BOARD OF REGENTS
NEVADA SYSTEM OF HIGHER EDUCATION

UNLV Student Union Ballrooms B & C
University of Nevada, Las Vegas
4505 S. Maryland Parkway, Las Vegas
Thursday, December 1, 2011, 8:30 a.m.
Friday, December 2, 2011, 8:00 a.m.

Video Conference Connection to:
System Administration, Reno
2601 Enterprise Road, Conference Room
and
Great Basin College, Elko
1500 College Parkway, Berg Hall Conference Room

Members Present:

1. Information Only - Introductions and Campus Updates (~~Agenda Item #1~~) (Cont'd.)

GBC President Mahlberg introduced Dr. David Freistroffer, Vice Chair of the GBC Faculty Senate. President Mahlberg related that GBC was recently visited by its ongoing nursing program accreditation agency and received a recommendation for continued

4. Approved - UNLVNow Project (Agenda Item #4) (Cont'd.)

4. Approved - UNLVNow Project ~~(Agenda Item #4)~~ (Cont'd.)

Mr. Cavileer related that projects of this complexity are processes and the current situation was a natural stage in that process. He applauded UNLV and the Board of Regents for bringing Dr. Rosentraub onto the team. He stated that Majestic Realty's enthusiasm for the project is as strong as ever. Although gaining legislative support had been unsuccessful in the last session, the project's vision and goal has not changed. The Las Vegas community, its business community and the UNLV Alumni Association continues to express its support. Legislatively, he indicated that it was important to keep all options open.

Regent Leavitt asked if he was correct in understanding that the legislative piece may potentially affect the project's scope, but not its viability. Mr. Cavileer replied that the scope would not necessarily be impacted, but rather the applicability of benefits that are currently enjoyed. Regent Leavitt stated that he was impressed with the efforts of Majestic Reality and of UNLV.

Regent Alden asked Mr. Bomotti how much hard money and soft money had been spent to-date, and what the source of those funds were. Mr. Bomotti related that UNLV

12/01/2011 & 12/02/2011 – B/ .3 (2/)-12 12/ag& eTc 0 Tw 11.554 02.61–º4d (/)-1.002 TEMcs 0LBodychedMCID 2/CS0 cs

6. Information Only - Chair of the Council of Faculty Senate Chairs Report ~~(Agenda Item #6)~~ (Cont'd.)

the other institutions to begin their own processes, she did not believe that collaboration had yet begun. Regent Anderson felt that collaboration was vitally important.

Dr. Greg Brown, Faculty Senate Chair, UNLV, clarified that the changes made at UNLV were far and above the minimum core requirements set by the NSHE in terms of the number of credits and where they fit into core and distributional requirements. He added that significant coordination had occurred for several years at the level of the Academic Affairs Officers.

Regent Anderson encouraged the institutions to work with each other so that common course numbering and transfer policies are not impacted. Dr. Brown emphasized that the changes were consistent with the Board's mandate on course articulation.

President Richards related that CSN has

8. Approved - Consent Items (Consent Agenda Item #9) The Board of Regents approved the Consent items.

8a. Approved - Minutes (Consent Agenda Item #9a) The Board of Regents approved the following meeting minutes:

1) March 21, 2011, TMCC Periodic President Evaluation Committee (Ref. BOR-9a(1) on file in the Board Meeting Date Files in the Office of the Board)

9. Approved - Handbook & Procedures & Guidelines Manual Revision, Student Fees (Agenda Item #11) – (Cont'd.)

President Smatresk addressed the question regarding Late Payment fees on page 5 of Ref. BOR-11a by explaining that an alignment issue had occurred in the reference material. Vice Chancellor Stevens clarified that the dollar columns should be moved down one row to correspond with the appropriate item description.

In regard to the Credential Evaluation Fee on page 4 of Ref. BOR-11a, President Johnson explained that the evaluation of an international transcript requires significant human labor. Regent Knecht indicated his uneasiness with making those fees substantial as he would like to attract more international students.

President Smatresk related that UNLV attracts students from 84 countries, adding that not only are out of state transcripts 1c4 (d t5 (s5 (si6 (r)2 (ld)to)2 (a)6 (tt1 (ta-3 (e)-6 (g)10 (e)(he)4 (e)4 (v

9. Approved - Handbook & Procedures & Guidelines Manual

11. Approved - ACT Statewide Test Administration (Agenda Item #10) (Cont'd.)

Regent Knecht asked why the NSHE appeared to have a clear preference for the ACT over the SAT test. Chancellor Klaich related that Nevada is more of an ACT state and that the NSHE is part of a consortium that has adopted common core standards for which the ACT is a placement test.

