardson announced that the annual Chancellor's Christmas Party has been cancelled due to budget constraints.

Interim Chancellor Richardson wished to inform the Board of the Chancellor's ad hoc Committee on Health Benefits activities. On behalf of Mary Paterson, Chair of the Committee, Judson Mitchell presented a report on the Committee's activities to date, and reported on what action was taken by the State Committee on Benefits and how System employees will be affected. He referred to a report that would be completed in January and would be furnished to the Chancellor and Board of Regents.

4. Approved Bond Refunding, Student Fee

Approved the following resolution titled, "November 1, 1993 Student Fee Bond Resolution". Savings resulting from this refunding reduces the obligation for student fees to serv-

ice the debt.

RESOLUTION #93-6

A resolution designated by the short title "11-1-93 Student Fee Bond Resolution"; concerning the Universities of the University and Community College System of Nevada; authorizing the issuance of the "University and Community College System of Nevada Universities Refunding Revenue Bonds, Series November 1, 1993", for the purpose of refunding certain outstanding bonds; accepting on behalf of the University the best bid for the purchase of the bonds; providing duties, privileges, powers, liabilities disabilities, immunities and rights pertaining thereto; providing other covenants, agreements and other details, and making other provisions concerning the Universities, the bonds and the pledged revenues; ratifying action previously taken and pertaining to the foregoing matters; providing other matters relating thereto; and repealing all resolutions in conflict herewith.

Mrs. Whitney moved approval of the Student Fee Bond Resolution. Mrs. Sparks seconded. Motion carried.

5. Approved Bond Refunding, State General Obligation (GO) Bond

Approved the following resolution titled, "November 1, 1993 State GO Bond Resolution". All savings must be used for operation and maintenance of the buildings for which the bonds were originally sold.

RESOLUTION #93-7

A resolution designated by the short title "11-1-93 State GO Bond Resolution"; concerning the University and Community College System of Nevada; authorizing the sale and issuance of the "State of Nevada, General Obligation (Limited Tax) University System Refunding Bonds (Revenue Supported), Series November 1, 1993"; providing the purpose for which such bonds are issued; accepting on behalf of the State a bid for the purchase of the bonds; providing duties, privileges, powers, liabilities, disabilities, immunities and rights pertaining to the foregoing; providing other covenants, agreements, and other details, and making other provisions concerning the State, the University, the bonds and the pledged revenues; ratifying action previously

taken and pertaining to the foregoing matters; providing other matters relating thereto; and providing the effective date thereof.

Mrs. Whitley moved approval of the State General Obligation Bond Resolution. Mrs. Sparks seconded. Motion carried.

6. Information Only: Outstanding Faculty Recognition

At the request of the Board of Regents, each Faculty Senate Chairman reported on the outstanding faculty achievement for the institution. Ref. B is filed in the Regents' Office.

University of Nevada, Reno

Dr. Berch Berberoglu

Desert Research Institute

Dr. Ken Taylor

Community College of Southern Nevada

Patrick Leary

7. Information Only: Outstanding Student Recognition

At the request of the Board of Regents, each Student Government Officer reported on the outstanding student achievement from the institution. Ref. C is filed in the Regents' Office.

University of Nevada, Reno

Robert W. Barnett

Truckee Meadows Community College

Yolanda Crobarger

8. Information Only: Public Comment

No public comment was made.

9. Information Only: Regents' Workshop on Earth Sciences

A workshop on an inter-institution project in Earth Sciences

was presented by UNLV College of Science and Math Dean

Ernest Peck and UNR Mackay School of Mines Dean Jim Hendrix,

and faculty members from DRI, UNLV and UNR.

Mrs. Gallagher informed the Board that she had attended the

Earth Science Conference held in Ely, Nevada, and was very

impressed with the inter-institution project.

Dean Peck reported on the Earth Science Conference that was

held in Ely. Dean Hendrix stated that Earth Science pro-

grams are operating in nearly every University in the United

States; however, the programs are very expensive to operate.

Dr. Jack Hess, Executive Director of the Water Resources

Center at DRI, reported on the collaborative effort between

DRI, UNLV and UNR. A retreat was sponsored by UNR to look

at ways of cooperating and enhancing graduate education,

undergraduate education and research. It also gave the

faculty from the institutions an opportunity to get ac-

quainted. Dr. Hess discussed the elements of education,

research and equipment for this project.

Dr. Peg Rees, Associate Professor of Geoscience at UNLV,

discussed the need to retain Nevada's graduates in the

science field, where more diversity is needed. She reported that UNR has the largest number of Ph. D. science programs, and that UNLV will be proposing an Earth Science Ph. D. program which will utilize both Universities and out-of-state entities. A collaborative teaching effort will encompass video courses, field camps and trips, and intensive short courses. However, there are limited television classrooms and this program is expensive. There are limited teaching assistants for this program; however, new faculty positions will be created but will require diverse expertise. Advantages to an education cooperative effort include greater diversity to all students of the University and the Community Colleges, increased utilization of faculty expertise, and cooperative teaching in this program will serve as an example to other programs.

Dr. Richard Schweickert, Chairman of Geology at UNR, reported on the Nevada Consortium for Geochronology, Geochemistry and Geophysics. The purpose of the consortium is to coordinate and share existing research equipment and facilities, to acquire new state-of-the-art instrumentation for the Earth Sciences, and to collaborate between research and teaching.

Dr. Hess concluded the workshop session by highlighting the progress Earth Science has made involving education, research and equipment.

Mrs. Gallagher stated that this program has made great effort in accomplishing its mission. Dr. Hess indicated that another Earth Science Conference is being planned for next Summer and will include Community College involvement.

Regents Joseph Foley, Lonnie Hammargren and June Whitley left the meeting.

10. Information Only: Partnership for Environmental Technology Education (PETE)

The need for a broad cooperative effort directed toward the enhancement of science and mathematics education, including environmental science and technology has been recognized as a national priority by government, industry and the academic community alike. In an effort to address this need for environmental protection, restoration and waste management, the Partnership for Environmental Technology Education (PETE) has been established in the 5 western states of Utah, Arizona, California, Hawaii and Nevada. PETE's overall ob-

jectives are to link the technical resources of the DOE, EPA and NASA Laboratories and private industry with participating Community Colleges and Universities to assist the development and presentation of curricula for training Environmental-Hazardous Technicians and to encourage more transfer students to pursue studies in environmental science at 4-year institutions.

UCCSN has been very much involved in this endeavor. The PETE methodology is presently being extended nationally.

Paul Dickinson from Lawrence Livermore National Laboratory was instrumental in initiating the PETE concept in the western 5 states and is currently over-seeing the national development of the program. Dr. Dickinson shared with the Board a status report and presented slides. The information from the slides is filed in the Regents' Office.

Dr. Hammargren returned during the PETE presentation.

11. Approved Emeritus, UNLV

Approved Emeritus Status for Ms. Patricia Dillingham upon her retirement May 17, 1994 from the University of Nevada, Las Vegas.

Mrs. Sparks moved approval of Emeritus Status for Ms.

Patricia Dillingham of UNLV. Mrs. Price seconded. Motion carried.

The open meeting recessed at 4:30 P.M. and reconvened at 9:05

A.M. Friday, October 22, 1993, with all Regents present except

Regents Hammargren and Sparks.

12. Approved Handbook Addition, Guidelines for Use of Student

Fees in Direct Financial Aid

In October of 1992, the Board of Regents approved that "Beginning Fall 1993, an amount equal to 50% of all tuition

and fee increases dedicated to the State budget will be ear-

marked for student financial assistance for improving access

to higher education." It is estimated that funds for this

purpose will amount to \$1.76 million in 1993-94 and \$3.01

million in 1994-95. The following is the proposed guide-

lines for the use of the funds.

Chapter 18.

Section 16. Guidelines for Use of Student Fees in Direct

Financial Aid.

