

SPECIAL MEETING
BOARD OF REGENTS
NEVADA SYSTEM OF HIGHER EDUCATION
Third Floor Rotunda
Frank H. Rogers Science & Technology Building
Desert Research Institute
755 E. Flamingo Road, Las Vegas
2601 Enterprise Road, Conference Room
and
Great Basin College, Elko
1500 College Parkway, Berg Hall Conference Room

Members Present: Dr. Jason Geddes, Chair
Mr. Kevin J. Page, Vice Chair
Mr. Mark Alden
Dr. Andrea Anderson
Mr. Robert Blakely
Mr. Cedric Crear
Dr. Mark W. Doubrava
Mr. Ron Knecht {teleconference}
Mr. James Dean Leavitt
Mr. Kevin C. Melcher
Dr. Jack Lund Schofield
Mr. Rick Trachok
Mr. Michael B. Wixom

Others Present: Chancellor Daniel J. Klaich
Vice Chancellor, Academic & Student Affairs, Jane Nichols
Vice Chancellor, Finance, Mark Stevens
Chief of Staff & Special Counsel to the Board, Scott Wasserman
Executive Director of Government Relations, Renee Kra
President Michael D. Richards, CSN
President Stephen G. Wells, DRI
President Bart Patterson, NSC
President Maria C. Sheehan, TMCC
President Neal J. Smatresk, UNLV
President Marc Johnson, UNR
President Carol A. Lucey, WNC

Also present were faculty senate chairs Ms. Tracy Sherman, CSN; Dr. Dave, ~~Dr. D~~ Dr. Sarah Negrete

1. Information Only -Public Comment (Agenda Item #1) (Cont'd.)

Mr. Jovonni Banks, CSN Student Senator, addressed the Board in regard to the fee increases and how the funds will be spent. Specifically, he requested that the additional fees be spent on increased student learning and incentive programs such as scholarships, sports, consistent advisement efforts and for improvements to My CSN website.

2. Approved -Handbook Revision, Discrimination and Sexual Harassment Complaint Procedure (Agenda Item #6) – The Board of Regents approved amendments to the Board of Regents Policy Against Discrimination and Sexual Harassment; Complaint Procedure (Handbook Title 4, Chapter 8, Section 13) which brought the policies into compliance with the Office of Civil Rights' April 4, 2011, "Dear Colleague" letter, recent Nevada legislation prohibiting discrimination based on gender identity or gender expression, and federal legislation prohibiting discrimination based on genetic information. (Revised Ref. BOR 6 for agenda items #6 and #7 file in the Board office)

Ms. Brooke Nielsen, Interim Chief Counsel, NSHE, explained the revised amendments as indicated in the revised referenced briefing paper file in the Board office.

Regent Alden moved approval of amendment to the Board of Regents Policy against Discrimination and Sexual Harassment; Complaint Procedure, Title 4, Chapter 8, Section 13) Regent Wixom seconded. Motion carried. Regent Blakely was absent.

3. Information Only -Code Revision, Sexual Harassment (Agenda Item #7) Interim Chief Counsel Brooke Nielsen presented for information a proposed amendment to the Code provisions governing sexual harassment (Title 2, Ch. 6, Sec. 6.2.5) which will bring the Code into compliance with the Office of Civil Rights' April 4, 2011, "Dear Colleague" letter, recent Nevada legislation prohibiting discrimination based on gender identity or gender expression, and federal legislation prohibiting discrimination based on genetic information. This was the first hearing at which the Code revision was being requested and presented for information only. Final action will be requested at the March 2012 meeting of the Board. (Ref. BOR 6 for agenda items #6 and #7 file in the Board office)

4. Approved -Strategic Directions of the Future of Higher Education (Agenda Item #2) The Board approved 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) (Attachment A, Ref. BOR-2).