Regent Wixom expressed his strong support of the resolution. However, he questioned the security of administering the test and a national discussion to potentially move away from regional testing. Mr. Morris related that technical security is taken seriously as ACT transforms from a Saturday administration to a weekday administration of the test. The transportability of the scores is important and the only way to obtain buy-in from postsecondary institutions was to provide assurances that the standardization of weekday delivery would be the same as for weekend delivery. Mr. Morris related that every local high school is setup as a testing center which allows for local awareness of who the students are. Much more time and training is being provided at each high school. A statistical security analysis shows that state delivery of the test on a weekday has the same high ability to keep testing secure as national sites for test delivery on a Saturday. The NCAA has also determined that weekday delivery in a state-driven model is as strong as a weekend administration, adding that the NCAA accepts weekday testing for eligibility.

Regent Melcher felt that the ACT could be beneficial but questioned the use of the ACT versus state proficiency exams. His concern is that the degree of testing takes time away from classroom instruction. He felt that more emphasis needed to be placed on the quality of testing rather than the quantity. Chancellor Klaich replied that the K-12 school superintendents also expressed the same concern and that the NSHE agrees, adding that the Resolution was crafted with that in mind. It was hoped that the ACT could replace the proficiency exam which he questioned the effectiveness of.

Regent Anderson expressed her full support of the Resolution and felt that it would help with identifying students that need remedial education early enough. She asked if students would be able to 4 (e)-6 (r)3d skthee felvht [(w)2 (a)4 (s7S (e)4 (R)-3 (e)4 (g)10 (e)4 (nt)-2 (A

11. Approved - ACT Statewide Test Administration

11. Approved - Procedures & Guidelines Manual Revision, Differential Program Fee Proposals (Agenda Item #12) The Board of Regents approved differential program fees for Social Work (UNLV), Urban Leadership (UNLV) and the accelerated nursing track (NSC). In accordance with Board policy, differential program fees may be established for high cost and/or high demand programs pending review and approval of the Board of Regents (P&GM, Chapter 7, Sections 7 and 9) (Ref. BOR-12 on file in the Board office)

Regent Geddes felt that the intent of differential fees was to eliminate the need for special fees. In approving the differential fee for the UNLV's Social Work program, there would still remain a $15.00 special course fee which he noted was not being charged at UNR. He asked what that special course fee would cover. Dr. Lee Burnick, Interim Dean, Greenspun College of Urban Affairs, UNLV, explained that the $15.00 special course fee covers the cost of administering internships and practicum programs at the various off-campus locations.

Regent Geddes asked if UNR does not send faculty or staff out to the various sites for its Social Work program or if those costs are included in their regular tuition and fees. President Johnson replied that such a fee has not been requested by the department.

Regent Geddes asked why the $15.00 special course fee was not included in the requested differential fee. President Smatresk related that the fee is not applied to every class, just to those in which travel is involved for graduate programs, internship and practicum courses.

Regent Geddes asked if the graduate student stipend is then increased to offset the special course fee. Dean Burnick indicated that the differential fee does include a request that funds be set aside to provide financial aid.

Regent Page moved approval of differential program fees for Social Work (UNLV), Urban Leadership (UNLV) and the accelerated nursing track (NSC) Regent Wixom seconded.

Mr. Gordon related that he was against the proposed differential fee for both the Social Work (UNLV) and Urban Leadership (UNLV) programs because they refer to graduate students. He did not feel that that such a fee was the right strategy for social work. He related that since the Urban Leadership program was new, the demand could not have yet been accurately determined.

Motion carried. Regents Crear, Page and Schofield voted no. Regent Trachok was absent.

12. Information Only - Code Revision, Appointment of President, Acting President or Acting Chancellor (Agenda Item #13) The Board considered a proposal to amend the Board of Regents' Code, Title 2, Chapter 1, Sections 1.5.4 and 1.5.5 and new Section 1.5.6, addressing the appointment of a president, an acting president or an acting chancellor. (Ref. BOR-13 on file in the Board office)

12. Information Only - Code Revision, Appointment of President, Acting President or Acting Chancellor (Agenda Item #13) (Cont'd.)

Ms. Brooke Nielsen, Interim Chief Council, related that this proposed policy is to primarily address how the Board decides to select an acting president and how that acting president may become a permanent president. Currently, there is not a process for that to occur, which places the Board in the position of having to waive the search requirement in the Code to make an acting president a permanent president.

