

BOARD OF REGENTS

ey Conkle, CCSN; Ms. Carrie Rowley, GBC; Mr. Anthony Filippo, NSC; Mr. Anthony
TMCC; Mr. Jeff Champagne, UNR; Mrs. Rebecca Bevan, CSN, and Mr.
ankel, WNCC.

Chair Bret Whipple called the meeting to order at 8:11 a.m. on Thursday, March 15, 2007 with all members present except Regents Alden, Dondero, Gallagher, Schofield, Sisolak and Wixom.

Regent Rosenberg led the pledge of allegiance.

Father Angeles DeLeon of St. Teresa of Avila Catholic Church offered the invocation.

1. Information Only-Introductions – None.
2. Information Only-Chair's Report – As part of his report, Chair Whipple requested that the President of each hosting institution introduce one student and one faculty member to discuss a topic of the hosting President's choosing to help provide Board members with a focus on the reasons they serve as Board members.

Chair Whipple related that Vice Chair Jack Lund Schofield had recently undergone triple bypass surgery and was recovering well.

Chair Whipple reported that items #9 (Acceptance of Gift, John L. Harvey Baseball Stadium, WNCC) #14 (Handbook Revision, NSHE Policy on Restricted Access Research) #21 (Nevada Mentor) and Consent Agenda item #3 (Tenure Upon Hire, UNLV) had been withdrawn.

Regents Alden, Dondero, Sisolak and Wixom entered the meeting.

President Lucey noted that the meeting room, Sarah Winnemucca Hall, had been transformed into a black box theater since the last time the Board visited the campus. She introduced Ms. Stephanie Arrigotti, Professor of Music-WNCC.

Ms. Arrigotti started the Performing Arts program at WNCC thirty years ago. In addition to running the Music, Theatre and Dance departments, she manages the curriculum, supervises approximately a dozen part-time faculty and teaches classes. She is also the producer and director for the Western Nevada Musical Theatre Company. Ms. Arrigotti invited Board members to attend future performances in WNCC's new theatre area.

WNCC student, Ms. Lauren Ashley Durant, commutes more than an hour from north of Reno to WNCC rehearsals, drawn to the Western Nevada Musical Theatre Company by strong reviews from fellow performers. She is excited and grateful to play the leading role in *Thoroughly Modern Millie* this May and begin her Associate of Arts degree in musical theatre at WNCC. Ms. Durant has extensive experience performing in musicals both in Florida and in Los Angeles. She performed a song from her latest performance for the Board and audience.

The meeting recessed at 8:26 a.m. (for committee meetings) and reconvened at 1:05 p.m. on Thursday, March 15, 2007 with all members present except Regent Schofield.

2. Information Only-Chair's Report – (Cont'd.)

Chair Whipple announced that, in Vice Chair Schofield's absence, Regent Alden would serve as Vice Chair on Thursday and Regent Dondero would serve in that capacity on Friday.

3. Information Only-Chancellor's Report - Chancellor James E. Rogers discussed the future of funding sources for the Nevada System of Higher Education, including federal, state, private and student sources. He also outlined the obligations of the Nevada System of Higher Education Presidents, Provosts, Deans, Athletic Directors and Department Chairs to engage in developing funding sources for the Nevada System of Higher Education.

Chancellor Rogers reported on the progress that NSHE and the K-12 systems have made in working together. He related that an anticipated shortfall in sales tax collections will make collaborative approaches more important than ever before.

Chancellor Rogers stated that the System's primary concerns include the number of programs currently offered and how they will be funded. He noted that the capital budget request for the Health Science System (HSS) is approximately \$157 million, 70% (\$110 million)

4. Information Only-Public Comment – (Cont'd.)

Vice Chancellor Nichols related that the Legislative Committee on Persons with Disabilities has recently provided information regarding this disability, and in response, NSHE institutions are working to develop programs as appropriate. There are two different tracks, one is for licensed teachers to the deaf in K-12 which Nevada State College (NSC) is addressing and the other is interpreter certification that is being addressed by the community colleges.

Dr. Michael Bowers, Vice Provost-Academic Affairs/Co-Officer in Charge-UNLV, stated that UNLV does not currently offer ASL. He indicated that the course is offered at the community colleges and, although transferable to UNLV, the credits are not accepted as a foreign language.