Chancellor Daniel J. Klaich summarized the process that has occurred in developing the various initiatives, including input received from the Board, as well as strategic directions

4. Approved -Strategic Directions for the Future of Higher Education (Agenda Item #2)
(Cont'd.)

and priorities of the legislature and the Governor. With the assistance of the Director of Government Relations, Ms. Renee Yee and Vice Chancellor Stevens, the System has spoken with many legislators and members of Governor's staff. Those conversations have led him to believe that the System is on a similar path as the legislature and with the State's executive office.

With that in mind, Chancellor Klaich stated that System staff has tried to distill those conversations down into broad themes that the Board focused on, which include

- Initiative #1: Increasing student achievement, retention and success;
- Initiative #2: Increasing transparency, accountability and performance;
- Initiative #3: Continuous review and revision of programs to support innovation and responsiveness;
- Initiative #4: Assuring access and affordability of public higher education.

Chancellor Klaich stated that the document was a road map for System staff and a skeleton of the System's communications plan that will tell the story of higher education

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4. Approved -Strategic Directions for the Future of Higher Education (Cont'd.)

that address the funding formula. Although he appreciated the focus on programs and degrees, he asked the Chancellor if there would be a ability to test performance of students to measure critical thinking and learning progress to ensure the degree has meaning

Chancellor Klaich replied that is a difficult question and one that many of the faculty has also brought to his attention. Without rigor, quality and critical thinking those increased numbers are largely meaningless. Chancellor Klaich indicated that there are methods by which those measurements can be made. It would be incumbent upon the Chancellor to rely upon the faculty's expertise to assist him in ensuring the kind of rigor and assessment desired is embedded in every case. He imagined that the Board would want to hear in detail from staff and faculty to ensure that degrees of quality are being produced. He also called upon the faculty to participate in the process as must be convinced that the Board is being 3 (e) 14 4 0 10 9 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100 101 102 103 104 105 106 107 108 109 110 111 112 113 114 115 116 117 118 119 120 121 122 123 124 125 126 127 128 129 130 131 132 133 134 135 136 137 138 139 140 141 142 143 144 145 146 147 148 149 150 151 152 153 154 155 156 157 158 159 160 161 162 163 164 165 166 167 168 169 170 171 172 173 174 175 176 177 178 179 180 181 182 183 184 185 186 187 188 189 190 191 192 193 194 195 196 197 198 199 200 201 202 203 204 205 206 207 208 209 210 211 212 213 214 215 216 217 218 219 220 221 222 223 224 225 226 227 228 229 230 231 232 233 234 235 236 237 238 239 240 241 242 243 244 245 246 247 248 249 250 251 252 253 254 255 256 257 258 259 260 261 262 263 264 265 266 267 268 269 270 271 272 273 274 275 276 277 278 279 280 281 282 283 284 285 286 287 288 289 290 291 292 293 294 295 296 297 298 299 300 301 302 303 304 305 306 307 308 309 310 311 312 313 314 315 316 317 318 319 320 321 322 323 324 325 326 327 328 329 330 331 332 333 334 335 336 337 338 339 340 341 342 343 344 345 346 347 348 349 350 351 352 353 354 355 356 357 358 359 360 361 362 363 364 365 366 367 368 369 370 371 372 373 374 375 376 377 378 379 380 381 382 383 384 385 386 387 388 389 390 391 392 393 394 395 396 397 398 399 400 401 402 403 404 405 406 407 408 409 410 411 412 413 414 415 416 417 418 419 420 421 422 423 424 425 426 427 428 429 430 431 432 433 434 435 436 437 438 439 440 441 442 443 444 445 446 447 448 449 450 451 452 453 454 455 456 457 458 459 460 461 462 463 464 465 466 467 468 469 470 471 472 473 474 475 476 477 478 479 480 481 482 483 484 485 486 487 488 489 490 491 492 493 494 495 496 497 498 499 500 501 502 503 504 505 506 507 508 509 510 511 512 513 514 515 516 517 518 519 520 521 522 523 524 525 526 527 528 529 530 531 532 533 534 535 536 537 538 539 540 541 542 543 544 545 546 547 548 549 550 551 552 553 554 555 556 557 558 559 560 561 562 563 564 565 566 567 568 569 570 571 572 573 574 575 576 577 578 579 580 581 582 583 584 585 586 587 588 589 590 591 592 593 594 595 596 597 598 599 600 601 602 603 604 605 606 607 608 609 610 611 612 613 614 615 616 617 618 619 620 621 622 623 624 625 626 627 628 629 630 631 632 633 634 635 636 637 638 639 640 641 642 643 644 645 646 647 648 649 650 651 652 653 654 655 656 657 658 659 660 661 662 663 664 665 666 667 668 669 670 671 672 673 674 675 676 677 678 679 680 681 682 683 684 685 686 687 688 689 690 691 692 693 694 695 696 697 698 699 700 701 702 703 704 705 706 707 708 709 710 711 712 713 714 715 716 717 718 719 720 721 722 723 724 725 726 727 728 729 730 731 732 733 734 735 736 737 738 739 740 741 742 743 744 745 746 747 748 749 750 751 752 753 754 755 756 757 758 759 760 761 762 763 764 765 766 767 768 769 770 771 772 773 774 775 776 777 778 779 780 781 782 783 784 785 786 787 788 789 790 791 792 793 794 795 796 797 798 799 800 801 802 803 804 805 806 807 808 809 810 811 812 813 814 815 816 817 818 819 820 821 822 823 824 825 826 827 828 829 830 831 832 833 834 835 836 837 838 839 840 841 842 843 844 845 846 847 848 849 850 851 852 853 854 855 856 857 858 859 860 861 862 863 864 865 866 867 868 869 870 871 872 873 874 875 876 877 878 879 880 881 882 883 884 885 886 887 888 889 890 891 892 893 894 895 896 897 898 899 900 901 902 903 904 905 906 907 908 909 910 911 912 913 914 915 916 917 918 919 920 921 922 923 924 925 926 927 928 929 930 931 932 933 934 935 936 937 938 939 940 941 942 943 944 945 946 947 948 949 950 951 952 953 954 955 956 957 958 959 960 961 962 963 964 965 966 967 968 969 970 971 972 973 974 975 976 977 978 979 980 981 982 983 984 985 986 987 988 989 990 991 992 993 994 995 996 997 998 999 1000