1. One-hundred percent (100%) of these funds will be used for financial assistance for students. (The funds will not be used for administrative purposes.
2. At least eighty percent (80%) of the funds for each institution each academic year will go to need-based programs according to Federal government methodology.
3. The remainder (not to exceed 20%) of the funds for each institution each academic year will go to other "access-oriented" student financial assistance.
4. These guidelines will not go into effect until Fall semester 1994.
5. The institutions will present a report each year to the Board of Regents showing how the funds were utilized. The findings of the report will be used to evaluate these guidelines.
6. The Chancellor will present for consideration to the Board of Regents a possible State match to these funds.

Mr. Glen Krutz, UCCSN Research Analyst, explained that in 1991-92 \$10 million in merit student aid was awarded in UCCSN, while only \$400,000 in need-based aid was awarded. He stated that this program will improve access to higher education in Nevada.

Mr. Foley raised a concern about using bureaucratic federal guidelines for the awarding of the need-based aid. Mr. Krutz responded that the federal guidelines are well established, easy to use, and defensible.

Mr. Klaich questioned the 20% access and whether a student with only high merit would be able to receive aid. Interim Chancellor Richardson responded that hopefully that particular students would receive merit-based scholarships from the \$10 million already available through UCCSN.

President Calabro reported that the 20% access will give flexibility to help students who are needy but do not qualify for aid under the federal guidelines.

UNR Graduate Association President Russell West expressed concern that the federal guidelines are too strict, es-

pecially for graduate students. ASUN President Jim Grogan expressed concern that not enough students would benefit from the entire program. He proposed a 50/50 split rather than 80/20.

Mrs. Sparks entered the meeting.

Mrs. Whitley commended the Chancellor's staff for their emphasis on access. The 80% will aid the students who need it the most.

Dr. Derby felt that it really should be 100% need-based; however, she was agreeable to the 80% that is being proposed.

Mr. Klaich stated that too many UCCSN students have to work while attending school, which takes away from the learning process. Unfortunately, he stated many of those students would not qualify for this aid.

There was general agreement that a close look would be taken at the end of one year to evaluate the program as proposed in the guidelines.

President Crowley stated that the same discussion that is occurring today, occurred on the UNR Campus. The 80/20 is a compromise which everyone could accept at this time.

President Maxson stated that a similar discussion took place at UNLV. During the discussions at UNLV 60/40 was discussed; however, he supports the compromise.

Mrs. Gallagher moved approval of the Handbook addition regarding guidelines for use of student fees in direct financial aid. Mrs. Whitley seconded. Mr. Klaich voted no.

Motion carried.

13. Approved Naming of Auditorium, CCSN

Approved the naming of the auditorium in the new theater complex at the CCSN Cheyenne Campus the Nicholas J. "Nick" Horn Auditorium. Mr. Horn was a member of the CCSN faculty and the Nevada State Legislature. CCSN would like to recognize his support for the Community College by naming the auditorium in his honor.

Mr. Foley moved approval to name the Cheyenne Campus auditorium the Nicholas J. "Nick" Horn Auditorium. Mrs. Sparks seconded. Motion carried.

14. Approved Handbook Change, Benefits-Resident Physicians

At the September Board meeting UNR requested a Handbook change, Title 4, Chapter 7, Section 4, Benefits-Resident Physicians calling for payment for dependent health insurance. At the request of the Interim Chancellor, action on this request was held pending further review.

Approved the following change to Title 4, Chapter 7, Section 4.3:

Group health and life insurance, unemployment compensation coverage, or other group insurance plans will not be provided to the Residents by the University. Group health and life insurance are provided to Residents and their dependents by the School of Medicine on a separate contract to be paid from non-University funds.

Vice Chancellor Sparks indicated that non-state funds will be used to provide insurance for Residents and their dependents.

Mrs. Gallagher moved approval of the Handbook change regard-

ing Resident Physicians. Mr. Graves seconded. Motion carried.

15. Approved Sale of Property, UNLV

At the December 1989 Board of Regents meeting, the Board approved the sale of downtown property in Las Vegas to Edward M. Bernstein. The property was sold for \$299,187 and UNLV entered into a First Trust Deed in the amount of \$250,000 at 10% interest for 5 years receiving the balance of \$49,197 in cash. A balance of \$188,730 remains as of September 26, 1993.

Edward M. Bernstein is requesting to refinance the outstanding balance of this First Trust Deed at 8% interest for 5 more years. Mr. Bernstein could likely refinance this Trust Deed through another financial institution and pay off the outstanding balance all at once. UNLV does not require the use of these funds all at one time and probably could not invest them at a better rate than the 8%. UNLV therefore requests Board approval of this refinancing.

Mrs. Berkley moved approval of allowing Mr. Edward M.

Bernstein to refinance the outstanding balance at 8% interest for 5 additional years. Mr. Graves seconded.

Motion carried.

Mrs. Berkley left the meeting.

16. Report and Recommendations of the Ad Hoc Chancellor Search

Committee

A report and recommendations of the ad hoc Chancellor Search Committee meeting, held October 20, 1993, was made by Regent Madison Graves, Chairman.

Chairman Graves introduced the members of the Committee:

Shelley Berkley, Jill Derby, Dorothy Gallagher and Carolyn Sparks.

(1) Organization and Procedures - Discussion was held on staff to provide assistance to the Committee. It was approved that Mary Lou Moser, Doug Burris and Karen Steinberg serve as staff to the Committee.

Outside Consulting Service - It was agreed that the search should be done in-house, but that later on an

outside consulting firm could be hired if it became necessary.

Search Spokesperson - It was agreed that the spokesperson for the search would be Maddy Graves, Chairman of the Committee, or Jim Eardley, Chairman of the Board. All questions will be referred to the spokesperson; no one else is to comment.

Confidentiality - The Committee will hold applications confidential until finalists are chosen. Finalists names and backgrounds will be made public.

(2) The Committee recommended approval and that the item be forwarded to the Board for consideration of the Regent Bylaw Changes, Article VII, Section 3, Chancellor Position.

Mrs. Price asked that the Committee consider the role of the Regents along with the role of the Chancellor. She announced that at the Board meeting to be held the next day, she was bringing in an outside person to discuss the role and reporting of the Audit staff and asked that the Committee not make a commitment on that

portion of the position description until the testimony was given. Mrs. Price argued that the Chancellor's Office organization chart needed to be changed so that the internal auditors would report to the Board, not to the Chancellor.

Mrs. Gallagher stated that the auditors report to the Chancellor on a day-to-day basis, but do remain independent in their work and decisions. Mrs. Sparks argued that it was up to the Board, not the Committee to change organization charts. Mr. Burris reminded the Committee that the staff had changed the wording of the proposed position description in accordance with prior Board discussions. He related that the CEO must be responsible for internal auditing, otherwise it would strip the CEO of the ability to properly do the job.

Mrs. Price stated that the current organization chart shows the auditors reporting to the Vice Chancellor for Finance. She felt the language in the Bylaws is acceptable if the organization chart is changed.

Dr. Derby stated that other State Chancellor position

descriptions describe the Chancellor as the CEO of the Board. Mrs. Sparks disagreed with that wording, as did Mrs. Berkley, and offered that the Chancellor's authority is derived from the Board. General Counsel Klasic related that the CEO for the Board is the Chairman. Mrs. Steinberg reminded the Committee that this position description is a small section which has been lifted from the current Bylaws and that there is other wording which states that the Chancellor's authority is derived from the Board.

Dr. Derby questioned (1) of the position description - evaluation of Presidents. Mrs. Steinberg explained that Title 4, Chapter 2 of the Board of Regents Handbook, contains evaluation procedures for Officers; the wording in the position description is a summary only; and suggested that the Handbook procedures could be reviewed and/or changed at any time.

Mr. Burris explained that the recently completed Organizational Report, which was reported to the Board, recommended the change to the Chancellor being responsible for evaluation of Presidents. He pointed out that it is important that Presidents know that the

Chancellor is the CEO and that they will be evaluated by the Chancellor.