Ms. Nielsen explained that the proposal contains two options. In the first option, the Board would ask the search committee and institutional advisory committee to consider a recommendation to appoint the acting president as permanent president. Factors for that determination would include consideration for performance, economic standards, impact on institution and commitment to diversity. The second option simply allows that if an acting president has served in that capacity for longer than one year, the Board may consider their appointment to the permanent position. Both options would require the input of faculty, student and community leaders before a final decision could be made.

Ms. Nielsen related that the proposal also requests an additional change to the Code in regard to a vacancy in the office of the chancellor that allows for the Board Chair, in consultation with presidents, faculty, student and community leaders, to make a recommendation to the full Board for who should be appointed to the position of acting chancellor. Similarly, when there is a vacancy in the office of president, the Chancellor would perform that consultation and make a recommendation to the full Board.

Ms. Nielsen related that she has received one comment and an alternative suggestion from the UNR Faculty Senate Executive Board that essentially endorses the first option with the addition of a full formal evaluation of the acting president before consideration of appointment to the permanent position

12. Information Only - ~~Code Revision~~ Appointment of President, Acting President or Acting Chancellor ~~(Agenda Item #13)~~ (Cont'd.)

asked if the eight factors considered in a presidential evaluation should also be considered when potentially appointing an acting president to the permanent position.

Regent Knecht felt that there was a certain unavoidable cost paid to conduct a search. However, he felt that empirical data was not available to determine if conducting a search is any better than not conducting one. He was not convinced by the argument to de-emphasize the dollar and time cost of conducting a search.

Regent Wixom felt that it was important to maintain flexibility. He did not feel that the Board could articulate in one policy the needs of all the institutions. He

14. No Action Taken - Handbook Revision, NSHE Intercollegiate Athletics (Agenda Item #14)
(C]TJ /TT3 1 a Inut

15. Information Only - University of Nevada, Reno, Intercollegiate Athletics Compliance Overview (Agenda Item #15) (Cont'd)

Regent Page referred to information in UNR's report and asked if the NCAA places individual sport programs on probation or the entire athletic program. Dr. Perry confirmed that the NCAA places an entire athletic program on probation for infractions, not just isolated sports.

Regent Page asked how long the probation period applied. Dr. Perry replied that the probationary period was for three years, of which UNR is in its second year.

In light of recent situations that have occurred nationally, Regent Crear asked if there were sexual harassment or other abuse policies in place at both UNR and UNLV. Chancellor Klaich related that although the presidents will answer that question directly, in general, he felt that the Board and the presidents need to have complete confidence in the athletic directors and to empower them.

President Johnson replied that sexual harassment applies to athletics as it does to all people on the UNR campus. All new employees are provided with personalized sexual harassment training by the Sexual Harassment Officer. The sexual harassment policy is distributed every two years and must be read and signed by all employees. In addition, he stated that the policy encourages any one that believes they have been harassed sexually to report that action and that all cases will be investigated.

President Smatresk stated that UNLV has similar policies to that of UNR.

Regent Page asked if there were any programs with an APR ranking below 9S

16. Information Only - University of Nevada, Las Vegas, Intercollegiate Athletics Compliance Overview ~~(Agenda Item #16)~~ UNLV President Neal J. Smatresk, Mr. Jim

17. Approved - Personnel Session –

17. Approved - Personnel Session – Periodic Chancellor Evaluation

12/01/2011 & 12/02/2011

The Board of Regents meeting reconvened at 11:28 a.m. on Friday, December 2, 2011, with all members present except for Regent Alden.

21. Information Only - Public Comment (Agenda Item #21) Mr. Wasserman read the public

22. Information Only - Complete To Compete Policy Academy (Agenda Item #23) (Cont'd.)

22. Information Only - Complete To Compete Policy Academy (Agenda Item #23) (Cont'd.)

- Metric #3 – Return on Investment – Certificate and Degree Completions per $100,000 of State Appropriations and Net Tuition Revenues: Ratio of undergraduate and graduate degrees and certificates (of at least one year in length) including transfers for students with at least 24 credits earned, awarded per $100,000 of state and local appropriations and tuition and fee revenue, weighted according to median earnings of graduates by degree level (e.g. certificate, associate's and bachelor's) and field (e.g. science, technology, engineering, math (STEM), health and other). This metric will be calculated based on state appropriations only, and a separate calculation for state appropriations and net tuition revenue.

- Metric #4 – Quality:
  - Licensure Exams: determine whether students graduating from particular fields pass required licensure exams.
  - Acceptance Rates for Graduate Education: Determine whether students graduating from particular fields are accepted in graduate programs.
  - Placement Rates for Recent Graduates: In accordance with the provisions of Senate Bill 449 (Chapter 397, Statutes of Nevada 2011), determine whether students graduating from particular fields are employed in the state and in their field following graduation.