5. Approved – Expenditure Plans of the 2013 Registration Fee Increases Agenda Item #3) The Board of Regents approved each institution as presented for expenditure of the funds generated by the permanent registration fee increase of 8 percent for academic year 2012-13 for undergraduate students ~~only~~ approved by the Board at its December 2011 meeting. [Spec 53ra f6 rTJ .e ingoveE-2 (on)]-

5. Approved -Expenditure Plans of the 2012-13 Registration Fee Increases Agenda Item #3) – (Cont'd.)

Regent Melchee echoed the comments of Regent Wixom, adding that he was pleased with the process in terms of collaboration. He hoped that this type of process would become the culture for the campuses and with the Board.

Regent Anderson also expressed her appreciation for the process. She felt that each institution had investigated and found the areas of the most need for their students. She emphasized that most of the concerns that she has received were in regard to admissions and records. She cautioned that, as staff transition in and out of that department, it was important to bring in longtime employees that have the history and experience to appropriately train new staff.

Regent Crear requested clarification of the difference between general improvement fees and special course fees. Chancellor Klatt replied that there are special course fees that are basically consumables which does not include faculty time. When those special course fees come to the Board every December, faculty salaries will not be included in those fees. However, with respect to general fee increases that are voted upon from time to time such as these, there is no limitation on how those fees are used other than the plans presented to the Board for approval. He acknowledged that the corresponding plans before the Board that day do include plans to hire and emphasized that is not a restriction. When the proposed plans were presented to him there were some line items that dealt with overall enhancements or supplements to general faculty benefits. He had encouraged the presidents to remove those items and to target funds in those areas that would enhance the student experience.