In answer to Regent Sisolak's question, President Glick confirmed that UNR considers ASL a second language. Dr. Bowers indicated that he will request that UNLV's faculty senate investigate the possibility of accepting ASL as a second language. Ms. Frank stated that the federal government, as well as Nevada high schools, accept ASL as a foreign language.

Regent Knecht said that he is aware of access problems, and asked what specifically the Board could do to help. Ms. Frank replied that the Board's awareness was very important and asked that they support legislative measures addressing this matter.

At Regent Crear's request, Regent Leavitt agreed to place this item on a future Student and Academic Affairs Committee agenda. Regent Crear also requested that Ms. Frank participate in the committee discussion and possibly head a sub-committee on the subject.

Regent Anthony entered the meeting

5. Information Only-Presentation by Governor Jim Gibbons Regarding Higher Education and the Governor's Administration - Governor Jim Gibbons addressed issues affecting higher education under consideration by the Governor's Administration, including issues affecting higher education presented for consideration by the 2007 Legislature.

Governor Gibbons related that early reports from the state's Economic Forum indicate that revenue projections will be \$50 million less than expected for this biennium. He indicated that this shortfall could drastically impact funding for higher education, adding that adjustments would be necessary should there be a reduction in the state's general fund. The State's responsibility of the System's costs of education is approximately 86% but the ultimate goal is to fund the System at 100% of the formula. He noted President Glick's suggestion that the System be allowed to retain future tuition increases to meet student expectations. He stated that the projected revenue shortfall, in addition to the declining enrollment numbers, will impact the System's ability to meet these costs. He said he was honored to work with such dedicated individuals and assured the Board members that Nevada's Governor supports the Nevada System of Higher Education.

6. Approved-Procedures & Guidelines Manual Revision, Discipline-Specific Faculty Salary Schedules Adjustment, FY 2007-004 Tw Ou(ch)-4 ((-)Tj -)Tj -Vlae4 (vi)(-T /Span <<[(T))4 h6 (Y) E

6. Approved-Procedures & Guidelines Manual Revision, Discipline-Specific Faculty Salary Schedules Adjustment, FY 2007-08, UNLV and UNR

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8. Approved-Cost of Textbooks – (Cont'd.)

faculty in a timely manner. He added that the faculty is being reminded not to order bundled textbooks which cannot be resold as single textbooks due to different ISBN numbers and are being encouraged to use the same book for as many semesters as possible to improve the books' buyback value. He indicated that the real issue is how the used textbook market affects the buyback value, adding that courses taught one or more semesters apart are refunded less money than those used every semester.

Regent Crear asked whether there was a way to leverage the buying power of the entire System rather than purchasing through individual campus units. Dr. Robinson replied that the textbook market acts much like a localized monopoly and that client discounts are not available. In response to Regent Crear's question, Dr. Robinson indicated that the much larger University of California system does not receive a discount, adding that the textbook market was unique and that prices have been standardized throughout the country.

Dr. Linda Uhlenkott, Faculty Senate Chair-GBC, stated that even if a quantity discount was available, the faculty throughout the System would need to agree upon a common book, which would be a massive effort not likely accomplished.

Mr. Alok Pandey, Faculty Senate Chair-CCSN, related that the faculty selects their books in the best manner possible. He added that restricting faculty to use the same book would essentially restrict their academic freedom.

In answer to Regent Sisolak's question, the faculty senate representatives indicated that prices are taken into consideration when selecting textbooks. Regent Sisolak expressed his appreciation for the faculty's efforts in minimizing the costs.

Mr. Dennis Mankel, Student Body President-WNCC, said they have a good relationship with their bookstore and book company, adding that prices are well within the contractual limitations.

Mr. Anthony Filippo, Student Body President-NSC, disagreed with the faculty senate and stated that many of the instructors were not aware of their textbook prices. In answer to Regent Sisolak's question, Mr. Filippo indicated that awareness could be raised through the faculty taking the initiative to know what their book selections cost. He felt that the full-time faculty were more aware than the part-time faculty.

Mr. Champagne agreed there were some teachers who did not know the price of their books, while others do. Sometimes publishers say it will be one price and it costs something different upon ordering. He added that since the bookstores were under contract, he was unsure that bulk pricing could be applied.