Regent Crear felt that an important goal was missing to fully fund higher education in the state of Nevada. He fee a

22. Information Only - Complete To Compete Policy Academy (Agenda Item #23) (Cont'd.)

Regent Crear felt that to say that it is unrealistic to fund higher education at 100% was selling the System short. Chancellor Klaich replied that there are a number of parallel tracks going on, including an effort through the Governor's office to comply with the legislative mandate to establish priorities in government. All state agencies and higher education are participating in that process of priority setting. The System will deliver to the Governor a first priority for education that indicates the need for funding of schools and higher education in an excellent fashion. He felt that what Ms. Abba was indicating was that the System does not have the first shot at that while the Governor is preparing the first version of the next budget.

President Smatresk explained that although this was not expressly a formula or budget discussion, he agreed with Regent Crear that Nevada must get to a place to have a cogent discussion on what it takes to graduate a student and make Nevada better by producing more graduates. The dialogue that occurred at the first Academy meeting established a common vernacular and set of metrics that creates an accountability system that is comfortable to funders. If that was not done, he felt that the System would experience the same results and be in the position as in past sessions. He emphasized that this is not the end of negotiations.

Ms. Abba related that the Governor's office will be creating an informal task force in the next six weeks that will include the Governor's staff, Regents and campus staff to further refine the goals and metrics.

Regent Crear expressed his frustration with the level of funding that Nevada provides to higher education.

Regent Anderson asked how to get past the hurdle of placement rates of recent graduates. Ms. Abba replied that data will now come directly from Nevada Department of Employment, Training and Rehabilitation (DETR). Regent Anderson thought that information only came in an aggregate form. Ms. Abba clarified that state law now requires detailed information.

Regent Trachok asked how degree fields are weighted in Metric #3. Ms. Abba replied that NCHEMS weight system would be used but she was not yet familiar with it. However, as an example, degrees will be rated in a way that assigns the weight of 1 to a certificate, an associate's degree may be a 1.5, a bachelor's degree may be a 2, and so forth. In addition, earnings in a field will also be assigned weights such as an engineering degree may be a 1.5, nursing may be a 1.1 and some other degree may be a 1.

President Smatresk emphasized that weights had not yet been established and will need to be further discussed. However, by weighting output, the state can incentivize the production of degrees in specific need areas or account for high cost disciplines. He added that NCHEMS weights do not have to be blindly accepted and that Nevada could have its own dialogue on the subject.

22. Information Only - Complete To Compete Policy Academy (Agenda Ite

23. Approved - 2012-2013 Registration and Corresponding Fee Increases ~~(Agenda Item #22)~~ (Cont'd.)

legislative session, the recommended increase in the second year was not approved and the Board was limited to a 13 percent tuition increase in the first year with the understanding that would be reviewed in the future.

Chancellor Klaich understood that there are real concerns on the part of the student leaders regarding how quickly this request has come to the Board and if there has been enough time to provide proper notification to the students.

Chancellor Klaich indicated that day's discussion revolves around enhancing student services and restoring critical services that impact the students experience and ability to graduate on time. Chancellor Klaich related that his instruction to the presidents was to demonstrate beyond the level retained for need-based financial aid an engaged plan that directly enhances and benefits the student experience. A common format was created to reflect the allocation of a proposed range of increases between the state supported operating budget and the campus retained budget in a manner consistent with the current Letter of Intent. Chancellor Klaich explained that, if approved, any increase will be considered access revenue and will have to go before the Interim Finance Committee (IFC) to seek approval to add to the budgets and are not part of a formula based calculation. Should the Board approve an increase, and after the presidents have developed formal spending plans, Chancellor Klaich felt that it would be prudent to provide the students with an opportunity to review those plans.

Chancellor Klaich recommended that a student fee increase of a single digit number was reasonable and warranted at this time. He felt that the presidents have come forward with reasonable plans for the expenditure of those fees. He asked the Board to discuss whether an increase is appropriate at this time, the utilization of those fees and that any action taken be with the request that spending plans be brought to a future meeting.

President Johnson related that comments received from students and the public were typically in regard to access. He felt that there were two important decisions to be considered. The first is to determine the pricing model to support a quality education system. The second is to consider that whichever pricing model is selected to support that quality education, there is a second and separate responsibility to create access through student financial aid. If education is priced to meet only the access objective then much revenue potential is lost. He suggested mixing the two separate objectives to create a quality system that is accessible. The NSHE university fees rank 12th to 14th in the WICHE and are still relatively low. President Johnson related that whatever the percentage of increase chosen by the Board, the presidents have made a commitment to access.