Regent Crear asked if the fee increases were providing additional staff and faculty instead of supplementing the current faculty and staff. Chancellor Klatt stated that was correct.

Regent Crear asked what the baseline of the fees was and what incremental enhancements were. President Smatresk replied that for UNLV, all of the new positions are incremental to build upon high demand areas. Chair Geddes noted that all the institutional presidents concurred with President Smatresk.

Chair Geddes asked President Smatresk to bring back to the Board a report on what courses were identified as the “bottleneck courses.”

Regent Trachok referred to Page 3 of Ref. BOR and asked President Smatresk if the \$1.5 M in Student Services is for additional personnel or support of existing services. President Smatresk indicated that support does not always mean the hiring of additional personnel. He pointed out that for library support the funds will be used to maintain periodical databases. He explained that the cost of periodicals, despite the recession, has inflated at a rate of 15 percent per year. If the item budget was not increased, UNLV would lose 15 percent of the periodicals which were critical for graduate and undergraduate research. Other line items are for additional staff in critical support roles which are the best indicator of student success and support.

Regent Leavitt left the meeting.

5. Approved -Expenditure Plans of the 2012-13 Registration Fee Increase (Agenda Item #3) – (Cont'd.)

Regent Trachok again referred to Page 14 of Ref. BOR4 and asked President Sheehan to elaborate on the line item "Provide retention services for first-time, full-time degree seekers: advising, recruiting, testing and assessment staff" for \$196,000. President Sheehan related that those will be support staff, recruiters and retention specialists. TMCC had received a grant that allowed tracking of increased retention from the results of that tracking, TMCC will be able to institutionalize best practices.

Regent Trachok moved approval of each institution's plan for expenditure of the funds generated by the permanent registration fee increase of 8 percent for academic year 2012 for undergraduate students as approved by the Board at its December 2011 meeting in Regent Wixom seconded.

Regent Alder indicated that he would like to see the average 15 percent for student aid increased to 18 or 20 percent if possible

Motion carried.

6. Approved -Student Registration Fee Distribution, 2012-13 (Agenda Item #4) – The Board of Regents approved distribution of the permanent registration fee increase of 8 percent for academic year 2012 for undergraduate students as approved at the December 2011 Board meeting that will modify the allocation of student registration fees between the state supported operating budget and amounts retained by the institution (TCOM, Chapter 7, Section 15) A portion of this increase will be distributed to the State Supported Operating Budget consistent with the 2010 Letter of Intent and the remainder is in the campus retained (non-state) portion of the budget to fund student access based financial aid and other institutional expenditures (Ref. BOR4 on file in the Board office).

Vice Chancellor of Finance Mark Stevens reported that the proposed distribution is consistent with the campus expenditure plans as approved in the previous agenda item. The proposed distribution fully complies with the 2010 Letter of Intent concerning allocation of registration fees between state supported operating budgets and amounts retained by the institutions.

The revenues generated from the fee increase will be allocated to three different areas. A portion is allocated to the state supported operating budget of each institution based on the provisions included in the 2010 Letter of Intent. The balance of the fees will be retained in each institution's self supporting budget in two different areas. The first is that a total of 15 percent of the registration fee increase is allocated to student financial aid. The second is that the balance of the student fee increase is allocated to the general improvement category. One hundred percent of the funds generated by the fee increase will be utilized at the institution where it is generated.

6. Approved -Student Registration Fee Distribution, 2012-13(Agenda Item #4) (Cont'd.)

Regent Alden moved approval of the distribution of the permanent registration fee increase of 8 percent for academic year 20123 for undergraduate students as approved at the December 2011 Board meeting that will modify the allocation of student registration fees between the state supported operating budget and amounts retained by the institutions(PGM, Chapter 7, Section 1.5) Regent Wixom seconded. Motion carried.