Mr. Harry Neel, Vice President, Finance & Administration-NSC, related that NSC is making faculty aware of these issues to help alleviate the costs.

Mr. Presley Conkle, Student Body President-CCSN, related that part-time faculty typically have to assume the book selected by the full-time faculty and therefore typically do not know the prices of the textbooks.

8. Approved-Cost of Textbooks – (Cont'd.)

President Ringle stated that TMCC's faculty have asked their bookstore to provide a price listde a

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(2) Approved-Tenure –

(7) Approved-HandbookRevision, ASUN Constitution, UNR – (Cont'd.)

Regent Geddes made reference to the background material and asked why a second staff member was added to the process of selecting a student board. Mr. Champagne replied that he believed that the Director wanted the Assistant Director, who was serving in the capacity of advisor, to be involved.

Regent Sisolak moved approval of the Handbook revision for UNR. Regent Geddes seconded. Motion carried. Regent Rosenberg abstained. Regent Schofield was absent.

12. Information Only-Presentation by Assemblywoman Bonnie Parnell Regarding Higher Education and the 2007 Legislature - Assemblywoman Bonnie Parnell addressed issues affecting higher education under consideration by the 2007 Legislature.

Assemblywoman Parnell indicated that in addition to being the Chair of the Education Committee, she also chaired a committee called the Sub-Committee to Study the Effectiveness of Career and Technical High Schools. The study revealed that providing career and technical education helps keep students in school. She cited that Nevada high school students have approximately a 6-6.5% drop out rate. High school students who take one career and/or technical class drop out at a rate of only 1.7%. High school students enrolled in career and/or technical high schools drop out at a rate of less than 1%, thus indicating that students who are engaged in something that interests them prevents them from dropping out and encourages them to persist. She is excited that K-12 and higher education can work together on this issue.

Assemblywoman Parnell related that this current Legislature is very interested in programs providing technical preparation. AB 131 (revises provisions governing career and technical education) and AB 151 (c

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14. Approved-Regents' Awards – (Cont'd.)

¾ Mr. Dale Porter, Elko.

Regent Gallagher moved approval of the nomination of Mr. Dale Porter for Distinguished Nevadan. Regent Rosenberg seconded. Motion carried. Regent Schofield was absent.

B. Honorary Doctorate Degrees – Policy: Handbook Title 4, Chapter 1, Section 1Ref. For file in the Board office

¾ Mr. Cole C. Campbell, UNR (posthumous)

¾ Ms. Debbie Reynolds, UNR.

C. Honorary Masters Degree - Policy: Handbook Title 4, Chapter 1, Section 1Ref.G on file in the Board office

¾ Ms. Charlotte Danielson, NSC.

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Regent Knecht left the meeting.

15. Approved-Handbook Revision, Sabbatical Leave and Retirement Accrual – The Board approved Executive Vice Chancellor Dan Klaich’s request for clarification language concerning sabbatical leave and retirement accrual (Title 4, Chapter 3, Section 11.6 Ref.K on file in the Board office)

Special Counsel Brooke Nielsen explained the policy had indicated that individuals may opt for a one year sabbatical at two-thirds of salary or a half year sabbatical at full salary, with no impact to benefits. This policy is being revised to comply with state law requiring retirement benefits to be based on actual salary received.

Regent Alden moved approval of the Handbook revision concerning sabbatical leave and retirement accrual. Regent Rosenberg seconded. Motion carried. Regents Knecht and Schofield were absent.

Regent Anthony left the meeting.

16. Information Only-Nevada K-12 Superintendents’ Meetings - Vice Chancellor Jane Nichols provided a preliminary report on the topics and subsequent action resulting from Chancellor Rogers’ meetings with Nevada’s School District Superintendents.

Vice Chancellor Nichols stated that a full report will be provided to the Board at the June

16. Information Only-Nevada K-12 Superintendents' Meetings – (Cont'd.)

encouraged the Board to continue this process, adding that K-12 desperately wants the communication so that they can encourage their students to continue in Nevada's higher education System.

