

UCCSN Board of Regents' Meeting Minutes  
May 2-3, 1995

05-02-1995

Pages 222-257

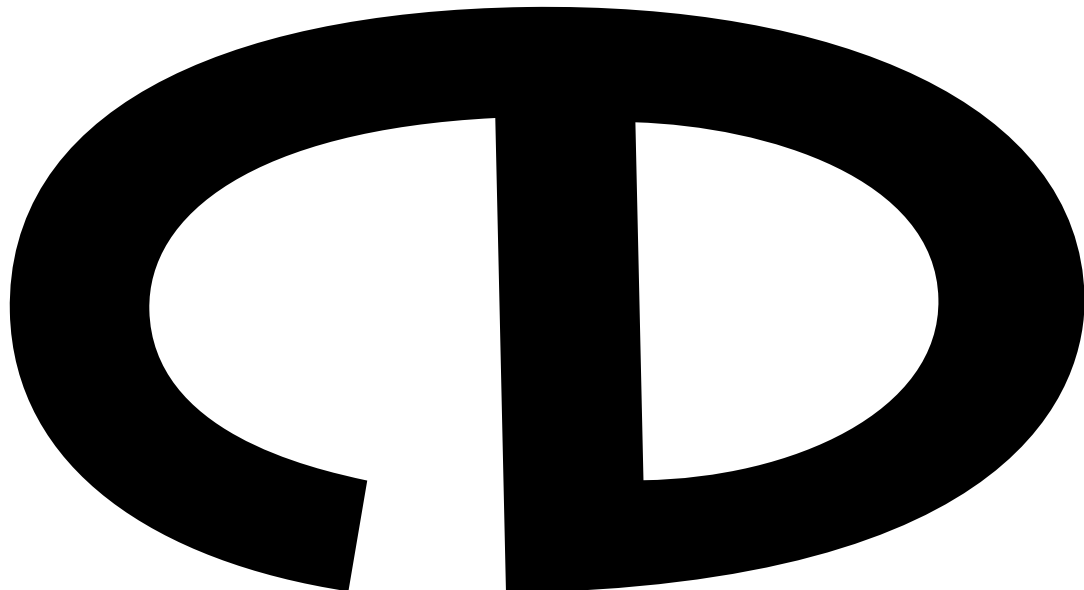
BOARD OF REGENTS

UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA

May 2, 1995

The Board of Regents meeting was held in the Conference Room of the System Administration building in Reno on May 2, 1995.

Members present: Dr. James E





Regent Price as Chair of the Audit Committee and the  
subsequent behavior of Regents and staff, including  
the history of the Board, both before

reasons: 1) The "Lonnie Hammargren rule" will be used for the first time. That rule came about as a change to the Open Meeting Law which now prohibits discussion of an elected

Mrs. Price: This has been a problem over the years,  
and my contention is that we need to face the problems  
and solve them, rather than to just move on.

Slide: Who Decides?

Mrs. Price stated that what she has observed after being  
on the Board that there is an enormous, and appropriate,  
amount of power on the Board of Regents. She contends  
that the power has been usurped in various ways by  
various entities, and who governs this Board is the  
underlying reason for why there have been so many prob-  
lems over the years. The Constitutional authority of  
the Board is very important, and she considers that the  
Board has given away its authority over the last 14-15  
years, did not have the authority to do so, and needs  
to get back to being a governing board.

Slide: Glossary of Terms. Agenda Setting - 1. The process of  
deciding what issues will be considered at a formal  
meeting.

Mrs. Price: That is pretty straight-forward.

nature of court. Extensive use of the mass media can

take a relatively unknown or unsupported issue and

through publicity, expand the numbers who care about



learn about the Constitution and the law.

Mrs. Price: I am talking about, and my remarks have always been, toward the structure of the System, and regardless of who is involved, the culture would be the same. I feel it is my duty as an elected official because I believe it is contrary to the Constitution and to the law.