Dr. Derby agreed, but wanted to be sure the Board members would have input. General Counsel Klasic suggested that this matter could be placed in the Handbook procedures.

The Committee then agreed that section (1) be approved as proposed.

Dr. Eardley related to the Committee that the staff had incorporated previous Board discussions and suggestions in the job description, and had worked closely with him during the development of the proposal under consideration.

- (3) The Committee recommended approval and that the item be forwarded for Board consideration of the Chancellor job qualifications. Mrs. Steinberg explained that the job qualifications are important internally to the Committee for developing a form for ranking of candidates. She cautioned that this will become binding in affirmative action dealing with the candidates.

General discussion was held and a number of amendments were offered. The finalized list of qualifications is on file in the Regents' Office.

In answer to a question concerning the salary for the position, Mrs. Steinberg explained that the Regents' ad hoc Compensation Committee has discussed the matter and a salary range will be developed and presented to the Board for consideration prior to the end of the search.

(4) The Committee recommended approval and that the item be forwarded for Board consideration of the job announcement for the position. (Copy on file in the Regents' Office.)

(5) Discussion of Review of Applications - The Committee agreed that the members will review all applications, and, at the meeting to begin narrowing applications, will bring a list of their top 20 candidates. It was agreed that the staff would review all applications prior to being sent to the Committee and note whether the applicant met established qualifications. The Committee also requested that if there was less than

a unanimous decision among the staff, then comments should be noted. The staff was also asked to prepare a single list of their top 20 candidates.

The staff was asked to draft a rating sheet for use in review of applications. The Committee will begin a joint review of applications at its meeting on January 5, 1994.

(6) The Committee reviewed a proposed calendar for the search, and with a few changes, agreed to attempt to complete the search in time for recommendation(s) to be presented to the Board of Regents at its March 31-April 1, 1994 meeting. A copy of the calendar is on file in the Regents' Office.

(7) The Committee asked that the staff and the Committee members develop questions which might be used during the interview process, and have them ready for discussion at the next meeting.

Mr. Graves reported a conservative estimated budget for the ad hoc Chancellor's Search Committee is \$35,000 and requested an amount not to exceed \$45,000 for the search from Re-

gents' Special Projects Fund. He stated that this will be the most important search within the next decade.

Mrs. Gallagher moved to accept the report and recommendations of the ad hoc Chancellor's Search Committee. Mrs. Price seconded. Motion carried.

17. Approved Amendments, Regents' Bylaws, Chancellor Position

At its September 1993 meeting, the Board heard the first reading of proposed Bylaw changes concerning the position of Chancellor. Discussion from the September meeting has been incorporated into the proposed Bylaw changes and can be found in the shaded areas as contained in Ref. D, filed with the permanent minutes. Items on which the Board did not reach consensus at the September meeting have not been changed and will require Board action.

Mrs. Price stated that a question has been raised regarding the reporting structure of the Audit Committee and felt that the System's organizational chart may need to be revised. She invited Ms. Barbara Hardman, President of the Internal Audit Professional Association, to address the Board regarding Internal Audit. Ms. Hardman gave a brief

description of her view on how UCCSN should structure the reporting line of the Internal Audit Department, in which the Internal Audit Department would report to the Board of Regents and to the Chancellor regarding daily operations.

Mrs. Berkley returned to the meeting.

Mrs. Price indicated that the proposed job description language reflects this recommendation; however, the organizational chart will need to be reviewed. The current practice will require no changes and the Internal Audit Department will prepare audit reports and present them to the Regents' Audit Committee.

Mrs. Sparks recommended that the Audit Committee and General Counsel Klasic revise the organizational chart to reflect the reporting structure of the Internal Audit Department to the Board of Regents with a dotted line to the Chancellor, not the Vice Chancellor for Finance.

Mrs. Gallagher stated that if the Board should amend the UCCSN Code and Board of Regents' Bylaws, then the organizational chart will automatically be revised.

Interim Chancellor Richardson recommended that the Board do not mandate a change to the organization chart prior to changing policy. He stated that throughout his career the Internal Audit Department was held accountable to the Chief Executive Officer who would then report to the Board of Regents. He reminded the Board that Audit Committee recently approved the FY Audit Schedule and of all the audits being conducted, there may be only two audits that directly affect the System Administration. The Chancellor is in a position to require the Internal Audit Department to conduct Campus audits, not the President of the institution.

Mrs. Gallagher stated that there are different reporting structures within the System: 1) Internal Audit Department reports to the Chancellor, and 2) the External Auditors report to the Regents' Audit Committee.

Mrs. Sparks recommended that the Audit Committee review this issue.

Mrs. Price requested clarification that there be an understanding that the organizational chart will eventually need to be revised.

Mrs. Sparks moved approval of the Regents' Bylaws regarding the Chancellor's Position. Mrs. Gallagher seconded. Motion carried.

Acting Vice Chancellor Steinberg pointed out that the Board of Regents' Handbook contains an entire chapter on auditing.

Mrs. Price left the meeting.

18. Approved Amendment, Regents' Bylaws, Committees

The proposed Bylaw amendments were presented for first reading at the Board's September 1993 meeting and are presented for action. Ref. E is filed with the permanent minutes.

Mrs. Sparks moved approval of the Regents' Bylaws regarding the Committee. Mr. Graves seconded.

Dr. Derby requested additional language be added to the description of the Status of Women Committee to read as follows:

The Status of Women Committee shall study issues and recommend policies to the Board relevant to the equity,

the education and the employment of women in the University and Community College System of Nevada. The Committee shall consist of 8 persons appointed by the Chairman of the Board, and all members of the Committee shall have a vote. 4 members of the Board shall be appointed to the Committee, and the remaining members of the Committee shall represent the University and Community College System of Nevada community.

This will be considered the first reading and will be placed on the December 2-3, 1993 Board of Regents, agenda for action.

Motion carried.

Mrs. Price returned to the meeting.

19. Report and Recommendations of the Ad Hoc Compensation Study Committee

The ad hoc Compensation Study Committee, charged with reviewing executive compensation policies and procedures, has met throughout the Summer. The Committee has defined UCCSN executives as the Chancellor and those members of the Chan-

cellor's staff who report directly to the Chancellor, including but not limited to the Vice Chancellors, Secretary of the Board, and General Counsel; and the institutional Presidents and those reporting directly to the Presidents including but not limited to Vice Presidents and Deans.

The Committee:

- 1) reviewed salaries, benefits and perquisites for top level UCCSN executives both currently and historically over the last 3 biennia;
- 2) reviewed national and regional studies of executive salaries and perquisites from CUPA, University of Arkansas Office of Institutional Research (Arkansas Study), SHEEO, Hay Management Consultants, and Peat Marwick;
- 3) reviewed and discussed executive compensation philosophy; and
- 4) reviewed and discussed models for setting and administering compensation.

The Committee makes the following recommendations regarding

executive compensation to the Board of Regents for their review and consideration as contained in Ref. F, filed with the permanent minutes.

1. The Board should adopt a policy statement concerning executive compensation philosophy (a suggested draft policy statement is contained in the reference material).

2. Executive salary models should be developed, approved by the Board, and included in the Handbook.

Salary models should be constructed using peer group comparisons to set appropriate salary ranges for various executive positions. Initial and subsequent salary decisions will be guided by 1) these models which serve as a frame of reference for executive salaries and 2) other appropriate criteria such as quality of performance and/or length of service (a suggested draft model is contained in the reference material).

3. A process for recommending and reviewing executive salary and perquisites should be developed (a suggested process model is contained in the reference

material).

4. Clear guidelines concerning executive perquisites, including cars and car allowances, housing, and expense accounts should be developed and adopted immediately. Implementation of new guidelines should occur over an appropriate time period (suggested guidelines are contained in the reference material).