Executive Vice Chancellor Klaich stated that this particular meeting provided Dr. Nichols an opportunity to convey the Board's decision to increase the fourth year of math and to discuss how to work together to ensure the students are able to meet that requirement. He stated that he was struck by the difference between rural and urban Nevada as to what their needs were. He noted that the two universities face a challenge in the area of teacher education in serving both rural and urban Nevada.

Vice Chancellor Nichols related that conversations regarding the Millennium Scholarship and the additional year of math make the vocational/technical alternative all the more important. It provides an opportunity for superintendents to strengthen the math requirements of the vocational/technical classes, which is what the employers' desire.

Regent Gallagher asked whether there had been any discussion regarding grade inflation. Chancellor Rogers replied that the rural counties feel that it does not exist like it does in Clark and Washoe Counties. In response to Regent Gallagher's concern, Executive Vice Chancellor Klaich stated that the Legislature is expressing concern for grade inflation and its impact on the Millennium Scholarship.

Regent Dondero stated that the rural areas are in desperate need of help, including distance education courses.

The meeting recessed at 4:57 p.m., on Thursday, March 15, 2007 and reconvened at 8:05 a.m., on Friday, March 16, 2007 with all members present except Regents Anthony, Gallagher and Schofield.

Regent Sisolak congratulated the WNCC women's soccer team for their ranking as 5th in the National Junior Collegiate Athletic Association.

Regent Gallagher entered the meeting.

17. Approved-Name Changes for Community Colleges – The Board approved CCSN President Richard Carpenter's and WNCC President Carol A. Lucey's request to change the names of their respective institutions from "Community College of Southern Nevada" to "College of Southern Nevada" and from "Western Nevada Community College" to "Western Nevada College". The names will become effective July 1, 2007 and the institutions will make the change with the least cost impact possible. Background information on the Board's policy, its Master Plan and recent national trends related to this request was provided in the reference material (Ref.N on file in the Board office)

President Carpenter explained that this issue originated at the request of the students. He stated that in his 30-year career, this has been the most active student government organization that he has ever worked with. He indicated that the reference materials provided to the Regents will show that approximately 100 community colleges in the

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18. Information Only-NSHE Planning for the Future – (Cont'd.)

Nevada has to have more college-educated Nevadans in the context of a rapidly growing diverse population. The national average in 2005 for 18 to 24 year olds enrolled in college from low income families was 25.4%. The college participation rate for Nevada students from low income families is 14.9%. Only Alaska has a lower rate; again Nevada ranks 49th. NSHE needs to change its attendance patterns and the percentage of retained students.

This is not just a Nevada problem. Seven nations already lead the United States in degree attainment (Belgium, Canada, Ireland, Japan, Norway, South Korea and Sweden). The U.S. ranks among the top five countries in proportion of young people who enroll in college, but ranks 16th in the proportion who finish college. American colleges award about 18 degrees annually for every 100 full-time students enrolled, compared to 25 for other countries. The United States needs to educate an additional 15.6 million people with either bachelors or associate degrees by 2025. That is 781,000 degrees a year on top of current levels, or a 37% increase nationally. Fifty-five percent of the U.S. adult population needs to have a college degree (the level projected for Canada, Japan and South Korea). Nevada had 28.6% of its adult population with a college degree in 2005.

Nevada and the NSHE need to take actions to recruit retain and graduate more students, particularly from groups traditionally underrepresented in the successful completion of educational goals.

Potential Strategies to Improve Graduation Rates:

1. Strengthen collaboration among institutions with better articulation/transfer agreements.
2. Focus limited resources on “core academic priorities” to eliminate programs that may merit elimination or retooling.
3. Streamline student transitions into higher education.
4. Promote timely degree completion by providing colleges with financial incentives.
5. Redesign academic programs to improve student results while cutting costs; new models for faculty-student interaction.

Next Steps:

1. Continuously revisit Master Plan and look at new directions; listen to new ideas from NSHE Presidents (June)
2. Consider holding roundtable session or public discussion led by external consultant (August)
3. Continue conversation to form context for future budget request decisions.

Regent Alden stated that more effort made in communication and providing alternatives can likely yield increased high school graduation rates, which could also improve higher education enrollments.

In answer to Regent Anthony’s question, Vice Chancellor Nichols indicated that the young people not enrolling in college are entering the workforce. Regent Anthony felt NSHE should focus on technical education and training students to go into specific

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1. Information Only-Introductions – (Cont'd.)