Slide: Overview of Presentation - Why I resigned as Chair of the Audit Committee - in protest - at the last Regents meeting. What I believe are the underlying causes of at least 15 years of turmoil: Role and Responsibility of Regents, Structure of Fugd Raising

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Mrs. Price: ■presidents Council sets the agenda. The

interface by those people with the Governor and the

Legislature and the Board is not represented there.

The President with the Foundation or the Foundation

with the President, depending on which is stronger at

which end of the State. And, the Chancellor has played

a different role in this. In my 2 1/2 years there have

been 3 Chancellors, but it usually falls on the side of

the Presidents. And just to remind you, it didn't start

with me.

Slide: Questions - Why doesn't the Board have a written report

from Mort Galane? Why allow anonymous donor to cloud

issue? Why did the Board pay 1ddn

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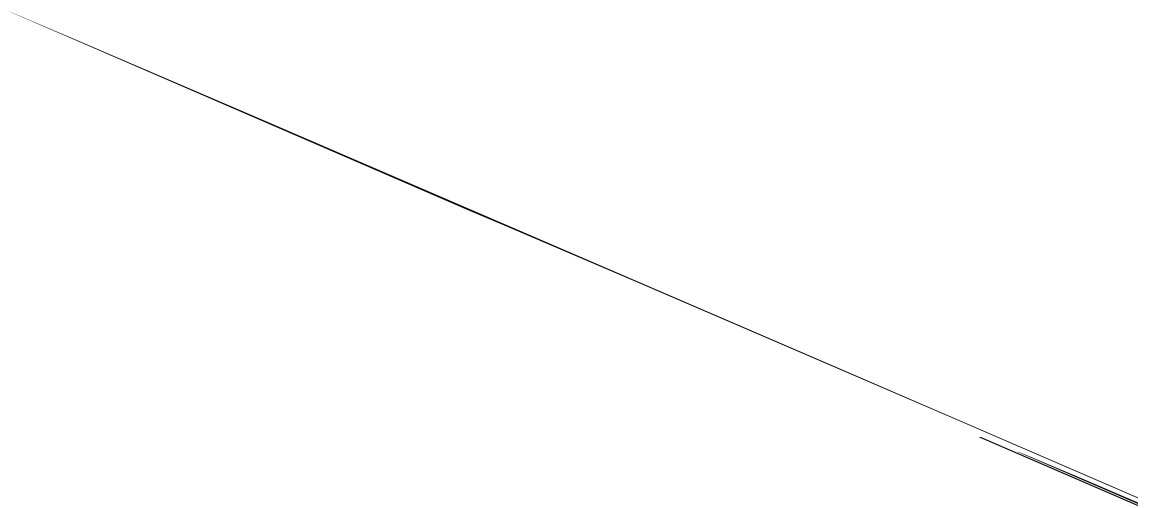
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The same way with the UNLV Presidential Search. If you recall the first vote was against the recommendation.

Why doesn't the Board have a written report from Mort Galane? It is in the minutes of the meeting that dan



Slide: What I Did and Why - My resignation as Chair of Audit.

Comparison to UNLV President votes. Request Opinion

from Attorney General. Chancellor's view of structure

and his role. Challenge on Open Meeting Law. New

Regents appear to accept existing "culture". "The

Culture of "

Slide: "Substantiated Accusations" by Regent Price - History of

safe. We talked about this at the WNCC search committee and the idea of a pre-determined candidate is one of the great worries of many people that applied for a job.

[REDACTED]

The only accusation that I was questioned on. At first

[REDACTED]

I did not know anything about the media advisory, but

I was asked about a statement I made about scholarship money going to pay the Massamino contract. I have copies of the minutes where I got that statement from.

Slide: Other Statements by Regent Price - (In response to why

I was being attacked by fellow Regents - Jeff German).

[REDACTED]

Regent Donkey running for Cong,

[REDACTED]



Foley's insinuation March 30. Regent Graves "Gazette" and "Sun". Chairman Eardley's control of discussion, agenda, media advisory.