Mrs. Sparks moved approval of the report and recommendations of the ad hoc Compensation Study Committee. Mrs. Whitley seconded.

Mrs. Gallagher questioned whether Athletic Coaches were included in this study, and it was learned that Athletic Directors, who report directly to the Presidents, are referred to in this study.

Mr. Graves stated that he was finding it very difficult to deal with this issue. It is important to have public accountability for public funds; however, the proposed recommendations send a wrong message to the current executives who were hired under certain employment conditions. The

Board of Regents has an obligation to its current employees.

He questioned whether UCCSN would be able to adequately attract applicants in the future under this proposal. He indicated that he was very reluctant to support the recommendations.

Mr. Graves cautioned the Board and Chancellor's staff to make certain that the comparison groups are true groups to use in comparing Nevada's workforce. The recommendations are a noble effort, but he felt it was a mistake to accept.

Mr. Klaich disagreed. The Board of Regents has been criticized for salary recommendations and then criticized when financial support is given from outside sources. He felt that the perquisites were a "band-aid" and erodes the public's trust. He emphasized that he supports all the executives and believes in their current salary. The comparison groups and the supportable data that will be collected are to be used as information material to defend the action of the Board when dealing with salaries and perquisites.

Mr. Klaich stated that Interim Chancellor Richardson and Acting Vice Chancellor Steinberg have been extremely helpful during the Committee's deliberations.

Mr. Klaich indicated that he felt the Athletic Directors should be removed from these recommendations, although they do report directly to the Presidents. He felt this issue needed further discussion.

In response to Mr. Graves' comments, Dr. Derby responded that this Committee has been a very good Committee and has grappled with the same issues Mr. Graves had mentioned.

The Committee determined that UCCSN must be able to balance the public accountability with attracting the best candidates.

Mrs. Berkley responded to Mr. Graves by stating that compensation was a very big issue during the last year. She believes that the executive employees should serve only one master and the proposed recommendations eliminate the ability to serve two masters. She stated that the recommendations allow a sunset of perquisites in 1999. She felt that 5 years was too long to allow perquisites to continue.

Mr. Klaich indicated that the Committee was pro-active in its deliberations and the Board has discussed these very

issues over the past several years. He was pleased with the Committee's work.

Mr. Graves applauded the Committee's efforts and stated that the recommendations were good in an idealistic world, but are not realistic. He reminded the Board that during the next biennium the System's budget will be reduced to 17% of the State's General Fund.

Acting Vice Chancellor Steinberg stated that the concept is to move away from supplementing salaries and move toward a true compensation package.

Mr. Klaich stated that the recommendations are not out of line with the national trends. UCCSN pays its executives pretty well and is fairly competitive.

President Crowley stated that a policy statement for executive salaries is a very good idea. There are salary policies for faculty and senior professional staff already in place. He agreed that some changes are needed. The upcoming search for a Chancellor may indicate if the policy lends itself to competitive salaries for this position.

With regard to Athletic Directors, President Crowley stated that no other executive position is under as much scrutiny as the Athletic Director position. Nationwide, 50% of the Athletic Directors have left the position because of the high visibility, the severe economic impact, and the reform movement. President Crowley explained that the Coaches and Athletic Directors have automobiles based on trade-outs. He strongly supports the Athletic Director positions and felt this position needed further review.

Mr. Foley cautioned the Board in removing outside source funding. He stated that many donations are earmarked for compensation and would not want the Board to send a negative message to the donors. The Board of Regents do control the foundations and he felt this issue should be studied further because of the possibility of offending donors.

President Maxson stated that he accepted Mr. Klaich's comments and felt that the proposed guidelines are acceptable. He explained that the current executives, especially the Presidents and the Chancellor, were hired by one Board and financial considerations were made prior to the acceptance of employment. Over the years the philosophies of the Board have changed and times have changed. However, he is es-

pecially concerned for the Vice Presidents, Deans and Administrators with regard to this policy. He suggested that as executive positions become vacant, the proposed salary and perquisite changes be implemented at that time. 5 years from now, the executive employees may be working with a different Board with different philosophies.

Mr. Klaich felt that foundations should be raising funds for scholarships, programs, etc., and that the State should cover salary expenses for its employees.

President Taranik stated that the proposed policy will allow the Board to hire the best candidates; however, he encouraged the Board to implement the salary and perquisite changes when the positions become vacant. Currently, 3-year rolling contracts are being terminated and it has become more difficult to hire on a 1-year contract.

President Remington stated he was concerned with the Vice Presidents' compensation at the Community Colleges. He stated that some time ago, President Meacham requested the CCSN Vice Presidents receive automobile allowances. Under the proposed policy, these allowances will sunset in 5 years. He requested consideration to allow the other 3

Community Colleges to implement an automobile allowance for its Vice Presidents during the next 5 years to bring equity between the institutions. President Calabro suggested that the automobile allowances for CCSN Vice Presidents be rescinded at this time. President Gwaltney agreed that there was an inequity between the Community College Vice Presidents' perquisites.

Interim Chancellor Richardson reported that the national data indicates that Vice Presidents at Community Colleges do not receive automobile allowances. He recognizes the inequity; however, this inequity has been going on for some time now. It's unfortunate that the other Community College institutions did not come forward before this time to request automobile allowances for its Vice Presidents.

UNR Vice President Ashok Dhingra stated for the record that UCCSN needs to provide a compensation package that is competitive. UCCSN is moving ahead in addressing public accountability. He encouraged the Board to hire new executive employees based on the compensation package, not the perquisites.

CCSN Faculty Senate Chairman Alan Balboni stated that

Nevada's 4 Community Colleges are very different and at the Vice Presidents' level there are various depths of responsibilities.

Mr. Foley voted no. Motion carried.

20. Approved Employment of Special Counsel

The Board of Regents, UNLV President Maxson, UCCSN Assistant General Counsel Booke, and former UNLV Athletic Director Dennis Finrock have been sued by a former employee of UNLV and his wife. Board of Regents' Bylaws state that the Chancellor shall recommend Special Counsel to the Board.

Interim Chancellor Richardson recommended that Special Counsel be retained to represent the above parties. He presented the following recommendations:

1. That the firm of Jones, Jones, Close and Brown be engaged by the Board of Regents to represent the Board, President Maxson, and Assistant General Counsel Booke in this lawsuit.
2. That the firm of Lionel, Sawyer & Collins be engaged by

the Board to represent Mr. Finrock.

3. That the costs associated with representation by the two firms cited above be borne by UNLV and the Board with UNLV paying 2/3 of the cost, and the Board paying 1/3.

4. That the source of the Board's share of representation costs be the Regents' Special Projects Fund.

Mrs. Sparks moved approval of the recommendations to employ Special Counsel. Mrs. Gallagher seconded.

Mr. Graves indicated that recent newspaper articles have referred to the Regents' Special Projects Fund as a "secret fund" and he requested clarification of the fund. Vice Chancellor Sparks explained that the Regents' Special Projects Fund is derived from the pooled assets and 20% is allocated from the income on the account. The allocation of the 20% is 10% for management and 10% for special projects and contingency reserve. Vice Chancellor Sparks distributed FY 1994 Regents' Special Projects and Contingency Reserve account information, which is filed in the Regents' Office. The beginning balance as of July 1, 1993 for the Special Projects account was \$516,536 and the Contingency Reserve

account was \$1,270,329; totalling \$1,786,865. The estimated revenue for FY 1994 is \$400,000 for Special Projects and \$200,000 for Contingency Reserve. The estimated Special Projects expenditures for FY 1994 for ongoing expenditures previously approved by the Board, which does not include one-time expenditures for Board of Regents Special Projects is \$350,000. The estimated Contingency Reserve expenditures for FY 1994 for Regents Professor and Community College Coordinator is \$280,000. The total estimated balance for June 30, 1994 is \$1,756,865.