Ms. Carrie Rowley, Student Body President-GBC, related she was attending her final meeting and graduating in May. She thanked the Board and Chancellor for their support.

Mr. Dennis Mankel, Student Body President-WNCC, thanked the Board for the opportunity to work with them. He will be graduating in May and will attend UNR in the fall.

Mrs. Rebecca Bevans, Student Body President-GSA, indicated that elections would be held in May and she wanted to take the opportunity to thank the Board for their hard work and accomplishments.

Mr. Jonathan King, Student Body President-TMCC, introduced himself and indicated he was looking forward to working with the Board.

19. Information Only-Report on 2007 Session of the Nevada Legislature – The Board heard a report on the 2007 Session of the Nevada Legislature. Executive Vice Chancellor Dan Klaich reported on recent activities concerning the 2007 Session of the Nevada Legislature, including, but not limited to, a summary of pending legislation impacting higher education and the status of the NSHE 2007-09 budget request. This report included an update on any pending legislation concerning the Millennium Scholarship program and the University Health Sciences System.

Executive Vice Chancellor Klaich related that this legislative session would be very different from the previous one with a new Governor and anticipated shortfalls in revenue collections.

Executive Vice Chancellor Klaich began with a discussion regarding enrollments, the budget and institutions in “hold harmless” status. He explained that the System is attempting to discontinue the use of the term “hold harmless”, which refers to those institutions with flattening enrollments. When the budget was submitted, it was anticipated that a few institutions would fall into this category (approximately \$17 million). The Governor recommended that this funding gap be filled. Due to the fact that enrollments are funded on a rolling three-year average and the System is experiencing flattening enrollments, this gap has increased in size from \$17 million to approximately \$47 million. Much of that hold harmless amount is covered in the Governor’s recommendation. He explained there is \$47 million in the budget attributable to enrollment growth that has not been realized and will need to be deducted from the institutions’ budgets.

Regent Sisolak entered the meeting.

Executive Vice Chancellor Klaich said this shortfall would primarily impact UNR, UNLV and CCSN but would involve every System institution. The System’s primary goal is for the Legislature to fund the Governor’s recommendation for the System. The flattened enrollments will result in an approximate \$12 million reduction in student fees, which if not funded by the Legislature, will result in further reductions to the institutions’ funding. Executive Vice Chancellor Klaich said that the joint money committees felt that

19. Information Only-Report on 2007 Session of the Nevada Legislature – (Cont'd.)

a hold harmless provision for the institutions would be appropriate. However, the allocation for student fees did not fair as well. He explained that two biennia ago an allocation of student fee increases allocated a very low percentage to the state general fund. A Letter of Intent was issued by the Legislature indicating that if the System did not increase that level to the historical percentage (65%), they would not support higher education's requests. Nevada has a low tuition policy with up to 50% of fee increases dedicated to need-based aid. If 65% of the tuition increase was allocated to the state general fund and 50% to need-based aid, the students were concerned about what was left for them. The Presidents were also questioning why fee increases should be supported if the institutions would not retain any of the increase. The last two fee increases have been some of the highest in history and the Legislature was disappointed that the System did not return the historical percentages to the state general fund.

In spite of giving more to the state general fund than ever before, the Legislature was not pleased that the System did not follow the Letter of Intent (approximately \$12 million) The System plans to discuss with the Legislature moving to a higher tuition model, which could provide greater access by providing more need-based financial aid. If we move to those models with the current Letter of Intent in place, all tuition increases would be returned to the state general fund. The System has been instructed to return by April to the Legislature with a plan to address flattening enrollments, which can be attributed to the shifting of funding for remedial education from the universities to the community colleges and the increase of entrance and Millennium Scholarship requirements. He did not feel it was appropriate for the Legislature and NSHE to penalize the institutions when they had done something they all agreed was better for higher education.

Regent Geddes asked whether the System was getting more back than it was contributing to the general fund. Executive Vice Chancellor replied that he did not believe that was the case. The Legislature contends that if the percentage of student fee increases returned to the general fund continually decreases then the students' share of the burden also decreases. He said that over time the students have consistently bore approximately 20% of the cost. He did not believe there is a way to track dollar for dollar.