President Richards related that the ambitious goals for the state discussed in the previous agenda item will require more discussion but will also require resources. He was concerned for CSN's tremendous needs in serving and supporting its students. He related that CSN has looked at its tuition and fees in comparison with other western states and there is room to meet the average. A single digit percentage adjustment would help to meet the basic services and to help the institution with fundamental abilities to meet the needs of its students.

23. Approved - 2012-2013 Registration and Corresponding Fee Increases ~~(Agenda Item #22)~~ (Cont'd.)

President Sheehan related that a great deal of time is being spent on fundraising. However, the need exceeds the dollars raised. She related that most states try to provide some sort of funding for students with severe remedial needs. In Nevada, that population of such students is growing to the point of crisis and the cost is extraordinary. A fee increase will allow TMCC to provide support services for those students that need the deepest levels of remediation.

Regent Knecht asked Chancellor Klaich to clarify if he stated that despite the status of the Letter of Intent, and assuming permission is granted by the Interim Finance Committee, every dollar of the increase would be spent on the respective campuses. Chancellor Klaich confirmed that was true.

Regent Knecht related that Vice Chancellor Stevens had indicated that action would be timely enough if taken by the March meeting. However, if delayed beyRP (e)6 (r)5 (mis)1 (s)1 04 Tc 0.0

23. Approved - 2012-2013 Registration and Corresponding Fee Increases ~~(Agenda Item #22)~~ (Cont'd.)

For clarification, Regent Trachok asked if the way in which the legislature allocated the funds was to smooth them out over the course of the biennium. Chancellor Klaich confirmed that was correct.

Regent Trachok agreed with Regent Melcher that the System would not be well served by delaying a decision. He asked the presidents to explain how the quality of education will be improved by a fee increase.

President Lucey related that an equally, or more important factor than elasticity is the availability of course sections, particularly in rural areas. At some point in 2011, WNC crossed from elasticity being the major issue to the lack of availability of sections which is reflected in a 25 percent drop in enrollment. She felt that the quality of the institution has been undermined by not having sections offered at convenient locations and times in acn-4 (n)-41 (er)]TJ 0 Tc 0 Tw 62515 T Td (. Tj -)Tj -

23. Approved - 2012-2013 Registration and Corresponding Fee Increases (Agenda Item #22) (Cont'd.)

Regent Crear felt that it was unfortunate that student input was not incorporated with this round of proposed increases. He felt that the Board had made a commitment to the students to have a voice. He felt it would be better to hold a special meeting in January. He well understood that more is lost by indecision than the wrong decision, but he would rather allow the students an opportunity to provide input.

Regent Wixom felt that a decision made that day could be subject to student involvement. He expressed concern for effective implementation of the increase if a decision is delayed. In general, he felt that a 5 percent increase would restore some of the missing student services. However, a significant number of instructors and course sections could not be added back until the 8 percent level. He did not want to consider 13 percent. If that generalization was accurate, he was more in support of 8 percent subject to more student involvement and analysis to provide more student services and course offerings. He felt that it was important to note that one reason that students do not have access to higher education is because of financial issues. However, one of the reasons the students do not have access to financial aid is because the System has not been able to fund financial aid due to the budget reductions. In summary, he was in support of an 8 percent increase subject to student involvement in the process.

Ms. Sarah Saenz, CSUN President, UNLV, asked the Board for the chance to allow student leadership to inform its student bodies on how an increase will be used to focus on and improve student services. She felt that the public comment that had been heard that day was reflective of the students' lack of understanding.

Regent Wixom expressed concern that in delaying a decision, the System loses the chance to use the funds effectively. He asked Ms. Saenz if it would be an acceptable resolution to the student leaders if the Board made a decision on a number that day, subject to student feedback. Ms. Saenz related that student leaders were more in support of zero, 5, and 8 percent. However, she felt that a decision by the Board that day would tie the hands of the student leaders.

23. Approved - 2012-2013 Registration and Corresponding Fee Increases (Agenda Item #22) (Cont'd.)

that the faculty should be involved in the decision as well. He indicated his preference for the 8 percent increase option.

Regent Leavitt related that there had been extensive input from students and faculty during the process of developing the Chancellor's 4-point plan where all parties ended up agreeing. He felt that although reluctant, the Board would support some level of increase.

Regent Leavitt asked if Regent Blakely would consider a friendly amendment to revise his motion to approve a 5 percent increase that day with an additional 3 percent (maximum 8 percent) to be considered at a future special meeting of the Board.