Mrs. Berkley stated that when she was first contacted about this agenda item, she felt very strongly about the issue. She stated that it did not matter whether the amount was \$100,000 or 2 cents, she did not feel that this is an expenditure that the Board of Regents should fund at this time. She understands that the Board of Regents must file an answer to the suit within the next few days, but as far as she was concerned this is UNLV's problem. She stated that she was tired of being dragged into this position.

Mrs. Berkley stated that UCCSN employs competent in-house counsel that could represent the Board of Regents' position in this law suit. She felt that whatever UNLV chooses

to do in this law suit is their responsibility. It does not have to go hand-in-glove with what the Board of Regents' chooses.

She suggested that the individuals named in the suit hire their own Legal Counsel who can then work with UCCSN's General Counsel to develop a strategy.

After the suit is answered, Mrs. Berkley recommended that UCCSN's General Counsel file a motion to dismiss to get the Board of Regents out of the law suit. She indicated that she had read the law suit and felt that there was no cause of action against any of the members of the Board.

She stated that she understands that UCCSN's Legal Counsel are very busy and would not have the time to perform this task. However, she recommended hiring a first year graduate who has passed the State Bar Exam at \$30,000 to perform the mundane duties in order to free up one of UCCSN's attorneys. She stated that if UCCSN's General Counsel could not perform this duty, then the Board of Regents' should review the competence of UCCSN's in-house Counsel.

In referring to the Regents' Special Projects Fund, Mrs.

Berkley stated "I think this has been a marvelous fund for a lot of things that I think are inappropriate." Her thoughts regarding the use of the Regents' Special Project Fund is for projects that benefits students, faculty and institutions. She does not see how an expenditure from the Regents' Special Projects Fund is going to benefit anyone, and it really is upsetting to her that the Board is considering to spend a great deal of money on this issue.

Mrs. Berkley indicated that she has been battered with "Academic vs. Athletics" argument for the past several years, and if "Academics" is what this Board of Regents is all about, then why is it that UCCSN continues to spend a great deal of money on "Athletics"? She stated that she is offended by this as a Board member. The Regents' Special Projects Fund should be spent on "Academic" issues.

She strongly implored the other Board members to consider that before the Board "knee-jerk" reacts to spending this money, let other avenues be explored and have the in-house Counsel handle the law suit until it is absolutely impossible. She strongly suggested directing General Counsel to file a motion for dismissal to see if the Board of Regents

can be dismissed from this law suit before money is expended. She does not believe that the members of the Board of Regents are a component of this law suit.

Mrs. Sparks stated that in regard to UCCSN's in-house Counsel, one of UCCSN's in-house Counsel is a defendant named in the law suit, and General Counsel Klasic is a witness. This leaves the two remaining staff attorneys who are not familiar with this case and who have not been associated with this process. She agreed to attempting to have the members of the Board of Regents dismissed from the law suit.

As far as the money that has been spent on this issue, Mrs. Sparks indicated that she resents every nickel that has been spent in the past defending Coach Jerry Tarkanian, that these expenditures should have gone to student athletes and other programs. She stated that she resented these expenditures; however, she stated that the Board should not jeopardize the possibility of losing millions of dollars in this law suit, by having Legal Counsel who have not been involved in this situation handle this case, or to bring in a first year law graduate to handle other office projects, or to disrupt General Counsel's Office which is extremely busy all

the time, when there is an opportunity to bring in outside Legal Counsel who has worked with this Board and this particular problem for many years. She stated that the Board should continue to defend the employees who are directly involved with this case and she felt that the Board owed it to President Maxson and to the UNLV Athletic Department to hire the best Legal Counsel at the best price. She strongly supports hiring outside Legal Counsel.

Mr. Klaich stated that he agreed with many statements Mrs. Berkley made. However, he reminded the Board members that a System employee (Bradley Booke), not a UNLV employee, is one of the defendants named in the law suit. He felt that the System has an obligation to provide defense for its employee. He, too, resents the spending of Regents' Special Projects funds on this issue, but a distinction that is important to be made is that this law suit was not sought by the Board of Regents. This law suit was supposedly formulated by someone "with a heavy heart, who loves this institution". He stated that "this is not the act of a kind person who has the interest of this institution at heart. This is the act of someone who is intending to extract from this institution, from the students, from the State, and from the taxpayers, personal funds for his pocket." Mr.

Klaich felt that the Board of Regents has an obligation to defend this case for what it is, and defend the case as strongly as it can be defended. If this means expending funds, then Mr. Klaich stated that he will very reluctantly allow the expenditure. He stated that whoever the Counsel is that the Board of Regents hires, the Counsel would expose this case as a self-serving law suit.

Dr. Derby requested Interim Chancellor Richardson to explain why UCCSN's in-house Counsel would be unable to defend this law suit. She, too, is concerned with the spending of Regents' Special Projects funds for this situation. Interim Chancellor Richardson stated that he initially raised this question with General Counsel Klasic, and has considered this issue at length. He explained that UCCSN employs four attorneys. Two of the attorneys will be directly involved with the law suit and could not represent the Board -- one being a defendant and the other a witness. Interim Chancellor Richardson stated that the four attorneys are fully employed, at this time, carrying out the legal business for the Board of Regents. Potentially, this could be a lengthy complex case, and a case that would most likely go to trial and have a lengthy document-laden trial in terms of depositions and documents that already exist. In order for

UCCSN's in-house Counsel to take on this case, considerable other legal business would have to be set aside.

Interim Chancellor Richardson explained that UCCSN's four attorneys perform contract law, administrative law, and public policy law. This particular law suit is on a personnel matter that is going to require sophisticated litigation background. He stated that the current UCCSN attorneys are not trial attorneys who would be able to take on this type of law suit. He indicated that throughout the years, in his capacity of heading higher educational systems, he has been sued many times, and when he is sued he wants to win, and hires the best attorney to represent the case. Interim Chancellor Richardson recommended that, in the best interest of the Board, the Board should hire the best Legal Counsel to represent and win this case.

Dr. Derby pointed out that as a member of the Board of Regents, she, too, has been sued numerous times. She questioned whether UCCSN's attorneys have managed those law suits and defended them in court – isn't that their expertise in what they do? Interim Chancellor Richardson replied in the affirmative, but noted they do not often defend a law suit of this magnitude, history or complexity.

In his opinion, it is one thing representing the Board on a "slip and fall" case or a minor personnel matter, and another taking on this law suit of this nature.

Mr. Foley indicated that Interim Chancellor Richardson's explanation was very good, and that Mr. Klaich has expressed very well his same thoughts on this matter. Mr. Foley suggested to Mrs. Berkley that if she had some complaint with this matter, she should take the issue up with Mr. and Mrs. Jerry Tarkanian.

Mr. Foley agreed that this matter has had a long history and none of the Board members have enjoyed working with this issue. By the same token, UCCSN's General Counsel's office, both north and south, has accumulated many files on this matter. The law firm which the Interim Chancellor has recommended has represented UNLV in the NCAA-related issues and they, too, have many files. One thing the Board should consider is that the Tarkanians are subject to a counter suit, including punitive damages. The expenditures that are being discussed today, are a pittance compared to what the Board of Regents has every right to recover from the Tarkanians in damages. He stated that he favors the Interim Chancellor's recommendations.

Mr. Graves felt that this has become a very emotional issue and he is trying to analyze this issue logically. Assistant General Counsel Booke is named in this suit, and is an employee of the UCCSN. Mr. Graves stated that those factors are justification, in his opinion, to expend Regents' Special Projects funds in hiring outside Legal Counsel. It seems that some of the discussion has indicated that the Board of Regents is trying to distance themselves from one of its institutions -- UNLV. The University and Community College System of Nevada is all in this together. He strongly felt that UCCSN needs outside Counsel and the very best Counsel to defend this case. He suggested to every Board member that they should all serve as "System" Regents.