Mrs. Price: All my life I have had to substantiate my statements either because of having to do it for academic reasons or believing that short females have to substantiate everything they say. So, I have the tapes that go along with these 1993 remarks, and they were quite

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Foundations the problems I saw with them -- and this was  
the day the two new Regents were sworn in -- he stated  
that "You'd better be careful. You're pissing a lot of  
people off. And go to hell."

This next was private between Mr. Fol

Mrs. Price: Why would ther

indicated with regard to the Chancellor's wife's job

comments to members of the public in a public meeting.

He told a public member to go to hell the incident

surrounding the UNLV President that resulted in actual-

ly, as I understand it by a pt



Mrs. Price: Here are some of the means to keep us from being a governing board. And many of them I have mentioned. They are pretty standard ways, to restrict information and resources, not that Regents do not receive lots of "stuff", but it may not be appropriate.

Slide: Why Now? - Massamino Contract and Ethics Commission

Decision. Risk Tax Status. Treatment of UNLV President finalists. Votes on UNLV President and External Auditor. New people assimilating into the existing culture: Chancellor, New Regents.

Mrs. Price: The Massamino contract and the Ethics Commission Decision bring about a very serious problem and through the last 1 1/2 years I have brought it up time and time again but unfortunately only to have it argued about. What happened in the Massamino contract I believe may risk the Foundation's tax exempt status, but unless we don't do anything about it, we may be risking our own tax exempt status.

We have expanded our negative image around the country from Athletics to Presidential searches. We had a lot of good candidates because of the good time to be search-



report from Mort Galane. We never discussed the Ethics Commission Decision has an agenda item. You have to ask questions when you have a "Varsity Club" being formed the next day after Foundation records are subpoenaed. And then you have a Senate Bill, that if it had gone through in its original form, would have made the Massamino contract legal. And we have an anonymous donor paying for a report that we have never

maybe I am wrong. We have to be concerned about our  
donors.

Slide: Request for Attorney O e



states differ from ours. Most are under control of State. We have responsibility for structure. There is little or none. Importance of Audit. Importance of Evaluation. Importance of Regent Oversight.

Mrs. Price: Having constitutional power is enormous and the importantn





will put up fight, but we are the governing board.

Mrs. Price: I would like to see a public statement of the Board's intent to change, and are willing to address the problems on the Board.

Slide: Summary - Why I resigned as Chair of the Audit: New people conformed to "Culture". What I believe are the underlying causes of at least 15 years of turmoil: Rol

transfer of power".

Mrs. Price: My recommendation is to face and deal with the problems as they come along and not try to gloss them over.

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Thank you for your attention and thank you, Chairman Qa 5  
Eardley, for allowing me this opportunity.

Mrs. Price presented an article by George Franklin, filed in the Regents' O 5— . â

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he could not continue serving on the Board. He had never  
been asked to be a part of that and would feel pointless  
in being here.

Mr. Klaich found the discussion rather distracting because  
he was not s







could not talk, it was wasting both their and the Board's time. The Board has now selected a Chancellor and Vice Chancellor and very strong Presidents on each Campus to speak for the Board. The Board has had 1 1/2 years to voice its opinion on the budget. The Chairman and Vice Chairman of the Board are the representatives of the Board for these legislative me

stated that obviously she and Mrs. Price were not going to agree on this matter. She agreed that the Board does have an obligation to be at the Legislature, and it is fulfilled by having the Chairman and Chancellor represent the Board.

Mrs. Sparks stated the Board has had a number of retreats, maybe not since Mrs. Price has been on the Board, but there have been academic, Board training, etc. However, to indicate that for 15 years there has been no preparation as Board members, she once again would take exception to that statement.