Chair Geddes stated that he would like to vote on the original motion first.

Regent Knecht felt the proposals presented that day did not yet contain enough information by which to make a decision, particularly in light of the students' concerns. He expressed his disappointment that a motion was made for a 5 percent increase before he could exercise the option that he had requested at the beginning of the discussion to defer any action that day and set out a process for consultation and feedback with a stated intent by the Board to act no later than its March meeting. He felt that the Board's discussion thus far was not enough to make him embrace an increase of any size. Since there was not support for a 13 percent increase, that left the range of 0, 5 and 8 percent for further discussion. He preferred a motion that would allow the presidents and students to further discuss a range between 0, 5 and 8 percent and to return to the Board in January or March for conclusion.

Having looked at the numbers, Regent Knecht concluded that it was true that Nevada is still a low price leader and one of the better bargains. In light of that, many have said that fee increases could be entertain

23. Approved - 2012-2013 Registration and Corresponding Fee Increases ~~(Agenda Item #22)~~ (Cont'd.)

Chair Geddes reminded the Board that a tentative special meeting is already on the schedule for January 20, 2012.

Regent Knecht amended his motion to add 13 percent back in as a potential consideration and that the Board will act by March 2012 or by the January 20, 2012, special meeting if the Chancellor and presidents have gone through the process as stated in the original motion. As the second, Regent Schofield accepted the friendly amendment.

Regent Page felt that responses could be developed in time for the January 20, 2012, adding that there was no value in delaying a decision until March.

Regent Anderson also felt that March was too late. However, she noted that the students were getting ready to leave for winter break and asked when they would be back and if there was time for those students to participate in those discussions before the January 20, 2012, meeting.

Dr. Brown felt that it was important to point out that current course teaching levels are being driven by voluntary overloads to cover missing Letter of Appointment faculty.( )]T8

23. Approved - 2012-2013 Registration and Corresponding Fee Increases ~~(Agenda Item #22)~~ (Cont'd.)

the need to have conversation on the campuses. He did not want to raise tuition but recognized

23. Approved - 2012-2013 Registration and Corresponding Fee Increases ~~(Agenda Item #22)~~ (Cont'd.)

Regent Page felt that the students had an important concern that the services to be reinstated as a result of this increase will be the first cut as soon as budget reductions have to be considered.

Regent Knecht pointed out that if an 8 percent increase was approved that today, it was without faculty or student input. For that reason, he would be opposing the motion.

Regent Crear asked if the spending plans presented that day by the presidents were not sufficient and that the motion was to approve an 8 percent increase with the caveat that the presidents go back to the students to negotiate a spending plan and then have to return to the Board to have those revised spending plans approved. He felt that was doing twice as much work. The spending plans presented that day already include a spending plan for a proposed 8 percent increase. He felt that approving the motion as stated is essentially the same as waiting until the January meeting to approve the 8 percent increase because the presidents could not act upon a spending plan until it is returned and approved by the Board.

Regent Schofield felt that the Board should consider the students' request for a delay of six weeks. He felt that taking action that day was not reflective of the democratic process and indicated that he would not support the motion.

Regent Melcher felt that it was the Board's responsibility to listen to the Chancellor and presidents and to respect those individuals in their jobs of running the institutions. He

24. Action Taken - University of Nevada, Reno Fire Science Academy (Agenda Item #29) The Board of Regents approved closure of the Carlin Fire Science Academy (FSA)facility and the Carlin Fire Science Academy program, to vacate the previously approved leaseback portion of the resolution involving the sale of the Carlin site to the Nevada National Guard, and to approve maintenance of the Fire Science Academy trademark at UNR to continue fire safety training at other sites on a completely self-sustaining basis (Ref. BOR 29 on file in the Board office).

President Johnson related that the status of the FSA has been discussed by the Board of Regents for years. The Board had been very patient with UNR as it tried many option to sustain the FSA. Throughout that time, the management and the staff of the FSA have continued to provide a top quality, first responder training unit focused on flammable liquid fuel fire suppression.

Elko County, Elko City, Carlin City officials and industrial customers had invested in a financial sustainability plan over the last three years to avoid accumulating additional debt while UNR sought options for sustainability. Efforts to seek endorsement for inclusion in the National Domestic Preparedness Consortium were unsuccessful. Efforts to work with the FSA's industrial customers to increase the cost of training were also unsuccessful.