Mrs. Berkley suggested that the Board look at this issue as representing a public that does not want the Board to expend additional funds on this issue. She clarified that she is not saying that the Board should not hire outside Legal Counsel when it is necessary, but that this trial, which will need a litigator, might be years away and she strongly felt that it would be years away. She felt that before the Board expends funds that it really doesn't have, why not let UCCSN's in-house Counsel make some preliminary motions.

She stated that it is not that we are not being supportive of UNLV by dismissing the Board of Regents from this law suit, but there are legitimate legal reasons why the Board should be dismissed. There is no cause of action, in her estimation, stated against the members of this Board of Regents. The Board of Regents are the governing body of the University and Community College System of Nevada. The Board has ultimate control and whether the Board accepts this law suit or not, the Board is still the authority that everyone must answer to. If the Board chooses to expend these funds, Mrs. Berkley suggested that UNLV should be the body that pays for the costs. She stated that there were decisions that were made in the past by UNLV's Administration and by a majority of this Board membership that she consistently voted against that are not compatible with this law suit. She felt that if others had listened to her reasoning over the last 2 1/2 years, maybe the Board wouldn't still be dealing with this issue.

Mrs. Gallagher stated that it is incumbent upon this Board to continue to regard UNLV as a part of UCCSN. While the Board of Regents weren't instigating this matter, she stated that she would feel morally wrong if she herself had announced that UNLV should be cut off at this time. She stat-

ed that she will never consider that scenario. UNLV is part of the System, as well as the Board of Regents, and the Board should help defend the institution. She stated that the Interim Chancellor's recommendations are fair at this time and she strongly supports the recommendations.

Mrs. Price stated that she supports the recommendations, but for a different reason, that reason being the reputation of the institution and the System. She wants the best possible case to be made and that the Board learn from the outcome of the law suit.

Mrs. Berkley voted no. Motion carried.

The open meeting recessed at 12:25 P.M. and reconvened at 1:00 P.M. Friday, October 22, 1993, with all Regents present except Regents Derby, Hammargren and Sparks.

21. Approved FY 94 Merit Increase for Administrators

The Board of Regents earlier postponed action granting merit increases to Administrators at the rank of Associate Dean and above. The Chancellor and Presidents are very concerned regarding the impact of continuing the postponement of merit

increases on Administrator morale, retention and recruitment.

Interim Chancellor Richardson recommended that the Board of Regents lift its ban and the Chancellor and Presidents be authorized to grant selective merit increases retroactive to July 1993 to individuals in the following positions:

Associate Deans, Deans, Vice Presidents, Vice Chancellors, and other personnel reporting directly to the Chancellor or a President who were not considered for a merit increase earlier this fiscal year. These merit increases would be funded from 2% merit pools to be established in the respective Operating Budgets. These pools would be calculated by applying 2% of the budgeted salaries of the unfunded positions, which is the same percentage and method used to establish the funded merit pools. Salary recommendations would be forwarded to the Board at its December meeting.

The Chancellor and Presidents would not be eligible for consideration for merit increases under this proposal.

Mrs. Gallagher moved approval to grant selective merit increases retroactive to July 1993 to individuals in the following positions: Associate Deans, Deans, Vice Presidents, Vice Chancellors, and other personnel reporting

directly to the Chancellor or a President who were not considered for a merit increase earlier this fiscal year.

Mrs. Whitley moved approval. Motion carried.

22. Approved the Acceptance of a Gift, UNLV

Approved the acceptance of a gift of \$4 million towards funding of the new UNLV Athletic Complex. In recognition of the gift, the UNLV South Gym and the Athletic Complex will be named for the donor.

Mr. Foley moved approval of the acceptance of \$4 million towards funding the new UNLV Athletic Complex. Mrs. Berkley seconded. Motion carried.

23. Report and Recommendations of the Academic, Research and Student Affairs Committee

A report and recommendations of the Academic Research and Student Affairs Committee meeting, held October 21, 1993, were made by Regent Dorothy Gallagher, Chairman.

(1) Approved the Master of Arts in Science at UNLV, as contained in Ref. ARS-1, filed in the Regents' Office.

This proposal is designed to provide science teachers and others with the opportunity to pursue an advanced degree in one of the natural sciences, or in mathematical science.

There is a great deal of interest and support by science teachers in the southern Nevada area for UNLV to offer such a degree. The program would make use of existing courses and would be administered by the Science Education Committee and the Dean of the College of Science and Mathematics. This program was identified in the UNLV academic master plan for consideration during the 1993-94 academic year. No new equipment or facilities are needed. The estimated budget for the first year of the program is \$3000.

Acting Vice Chancellor Karen Steinberg stated that the next 3 agenda items address environmental science programs. She explained that the Associate in Applied Science (AAS) is a terminal degree, and the Associate of Science (AS) is parallel to an Associate of Arts (AA) degree. There are two options a student can choose upon completion of the AAS degree: 1) go directly in to the work force; or 2) continue

with the 2 + 2 program.

- (2) Approved the AAS in Environmental Restoration Technology at CCSN, as contained in Ref. ARS-2, filed in the Regents' Office.

This program will build on the current Certificate in Environmental Restoration Technology program and provide graduates with skills in environmental management, hazardous materials handling and waste treatment.

Graduates of the program will be prepared for entry into the field or may continue their education through an articulation agreement with the UNLV Environmental Studies Program. The CCSN 1993-95 academic master plan addendum indicates that lab and course components have been developed for this program. Start up costs were provided by a grant implemented through the Desert Research Institute. The estimated budget by the 4th year of the program is \$70,560, and will be funded through the CCSN instructional and operating budget, and potential grant opportunities.

Chairman Gallagher stated that she was pleased with

the cooperation between the Community Colleges and the Universities in enhancing the 2 + 2 programs. Upon questioning Acting Vice Chancellor Steinberg explained that a special transfer articulation has been developed for this program.

Mrs. Sparks indicated that this program will fill the need of the community and she was pleased that the Community College could address the need.

- (3) Approved the AAS in Environmental Studies at TMCC, as contained in Ref. ARS-3, filed in the Regents' Office.

This program is designed to meet the specialized needs of environmental technicians, water/waste water workers, and employees in related technical fields.

A pressing need for such a program has been demonstrated through national studies and state and local surveys. Partial implementation of the new degree will be made possible through a small grant from the Partnership in Environmental Technology Education Consortium. The projected budget by the 4th year of the program is \$85,000. This degree was proposed in the

1993-95 TMCC academic master plan.

- (4) Approved the Associate of Science in Environmental Science at TMCC, as contained in Ref. ARS-4, filed in the Regents' Office.

This program has been developed as a transfer degree which will articulate with the Environmental and Natural Science major at UNR. The program will be the first Associate of Science degree to be offered by TMCC.

Despite current economic trends, employment opportunities for graduates in this area are expected to increase. The program was identified in the 1993-95 TMCC academic master plan, and can be implemented with minimal operational and promotional expenses. No new facilities or equipment are required.

Presidents Meacham and Gwaltney expressed their gratitude to their staffs for the diligent efforts in making these programs possible.

- (5) Approved the change in title of an existing AAS degree

and department of Medical Records Technology to Health Information Technology at CCSN, as contained in Ref. ARS-5, filed in the Regents' Office.

This change will reflect the expansion of the discipline from one of primarily record keeping to additional responsibilities related to health insurance and medicare requirements. This will be consistent with name changes of national, state and local professional organizations. There are no costs associated with the proposed change.

(6) Information Only: Report on Line of Credit, UNR - At the January 1993 meeting, the Board approved a \$1 million line of credit through Zion's First National Bank for the purchase of research equipment at UNR. In compliance with a Board request, Dr. Ken Hunter, Associate Vice President for Research at UNR, reported on line of credit transactions, which have included thus far 3 instrument/equipment purchases for research projects at UNR. During the past year UNR has made 2 draws against the line of credit totalling \$224,000. UNR does not borrow against the line of credit until the money is needed and it takes 4 business days to

complete the transaction. The Debt Service Account pays on the loan service and there must always be sufficient funds available. Dr. Hunter stated that he felt this line of credit is critical to research and teaching at UNR. It is a good investment.