In response to Chair Whipple's questions, Executive Vice Chancellor Klaich indicated that the Legislature believes the Letter of Intent had been violated. Chair Whipple asked whether a transcript had been requested. Associate Vice Chancellor Crystal Abba stated that she is in the process of reviewing those transcripts. Chair Whipple asked that the information forwarded to the Legislature be summarized and sent to the Regents.

Chair Whipple asked whether the Legislature covers 70% of the cost of education. Executive Vice Chancellor Klaich replied that the students usually cover about 20%. Vice Chancellor Nichols affirmed that the students' portion of the state general fund appropriation historically ranged between 21-25%. The students have held their fair share of supporting the state general fund.

Dr. John Frederick, Provost-UNR, reported that UNR's instructional appropriation is approximately \$170 million, of which approximately \$35-40 million is student tuition

19. Information Only-Report on 2007 Session of the Nevada Legislature – (Cont'd)
and fees. He explained approximately two-thirds of what a student pays in tuition and fees contributes to approximately one-fifth of the total cost of education.

19. Information Only-Report on 2007 Session of the Nevada Legislature – (Cont'd.)

Executive Vice Chancellor Klaich related that NSC's current capital project had been awarded at less than the anticipated amount. It was not possible to re-bid the project to take advantage of the difference and increase the size of the project. Dr. Maryanski intends to request to apply the savings (approximately \$4.27 million) to the project's FF&E and take the appropriated funds for the FF&E (\$4.30 million) and use them for planning on the next prioritized capital project.

In response to Interim Vice Chancellor Turner's request, Chair Whipple stated it was inherent in this discussion that staff be given the flexibility to respond to changes that occur during the legislative process.

20. Approved-Board Position on SJR 4 – Proposes to Amend Nevada Constitution to Provide for Appointment of Members of the Board – The Board reviewed and discussed SJR 4 which proposes a change in the Nevada Constitution, if approved by two sessions of the Legislature and a vote of the people, to establish an appointed Board of Regents. The Board took action to state a position on the bill that the Board remain an elected board (

20. Approved-Board Position on SJR 4 – Proposes to Amend Nevada Constitution to Provide for Appointment of Members of the Board – (Cont'd.)

members of the Board of Regents be appointed by the Governor, and if passed, leaves the number of members, their qualifications and length of terms to the discretion of the Legislature. He stated that Regent Dondero's motion is simply asking whether or not to individually take a position on having an elected board. Regent Leavitt pointed out that we trust the common people to elect the President, our senators and legislators, we do not test them for this right. We rely on the public's common sense to vote. That is the system of our governance. He stated that the Board is an "appointed" board, that is, appointed by the people.

Regent Knecht related that SJR 4, as currently drafted, does not affect the size of the Board. He shared Regent Gallagher's concerns but has not seen any projection that pushes Clark County over 75% of the population, leaving the distribution roughly 9-4. He felt that it was important that the Board take a stand now. He cited the real benefit of an elected Board is to keep the Board members and the System in touch with the people. He indicated that he would support the motion.

Regent Rosenberg questioned why the Legislature proposed to overturn the decision of the voters in last November's election to continue the present system of voting for the individual members of the Board. He felt that the right to vote was the most precious right the people have and noted that during the last election, 16 of 17 counties favored an elected Board. In response to the concern that an appointed Board would protect the interests of northern and rural Nevada, Regent Rosenberg noted that it does not necessarily follow that the Board will be expanded after the 2010 census, only that there may be a realignment of the Regents' voting districts in keeping with the constitutional mandate of one person, one vote. He was offended by the suggestion that the voting public is incapable of selecting qualified representatives. He felt that the election-based system works and cautioned against sending the wrong message to the voting public. As elected officials, it is the Board's right and responsibility to take a position. He advocated in favor of elected representation.

Regent Anthony echoed Regent Rosenberg's statement.

Chair Whipple stated that he was proud to be accountable to the citizens of this state.

Upon a roll call vote the motion carried. Regents Rosenberg, Whipple, Anthony, Crear, Dondero, Knecht and Leavitt voted yes. Regents Wixom, Gallagher and Geddes voted no. Regents Sisolak and Alden abstained. Regent Schofield was absent.