President Johnson stated that the university proposes to close the FSA facility and program in Carlin. However, UNR wants to retain the FSA trademark in the event that it may want to provide fire training elsewhere. The approved sale of the Carlin facility to the Nevada National Guard is proceeding. Necessary language has been embedded within the current defense operations bill to move federal investment in the National Guard from Elko to Carlin. Once that bill becomes law, the facility will go to the Nevada National Guard for the indicated purpose of developing a regional training center.

President Johnson reported that $10 million in proceeds to be received after the close of the sale, $4 million from other previously approved property sales, and an additional $1 million of unanticipated university revenues (pendingIFC approvalon December 15, 2011) would retire $15 million of the FSA's remaining $24.5 million capital debt. That will allow the university to reroute $4 of the $6.50 per credit hour fee that students have been paying to other projects that benefit students on the Reno campus. The remaining $2.50 will be used to pay off the remaining capital debt. The remaining $11.8 million operating debt will be paid off over time after other university assets are monetized.

The university has already announced to the FSA employees and the Elko and Carlin communities that this proposal for closure was being brought to the Board. He thanked Regent Melcher for attending all of the announcement meetings on November 14, 2011. He also thanked former Regent

24. Action Taken - University of Nevada, Reno Fire Science Academy ~~(Agenda Item #29)~~ (Cont'd.)

National Guard chooses to keep. A detailed financial plan will be brought to the Board, post-closure, to the March 2012 Board meeting. It is anticipated that after all the pay offs are complete, there will remain a $20-25 million debt to be paid off in the future.

Regent Crear moved approval of closure of the Carlin Fire Science Academy facility and the Carlin Fire Science Academy program, to vacate the previously approved leaseback portion of the resolution involving the sale of the Carlin site to the Nevada National Guard, and to approve maintenance of the Fire Science Academy trademark at UNR to continue fire safety training at other sites on a completely self-sustaining basis. Regent Wixom seconded.

Regent Knecht asked what the current student fee was to support the FSA. President Johnson replied that a $6.50 per credit hour fee was approved in early 2000, for the purpose of paying off bonded construction debt.

Regent Knecht asked how long that fee would continue, at what level and what the anticipated ending date would be. President Johnson replied that of the $6.50, $2.50 will continue to be used to pay off the bonded debt. There is 20 years left on the bonded debt.

Regent Knecht asked if a proposal was being brought forward to reduce the $6.50 per credit hour fee to $2.50. President Johnson related that when the original $6.50 per credit hour fee was passed, similar fees were approved at all of the campuses. However, UNR used there's for the purpose of paying down the bonded construction debt.

Chair Geddes clarified that $4.00 of the $6.50 fee will become available

24. Action Taken - University of Nevada, Reno Fire Science Academy (Agenda Item #29) (Cont'd.)

some of the lost revenue to the community would be replaced when the National Guard opened its training center. He thanked Ms. Baclowski, Mr. Zurek and President Johnson for their efforts. He felt that closure of the facility was the only possible decision at this time.

Regent Schofield related that although good in concept, the FSA just could not be made successful. He also felt the only option was closure of the facility.

Regent Leavitt thanked his predecessors, Regents Sisolak and Gallagher, as well as Regent Wixom for taking a significant role in this issue. He thanked Ms. Baclowski for her hard work.

Regent Knecht also thanked Ms. Baclowski and the UNR staff for their efforts.

Upon a roll call vote, motion passed unanimously. Regent Alden was absent.

The meeting recessed at 2:52 p.m. and reconvened at 3:04 p.m. on Friday, December 2, 2011, with all members present except for Regent Alden.

25. Action Taken - Strategic Planning for the Future of Higher Education

25a. Action Taken - Strategic Planning for the Future of Higher Education (Agenda Item

25a. Action Taken - Strategic Planning for the Future of Higher Education (Agenda Item #25) – (Cont'd.)

every day and that allows those students to build a relationship with each other and the faculty. He emphasized that structure allows students of low-income and minority groups to succeed. Dr. Jones pointed out that nationally there are no more than 50 community colleges that have more than a 50 percent graduation rate (cont'd.)

25a. Action Taken - Strategic Planning for the Future of Higher Education (Agenda Item #25) – (Cont'd.)

Chancellor need to continue to develop a plan that addresses many of the issues. Third, Dr. Jones stated that it was important to educate and embrace faculty and campuses and have them share in the vision of what the future could look like.

Motion carried. Regent Alden was absent.

Chancellor Klaich thanked Ms. Dominique Raymond, Director, Alliance for State Relations, for her effort and assistance.

Dr. Jones felt that it was possible for Nevada to make the dramatic changes necessary, particularly because of its structure of one governing board overseeing all public institutions of higher education. He felt that Nevada could be held up as a national model. Regent Crear agreed.