(7) Information Only: Report on FY 93 Research in the UCCSN - The research Vice Presidents at UNR, UNLV and DRI (Drs. Hunter, Mc Nelis and Bishop) reported on FY 93 research and other sponsored project activity at their respective institutions. Ref. ARS-7 is filed with the permanent minutes. Dr. Hunter announced that UCCSN has topped the \$100 million mark for research and sponsored projects in FY 1993 for the first time in the history of UCCSN. Dr. Bishop reported that DRI's research and sponsored projects totaled \$20 million, a 15% increase from FY 92; Dr. Mc Nelis reported that UNLV's research and sponsored projects totaled \$22.1 million, a 36% increase from FY 92; and Dr. Hunter reported that UNR's research and sponsored projects totaled \$61.5 million, a 14% increase from FY 92.

Upon questioning, it was learned that there are no

research projects that contain classified information.

President Maxson announced that UNLV's super computers have been made available to the Clark County School District and Dr. Hammargren requested a copy of the recent news article announcing this project.

Mrs. Sparks stated that she recognizes the importance of UCCSN research and it is very remarkable for a state this size to reach the \$100 million mark in research and sponsored projects. She expressed her thanks to each of the research institutes.

(8) Information Only: Report from NSF-EPSCoR Representative - UNR Associate Vice President for Research Ken Hunter introduced Dr. Ed Abbott, representative from the National Science Foundation's EPSCoR staff, who discussed the recent 5 year, \$7.5 million award to the UCCSN. The discussion covered issues such as the non-federal matching funds requirement and an assessment of science, engineering, and technology infrastructure in the State of Nevada. Dr. Abbott congratulated Nevadans for their involvement with NSF. EPSCoR is a partnership between the Federal Government and

the states to strengthen education in the higher education system. Dr. Abbott stated that EPSCoR is more than a grant, it helps improve the condition of the state. EPSCoR takes advantage of the state's resources and problems and lends to the research areas within the state.

Dr. Abbott explained that Nevada's EPSCoR grant is the best in terms of science and was a great success in the 1980's. However, recently Nevada has demonstrated a lack of commitment and did not fund its share of the matching grant. Due to the high quality in the System and UCCSN's past performance, NSF has funded Nevada's program for this year. However, it has become of great concern to NSF and may jeopardize Nevada's program in the future.

Dr. Abbott suggested to the Board of Regents that 1) EPSCoR is more than reasearch and that EPSCoR has made important impact on education; 2) an effort be made to overcome attitudes towards research; and 3) EPSCor is a long-term process in order to become successful. The long-term benefits of EPSCoR are that faculty become more up-to-date and on the cutting edge of research

which results in a higher quality of education; more high quality industry is attracted to the State; Nevadans can have more opportunities to develop corporations; and an opportunity for Nevada's children to be retained within the State for higher education and employment.

Chairman Gallagher stated her appreciation for the EPSCoR program that has been most successful in Nevada and commended UCCSN staff who have worked with NSF and EPSCoR.

Dr. Hunter introduced Dr. John Farley, Nevada's EPSCoR Director, and Ms. Lisa Zumph, EPSCoR Administrative Assistant.

Mr. Joseph Foley indicated that it was a grave error in failing to include research in the recent Mission Statements and Strategic Plans.

(9) New Business - Chairman Gallagher has called a special meeting of the Committee on Friday, November 12, to review existing academic programs. Acting Vice Chancellor Steinberg indicated that the meeting will be

held via video conference with Campus representatives reviewing existing academic programs. A formal report will be made to the full Committee at its next regularly scheduled meeting.

Acting Vice Chancellor Steinberg indicated that the Student Affairs Council has been scheduled to make a presentation at the January meeting of the Academic, Research and Student Affairs Committee.

Mrs. Gallagher moved approval of the report and recommendations of the Academic, Research and Student Affairs Committee. Mr. Klaich seconded. Motion carried.

24. Report and Recommendations of the Audit Committee

A report and recommendations of the Audit Committee meeting, held October 14, 1993, were made by Regent Nancy Price, Chairman.

(1) Information Only: Audit of the State Budget Office -

Acting Director of Internal Audit John Love presented a summary of the State Budget Audit of BCN and BCS expenditures for FY 1986 through FY 1991, filed in the

Regents' Office. He pointed out that approximately 44% of the UNR findings are coding errors and 56% are questionable authorizations, and approximately 37% of the UNLV findings are coding errors and 63% are questionable authorizations.

One of the audit findings was the use of sources other than State Purchasing for copy paper. Mr. Love informed the Committee that the Nevada Revised Statutes requires UCCSN to purchase certain supplies from State Purchasing. It was explained that if State Purchasing is selling inadequate supplies, then the institutions have purchased the product from other sources. Mrs. Sparks suggested that a letter be sent to State Purchasing encouraging them to upgrade its supplies.

Chairman Price stated that auditors are here to help and improve the System. She is hopeful that the Committee members and institutions will reflect a positive attitude and tone, rather than an adversarial perspective.

Mr. Love stated that he felt the State Budget Audit did not pose any significant problem with the Business

Center North and South, although the audit did indicate that the System must become more meticulous in its record keeping.

UNLV Associate Vice President for Finance Mike Sauer informed the Committee that he observed the State Budget Audit and found that they only audited the cancelled checks, not the source documents which contain more direct information on the expenditure.

Chairman Price requested travel procedures from both BCN and BCS. Both Mr. Sauer and UNR Controller Tom Judy indicated that training sessions are conducted that address travel regulations, reimbursement, etc.

Upon questioning, Vice Chancellor Ron Sparks stated that in accordance with Nevada Revised Statutes, the State Budget Office must conduct pre-audits on all claims prior to payment for all State agencies. Over the years, UCCSN has developed a special relationship with the State Budget Office. The State Budget Office has allowed UCCSN to process its own claims through its own staff, i. e., the Business Centers - North and South. The privilege of operating the Business Centers

in this manner is extremely important to the System.

We must insure the integrity of the process and maintain the confidence of the Budget Office to continue this arrangement. At any given time, the State Budget Office can request UCCSN to conduct its business through the pre-audit office, which means all the System claims for payment must first be approved by them before payment could be made.

- (2) Approved a one-year extension of Deloitte & Touche contract as per agreement at the August 26, 1992 Board of Regents' Audit Committee meeting.

- (3) Approved recommendations from the institutions on Board of Regent policy on equipment inventory. Acting Director of Internal Audit John Love presented recommendations from the different institutions on Board of Regent policy on equipment inventory controls, filed in the Regents' Office. The proposed Board of Regents' policy is as follows:

Equipment is anything tangible, other than real property, with a useful life of more than 2 years and a value equal to or more than an amount deter-

mined by the respective Business Center.

Each Department has custodial responsibility for all equipment within its jurisdiction. Each Department is also responsible for reporting all additions, deletions, and material changes in condition of equipment within their unit, to the respective Business Center Purchasing Department.

The respective Business Center Purchasing Department, through its Fixed Assets Section, is responsible for maintaining and reporting records of equipment inventories. The Purchasing Department is responsible for establishing and monitoring control procedures, ensuring purchase acquisitions of inventorial equipment are properly recorded, and recording equipment disposals.

Deans, Directors and Department Heads are responsible, with their areas, for reconciling physical inventories with periodic or special Business Center reports. The accuracy of such reconciliations shall be documented by signed certification.

Mr. Love indicated that BCS employs staff to conduct physical inventories throughout the UNLV institution; however, BCN does not have the staff and, therefore, conducts random testing throughout BCN's jurisdiction and requests Departments to provide annual lists of inventory to BCN.