Mrs. Sparks questioned the statement concerning the people who hold the power would fight changes, and asked who those people were. Mrs. Price stated she was not talking about Regents holding the p



Management was an appropriate new major. The Board knows

that there is no mechanism in the current State budget for

funding new programs, and therefore, the System has to

fight for these programs until the enrollment in them grows

and can be placed in the

needed and the Board has received those lists. Mrs. Price again referred to the formation of the foundations and stated the Regents at that time were not all agreed on foundations and were concerned about losing control (as reflected in the minutes). Her contention is that the Board did not have the right to give away that control. She objects to havin

funds to places they choose, and the Board cannot tell them where they will put those funds. These Foundations were not created by the government or the University. They are approved by this Board once their existence becomes viable. These are not government entities and to indicate that they must follow the same rules as the Department of Motor Vehicles is not accurate.

Mrs. Sparks asked Mrs. Price what was meant by her statement on treatment of UNLV Presidential findings. Mrs. Price replied that the dinner that was reported with Carol Harter.

Mrs. Gallagher asked Mrs. Price if she had any other questions. Mrs. Price replied that she did not have any other questions.

Price stated that at that dinner there were 7 or 8 Regents, and the difference between what is a social event and what is a meeting depends on how many Regents are present. She felt that it was a meeting and left. She continued that the dinner was pre-arranged. Not being on the search committee, Mrs. Price stated that her only purpose in being there was to talk with and interview Dr. Olscamp. Mrs. Price continued that it was pre-arranged, had a purpose, there were more than 6 Regents present, and was in a closed room. Reported back from that meeting was that there was a discussion about Paul Olscamp and whether he was at the end of his career.

Mrs. Sparks stated that even if there were 11 Regents present, the man was a potential employee coming to Las Vegas and wanted to meet the Regents and the Regents wanted to meet the candidate. Mrs. Price stated that one of the Regents at that meeting called her the next day and he was the only one she was concerned about that did not know the Open Meeting Law. She indicated to him she considered it

" ~~violation~~

Mrs. Sparks stated that the Regents have been having social events as long as she has been on the Board. Mr. Klasic read the Attorney General's statement from the Nevada Open Meeting Law manual on page 15: "It should be noted that nothing in our Nevada statute purports to regulate or restrict the attendance of members of the various public bodies at purely social functions. The social function would only be reached under the law if it is scheduled or designed at least in part for the purpose of having the members of the public body discuss or take action on official business either between themselves or with other interested parties. As was described in the case of Sacramento Newspaper Guild...there is a spectrum of gatherings of public Agencies that can be called a meeting r



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arranged for pursuit of the public's busi

Graves hosted a party for Dr. Paul Meacham, where Regents

were all there and it was not a problem for her because

there were separate tables and she had made sure she sat

at a table with no other Regents. That was for a social

gathering upon his retirement she had not discussed any

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business and she did not hear any business being discussed

therefore, that was a social event. But, the only oppor-

tunity she had to meet a prospective College President of a

College over which she has an oversight responsibility, and

it was her understanding that it was her only

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the Board does make changes when problems arise. Mrs. Price