Chair Geddes indicated that the documents referenced that day as well as the SI Brookings Report will be distributed at the next day's meeting.

25b. Chancellor Daniel J. Klaich discussed the status of the Board's current planning efforts, including the various projects underway that support the Board's primary goal of student success. The Chancellor set forth the various initiatives defined under strategic direction of the Board of Regents, including increasing student achievement, retention and success (Initiative #1); increasing transparency, accountability and performance (Initiative #2); continuous review and revision of programs to support innovation and responsiveness (Initiative #3); and assuring access and affordability of public higher education (Initiative #4) (Ref. BOR-25b on file in the Board office)

Statements for the record were received by Dr. Brown and Dr. Ryfe (Statements on file in the Board office)

Regent Trachok asked if it would be possible to continue the strategic planning discussion at the January 20, 2012, meeting. Regent Geddes indicated that the strategic planning discussion would continue at that meeting.

Regent Knecht thanked Chancellor Klaich for the work done on developing the proposed initiatives. He noted that although there was significant follow-up work to be done, the initiatives included many good points.

Regent Melcher felt that it was important for the strategic plan to address the Board's

25b. Action Taken - Strategic Planning for the Future of Higher Education (Agenda Item #25b)–

27. Approved - Approved - Handbook Revision, Expedited Tenure Decision (Agenda Item #27) (Cont'd.)

Regent Trachok moved to approve a revision to Title 2, Chapter 3, Sections 3.3.1 and 3.4.1 (universities); Title 2, Chapter 4, Sections 4.3.1 and 4.4.1(community colleges); and Title 4, Chapter 7, Sections 7.3.1 and 7.4.1 (state college), to authorize tenure on hire for faculty with extraordinary records of achievement but who have not been gran,ve not 7,2-0.002 Tc t63

28. Information Only - PEBP Task Force (Agenda Item 28) (Cont'd.)

Mr. Bomotti related that the healthcare consultant will assist in looking at all the issues but until authority is granted to separate, the NSHE is a participant in the PEBP system. However, he indicated that it is not the assumption on the Task Force's part that better coverage can be found. He related that in 1999, the Clark County School District separated from the PEBP through a legislative process. The three employee groups (including teachers) went separate directions, each with fully insured programs. They have far superior health care programs for less money. There is the evidence that suggests that it can be done.

Regent Leavitt stated that of all the legislative and capital priorities that the Board would like to see, he felt that there was no other higher priority. Chair Geddes felt that Regent Leavitt spoke for the full Board.

President Patterson stated that statutorily, the System must seek PEBP or legislative approval for separation. A concern for the PEBP would be the impact to the program's remaining participants of which the System represents approximately one-third. What the System does impacts other participants and may increase their costs. It is not an easy discussion and the System must be prepared goin4 (r)3 n9sf w seDd (d . (n)-)Tj EMC /P <</MCID 4

32. Approved - Audit Committee (Agenda Item #32) (Cont'd.)

¾ The Committee recommended approval of a request from Grant Thornton LLP, for additional costs of $54,000, plus out of pocket expenses of $2,000, for a

33. Approved - Business & Finance Committee (Agenda Item #33) (Cont'd.)

- Self-Supporting Budget to Actual Comparison for fiscal year 2010-2011.
- Student association reports of revenues, expenditures and ending account balances for fiscal year 2010-2011.
- All Funds revenues and expenses of NSHE for the first quarter of fiscal year 2011-2012.
- NSHE Fiscal Exceptions of self-supporting budgets and the status of state appropriated budgets for the first quarter of fiscal year 2011-2012.
- Budget transfers of state appropriated funds between functions for the first quarter of fiscal year 2011-2012.
- University of Nevada, Reno Athletic program financial projections and analysis 2012-2016.
- Update on the sale of NSHE revenue bonds on October 12-13, 2011, totaling $50.47 million used to refinance outstanding debt at UNR and UNLV.

Action items:
Board action was requested to approve the following recommendations of the Business and Finance Committee:

- The Committee recommended approval of the minutes from the September 8, 2011, Committee meeting (Ref. BF-2a on file in the Board office)
- The Committee recommended approval of the fiscal year 2010-2011 Accountability Report reconciling the Board of Regents approved budget to the fiscal year-end

34. Approved - Investment & Facilities Committee

34. Approved - Investment & Facilities Committee (Agenda Item #34)

36.

37. Approved - Health Sciences System Committee ~~(Agenda Item #37)~~ Chair James Dean Leavitt reported that the Health Sciences System Committee met on December 2, 2011, and heard the following:

37. Approved -