Mrs. Whitley requested that the policy on equipment inventory include that periodic or special Business Center reports be conducted "annually" with the Deans, Directors, and Department Heads.

- (4) Acting Director of Internal Audit John Love presented the audit of the CCSN Department of Personnel and Affirmative Action, July 1, 1992 through June 30, 1993. The report is filed in the Regents' Office.

Chairman Price noted that "operational" audits are not conducted by the internal audit staff at this time and she is hopeful that in the future operational audits can be conducted throughout the System.

- (5) Acting Director of Internal Audit John Love presented the audit of the TMCC Institute of Business and Indus-

try, July 1, 1992 through June 30, 1993. The report is filed in the Regents' Office.

There was confusion with the terminology used in the audit and TMCC's response to the audit. The term "budget" was used; however, it was determined that terminology be used that reflects documentation of profit and loss for the individual courses conducted by the Institute of Business and Industry.

Mrs. Whitley stated that she was displeased with TMCC's audit report findings.

Vice Chancellor Ron Sparks indicated that a follow-up audit report will be conducted within 3-6 months.

Mrs. Sparks amended the approval of the report and recommendations motion to include a follow-up report will be forthcoming within 3 months.

Mrs. Sparks indicated that TMCC's response included a form that will document the courses prior to implementation and commended the Institute of Business and Industry for its efforts in correcting the situation.

It was noted that Mr. Mike Rainey, Director of the Institution of Business and Industry, was unavailable to comment due to a death in the family.

(6) Information Only: Follow-Up Report on Associated Students of Community College of Southern Nevada, CCSN - Acting Director of Internal Audit John Love presented the follow-up audit of the CCSN Associated Students of Community College of Southern Nevada, July 1, 1991 through December 31, 1992. The follow-up report is filed in the Regents' Office.

Mr. Love indicated that due to the high turn-over with Student Government Associations throughout the System, the auditors discover many of the same inadequacies.

Mrs. Whitley indicated that the Audit Committee has previously directed each Student Association develop and maintain a procedures manual to help alleviate some of the problems due to the turn-over of student officers. In addition, Chairman Price stated that the Business Centers had been previously instructed to orient new student officers of their responsibilities.

UNLV Associate Vice President for Finance Mike Sauer indicated that UNLV employs a full-time person within CSUN who reports directly to the Business Office.

CCSN Director of Student Accounting Business Service Larry Martin reported that Mr. Ruell Fiant, Director of Business Service Administration, works closely with the Student Government and CCSN employs an advisor who reports to the Business Office.

Mr. Martin reported that all collection items have been resolved.

(7) Information Only: Follow-Up Report on Graduate School, UNR - Acting Director of Internal Audit John Love presented the follow-up audit of the UNR Graduate School, July 1, 1991 through June 30, 1992. The follow-up report is filed in the Regents' Office.

(8) New Business - Mrs. Sparks stated that she was pleased that System personnel are responding to the audit recommendations as reflected in the follow-up reports.

Dr. Hammargren requested that inventory reporting be

reviewed and suggested that personnel other than the Department personnel conduct annual inventory reporting. In addition, he suggested that an annual date be established in which the reports are due, and reported to the Audit Committee for approval by the Board of Regents.

Chairman Price announced that she has requested outside people to address the Board at the October meeting in regard to the Chancellor's job description and how it relates to the Audit Committee.

Mrs. Price extended her thanks to Mr. John Tully, UNR Supervisory Buyer, for the tour and presentation of the BCN Purchasing Department.

Dr. Derby returned to the meeting.

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

25. Report and Recommendations of the Status of Women Committee

A report and recommendations of the Status of Women Committee meeting, held October 21, 1993, were made by Regent Jill Derby, Chairman.

Chairman Derby introduced Dr. Ellen Rose, newly appointed Director of the UNLV Women's Studies.

(1) Information Only: Discussion of Recommendations -

Chairman Derby stated that on August 30, 1993 the Committee and the Chairs of the Campus Status of Women Committees met to discuss future directions for the Regents' Committee. Two chief findings of that meeting were that communication needs to be enhanced at all levels and that the Campuses need to be empowered to proceed with addressing the issues of concern to women on Campus. Recommendations for addressing these two findings were discussed and are filed in the Regents' Office.

Chairman Derby suggested that a joint newsletter between the Status of Women Committee and the ad hoc Committee on Ethnic Minority Affairs be planned. Mr. Klaich questioned the cost of the proposed newsletter and what entity would pay for the newsletter. Mr.

Klaich requested the cost of such a newsletter be presented to the Committee prior to acceptance of the recommendations. Mrs. Berkley agreed.

Dr. Kirkland stated that UCCSN Public Information Director Pamela Galloway is planning a meeting to discuss the Committee's issues with the public information officers from each institution. Dr. Kirkland suggested that representatives from the ad hoc Committee on Ethnic Minority Affairs be invited to the meeting. Chairman Derby explained that Ms. Galloway felt that a better network and sharing of information would aid her in preparing positive news releases.

Mr. Klaich expressed his concern that little is being printed that indicates the progress of the Status of Women Committee. He felt that parents should be informed that serious action is being taken throughout the institutions.

(2) Information Only: Campus Reports of Student Survey

Results - In the Spring of 1993, the Campuses administered surveys to students to determine their needs and concerns. Reports of the results of those surveys were presented to the Committee. The reports are filed

in the Regents' Office.

Chairman Derby instructed the Chancellor's staff to develop recommendations derived from these reports and present them to the Committee for consideration.

Chairman Derby thanked the Campus Committees for their efforts in administering the student surveys and summarizing their findings. Chairman Derby also thanked the Presidents for their support.

(3) New Business - Chairman Derby reported that representatives from UCCSN (Regent Jill Derby, Regent Daniel Klaich, President Ronald Remington - NNCC, Valerie Easterly - NNCC, Jacqueline Kirkland - TMCC, and Tamela Gordon - Chancellor's Office) attended the American Association of Community College Trustees (ACCT) annual convention in Toronto, Canada. The UCCSN representatives presented a panel of discussion entitled "General Equity: A Critical Element in Building Diversity". The session focused on the efforts of the Regents' Committee and the Campus Committees to build diversity within the UCCSN through addressing the concerns and needs of women. The representatives

reported that the session was well attended and that much positive feedback was received.

Mr. Derby moved approval of the report and recommendations of the Status of Women Committee. Mr. Graves seconded.

Motion carried.

27. Report and Recommendations of the Ad Hoc Committee on Ethnic Minority Affairs

A report and recommendations of the ad hoc Committee on Ethnic Minority Affairs meeting, held October 21, 1993, were made by Regent June Whitley, Chairman.

(1) Information Only: Committee Activities - Acting Vice

Chancellor Karen Steinberg updated the Committee members by reporting that she is working closely with the Campus Committee Chairmen and each President will make a final report to the Committee at its December meeting. The reports will include a summary of the Campus activities, data, assessment activities, and the Campus progress. An analysis will be performed and recommendations to the Committee will be presented for action from each of the Campuses.

Acting Vice Chancellor Steinberg reported that discussion will be held at the January meeting regarding the Committee's final report, and a final discussion and final report will be presented at the February meeting.

The Statewide Blue Ribbon Task Force will receive these reports and will be given the opportunity for input.

Mrs. Price, who also serves as Chairman of the Audit Committee, stated that the Audit Committee is considering program audits and she suggested that this may be a topic for the Committee.

President Meacham suggested that the Committee invite Reginald Wilson of the American Council of Education to speak during the December meeting.

Mrs. Whitley moved approval of the report and recommendations of the ad hoc Ethnic Minority Affairs Committee. Mr. Graves seconded. Motion carried.

28. New Business

Mr. Foley wished to recognize both Presidents Crowley and Maxson for their efforts in having both UNR and UNLV nationally recognized.

The meeting adjourned at 1:15 P.M.

Mary Lou Moser

Secretary of the Board

10-21-1993