21. Information Only-Washoe County School District Blue Ribbon Committee Resolution – The Board discussed Superintendent Paul Dugan's request that the Board of Regents support legislation requested by Washoe County School District to establish dedicated funds for CIP for Washoe County School District, similar to other school districts that receive dedicated funds from a small percentage of the sales tax, the room tax, the

21. Information Only-Washoe County School District Blue Ribbon Committee Resolution – (Cont'd.)

residential construction tax and the real property transfer tax (Ref.Q on file in the Board office).

Regent Geddes noted that there is a bill directly associated with this resolution and felt that the Board should wait for Superintendent Dugan to present all of the potential repercussions.

Regents Knecht and Crear agreed with Regent Geddes, stating that there was not enough information for the Board to vote on this matter.

Chair Whipple asked President Ringle to inform Mr. Dugan of the Board's position and request that he bring this item back to the Board at a future meeting.

Regent Anthony left the meeting.

22. Approved-Audit Committee Recommendations - Chair Steve Sisolak reported the Audit Committee met March 15, 2007 and received follow-up responses for six internal audit reports presented to the Committee in June and October 2006. The Committee heard a report from Vice Chancellor Mike Reed on the steps being taken to address the external auditor concerns on the valuation of alternative investments. A follow-up discussion on the external auditor recommendation the NSHE consider reducing the bank reconciliation process from the current 60-day completion policy to a 30-day completion policy took place. The Committee heard the institution comments and did not recommend changes at this time. The Committee requested the following items be place on the next Audit Committee agenda:

¾ The follow-up report on the University of Nevada Health System management letter was deferred to the June meeting. An updated institution response to include all recommendations was requested.

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22. Approved-Audit Committee Recommendations – (Cont'd.)

- ¾ Audit Exception Report – The Committee recommended acceptance of the Audit Exception Report for the six months ending December 31, 2006 (Bound Report on file in the Board office)

Regent Sisolak moved approval of the Committee recommendations and acceptance of the report.

Regent Alden seconded. Motion carried. Regents Anthony and Schofield were absent.

Regent Anthony entered the meeting.

23. Approved-Budget & Finance Committee Recommendations - Chair Mark Alden reported the Budget & Finance Committee met March 15, 2007

23. Approved-Budget & Finance Committee Recommendations – (Cont'd.)

- 9 . ¾ ~~Interim Finance Committee (IFC) Request, Change in Scope, AB 580, 2005 Legislative Session – The Committee recommended approval for the UNSOM to seek IFC authorization for a change in scope and delegation to use state appropriated funds (AB 580 2005 Session) for Nevada Health Sciences System project planning and other development related costs (Ref. BF9 on file in the Board office~~
- ¾ ~~Procedures & Guidelines Manual 2009 Upper Division Fee Distribution, WNCC – The Committee recommended approval of a revision to the Procedures & Guidelines Manual~~

25. Approved-Student and Academic Affairs Committee Recommendations - Chair James Dean Leavitt reported the Student and Academic Affairs Committee met March 15, 2007 and received follow-

Regents Crear and Sisolak left the meeting.

26. Approved-Technology Committee Recommendations - Chair Michael B. Wixom reported the Technology Committee met March 6, 2007 and heard discussion on the following matters:

- ¾ Executive Vice Chancellor Klaich reported on progress in the development of the iNtegrate governance model. He indicated that discussion is ongoing with the Presidents and with assistance from consultant Phil Goldstein. No final report is ready for the Committee and the Committee determined to take up the matter at its next meeting.
- ¾ Vice Chancellor Jane Nichols reported on the work the Student Affairs Work Group is doing regarding vision, guiding principles and differences and similarities of the institutions regarding student services.
- ¾ Interim Vice Chancellor Kenneth McCollum gave a report on the development of a job description for the iNtegrate Project Director. The conversation included discussion about the level of experience of potential candidates and to whom the Project Director would report.
- ¾ Chief Counsel Bart Patterson reported on the status of addendum questions and preparations to enter into negotiations with the vendors, including discussion regarding how the final decision would be made. Mr. Charles Moran, the consultant, indicated that discussions were scheduled in the following two weeks on the campuses to determine exact matters and details to be incorporated into contract negotiations.
- ¾ Mr. Charles Moran, Moran Technology Consulting, led a discussion concerning the number of data centers (roughly synonymous with hardware installations) required to support the iNtegrate project.
- ¾ Executive Vice Chancellor Klaich led a discussion regarding the iNtegrate budget, observing that the \$25 million of identified funding would likely not support implementation of the student services module at all System teaching institutions. Options appear to be: 1) abandon the project; 2) implement the student services modules at some but not all campuses; 3) shift to implementation of a different module; 4) consider raising student fees; 5) examine the SCS budget for any possible support; and 6) determine whether any undistributed System funds are available. The Committee dismissed alternatives one and two as unworkable and directed Vice Chancellor Reed to undertake a financial analysis regarding the viability of the remaining options and report to the next Committee meeting.