7. Action Taken -Report on the Committee Study the Funding of Higher Education
(Agenda Item #5) The Board of Regents accepted Chancellor Daniel J. Karp's report on
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7. Action Taken -Report on the Committee to Study the Funding of Higher

7. Action Taken -Report on the Committee to Study the Funding of Higher Education (cont'd.)

Regent Knecht asked what provisions would be available for updating those factors or would the weights be etched in stone. Chancellor Klumpp said that this was not a process that should be undertaken casually and would hope that the weighting of the metrics would be done with reference to significant and well understood factors that would stand the test of time. With respect to enhancement or changes of the formula, he felt that could be done on a biennial basis in discussion with the legislature and executive branch

Regent Knecht noted that there is a continuing evolution of flexibility and change with respect to the formula. He said that the formula should be reviewed on a regular basis and that the formula should be flexible enough to allow for changes in the future.

7. Action Taken -Report on the Committee to Study the Funding of Higher Education (cont'd.)

Regent Knecht indicated that he could not completely track the proposals and would consult further with the Chancellor and staff. He asked if the legislature would essentially be able to go in and say weighting factors such as student credit hours, research mission or economies of scale are wrong or would the legislature essentially still be looking at a line item total for each institution as is done under the current formula. For example, if the legislature had a surprising good year and there were tuppoo(a)4 (d notr)3 (t)-2 (h ol]T 5 m)]TJ caydtaisCin e

7. Action Taken - Report on the Committee to Study the Funding of Higher Education (cont'd.)

have done so for years. The System will borrow from the expertise of those states and will try to incorporate the best of those practices into the new formula

Regent Tracholask asked if the base funding portion of the formula was taken from other states such as Texas. Chancellor Klaich related that he has reviewed the Texas formula and although the cost-weighted matrix is at the core of that state's model, he was not ready to tell the Board to make all its decisions based on cost.

Regent Tracholask asked what the timeline for rolling out the various components of the formula and how the Board could help. Chancellor Klaich replied that by state, budgets are required to be submitted to the Governor by September 1st of every even numbered year. Working backwards from that date, there are four and half months in which to finish the process

Regent Tracholask asked what the Board could do to help with the process. Chancellor Klaich asked that the Board continue to identify concerns and ask questions that System staff can develop an appropriate planning document.

Regent Anderson was excited that for the first time, the funding formula will take into account the differing missions and cost of providing courses at the different institutions and will provide the institutions with (a)4 (nd)]whit, (s)-1 (a)4 (o)]Tul (To)4 (av)(0d)du (d)75620 TolJ

8. Information Only -New Business ~~Agenda Item #8~~ Regent Melcher requested that the Board discuss service areas at its next meeting in terms of strategic planning and the funding formula. He was very interested in seeing if all areas were served in an equitable manner which institutions could best provide quality services in certain areas and how those services should be provided.

Regent Crear referred to a recent article in the Chronicle of Higher Education titled "Conflicts Abound for College Chiefs on Corporate Boards," that raised questions regarding the compensation and appropriateness of college chiefs serving on one or several corporate boards while representing an institution as well. He asked that a policy be proposed at a future meeting to address those types of conflicts.

Chair Geddes related that Vice Chancellor Nichols would be retiring at the end of January and expressed gratitude to her on behalf of the entire Board.

9. Information Only -Public Comment ~~Agenda Item #9~~ Ms. Riley related that the students have maintained a strong presence at the Committee to Study the Funding of Higher Education meetings and requested that the student body presidents be notified of future meetings.

Meeting adjourned at 1:59 a.m.

Prepared by: Jessica C. McMullen
Special Assistant and Coordinator to the Board of Regents

Submitted by: Scott G. Wasserman
Chief of Staff and Special Counsel to the Board of Regents

Approved by the Board of Regents at the April 20, 2012, meeting.