Regent Wixom requested Board action on the following Committee recommendations:

- ¾ Minutes – The Committee recommended approval of the minutes from the January 17, 2007 Committee meeting (Ref. TG1 on file in the Board office)
- ¾ iNtegrate Project, Updates on Committee Directions – The Committee recommended acceptance of Vice Chancellor Nichols' report regarding the transformation of student services through the implementation of the iNtegrate project. The Committee requested that Vice Chancellor Nichols prepare an executive summary capturing the essence of the work so that both could be presented to the full Board (on file in the Board office) (Ref. TG2 on file in the Board office).

26. Approved-Technology Committee Recommendations – (Cont'd.)

- ¾ The Committee recommended accepting the proposed job description for the Project Director of the iNtegrate project as submitted to the Board with this report with the addition of the following:
- 9 Add wording emphasizing both the necessity for technical competence and executive collaborative people skills;
 - 9 Include within the job requirements the preference for ERP implementation experience in higher education; and
 - 9 Indicate that the position will report directly to the Executive Vice Chancellor.

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27. Approved-Research and Economic Development Committee Recommendations – (Cont'd.)

- ¾ The Committee received a report from Dr. Lisa Shevenell and Dr. Kwang Kim on UNR's renewable energy research activities. Research presented focuses largely on geothermal energy that diversifies the economy, creates jobs in rural Nevada, offsets fossil fuel emissions and provides clean, renewable power that will position Nevada as a profitable exporter of power.
- ¾ Mr. Bret Murphy, Dean of Applied Sciences-GBC, presented GBC's partnerships with local industry in meeting industrial training needs to the Committee. Most notable is the recently established "One Nevada Maintenance Training Program". This program involves extensive assessment of current skills and coursework and training to fill gaps in employee abilities and industry needs. GBC has entered into an agreement with Newmont Mines to provide the training services to Newmont's employees worldwide.
- ¾ Dr. Bob Boehm, Professor of Mechanical Engineering-UNLV, presented a survey of renewable energy work in Israel and its connection to work in Nevada and UNLV. Developments in solar and wind power, hydrogen fuels and desalination are having an impact on renewable energy work in Nevada

28. Approved-Investment Committee Recommendations – (Cont'd.)

Regent Dondero requested Board action on the following Committee recommendations:

- ¾ Minutes – The Committee recommended approval of the minutes from the January 23, 2007 Committee meeting (Ref. INV1 on file in the Board office)
- ¾ Asset Allocation and Investment Returns – The Committee recommended approval of the following three recommendations by Cambridge & Associates:
 - 9 Endowment Fund: Recommended changes to strategic target ranges;
 - 9 Operating Fund: Recommendation to establish strategic target ranges;
 - 9 Operating Fund: Recommendation to allocate \$25 million from Commonfund short-term cash account to various existing investment vehicles.
- ¾ Update, Alternative Investment with Moss Adams – The Committee recommended approval of recommendations and/or directions regarding a plan to address the report by the external auditors relating to the valuation of alternative investment (Ref. INV3 on file in the Board office)
- ¾ INNovation Village, UNLV

29. Information Only-New Business – (Cont'd.)

Harvey Field, adding that legislators and Regents will be invited. She noted that both teams are nationally ranked.

The meeting adjourned at 1:17 p.m.

Scott G. Wasserman
Chief Executive Officer of the Board of Regents

Approved by the Board of Regents at the Jun~~22~~²² 2007, meeting