stated that it wasn't the records being open, e

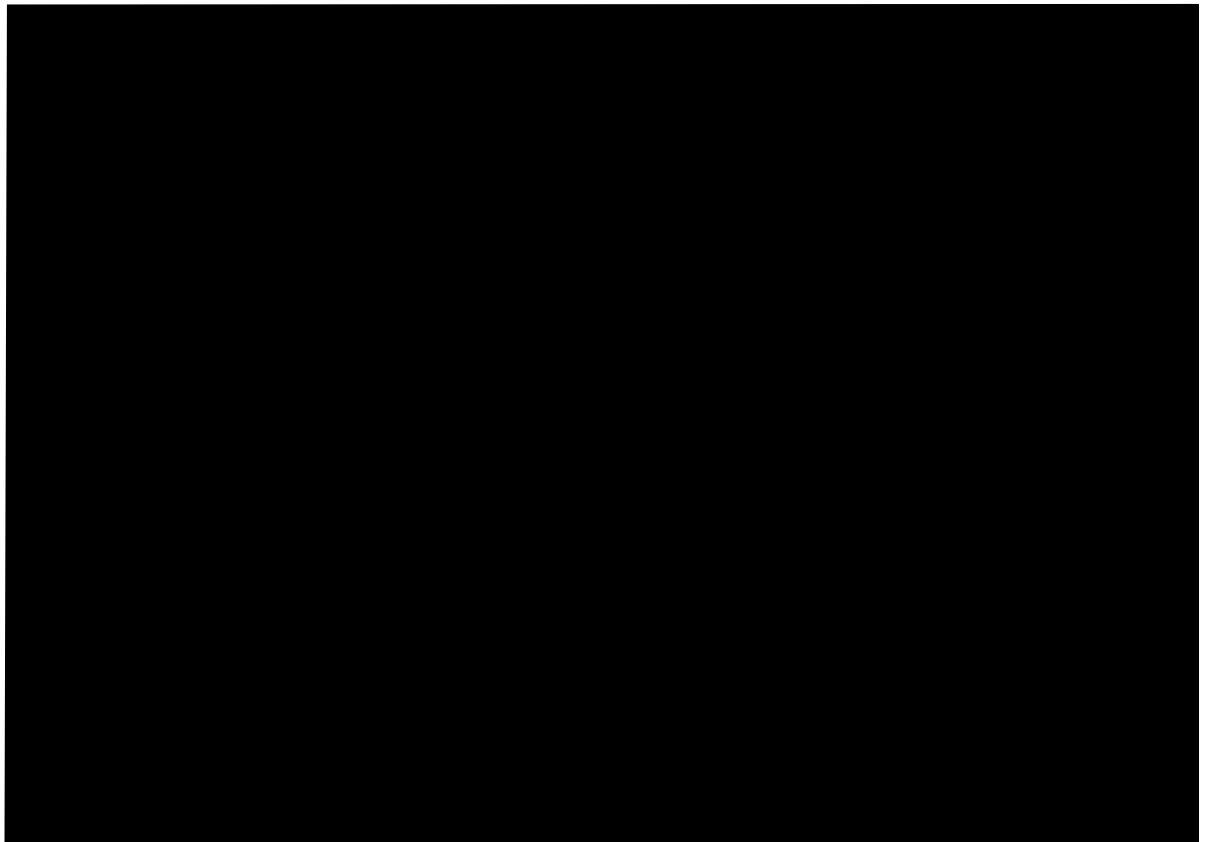
what her liabilities and responsibili

duty and what they are doing, and what she has asked for from Lyle Rivera is research which has been done on donors. At least one research project of which she is aware, is that donors were lost because of the way people feel about the Foundation, which was before she became a Regent. She disagreed that it was not the Board's responsibility because the Regents are the "shareholders" and do have a responsibility. Mrs. Sparks argued that if the donors know their names are to become public, they will not make those donations and the obligation of the shareholders is to support and defend the work of the Foundations.

Mr. Alden thanked Mrs. Price for calling this meeting and for recommending several different publications regarding public policy and trusteeship, all of which he has read. He stated that from all his readings, he did not feel Mrs. Price was a trustee or a Regent. He defined that as 1) Mrs. Price's attack on Mr. Phillips was incorrect in that Mr. Phillips was not present at the Audit Committee meeting and, therefore, did not vote on the recommendation of Coopers-Lybrand as the external auditors. 2) Mr. Alden had clearly indicated throughout the Audit Committee meetings that he did not like the process being followed for the selection of the external auditors wherein the

System auditors were selecting the exter

their structure or their importance, and that she is confused over their tax status. He stated that their tax status is correct. He had Ms. Susan Wasco, a well-versed tax attorney in Las Vegas review the Foundations. Mr. Alden explained that the donor sometimes does not get 100% deduction but that is base



funds.

Mr. Alden stated he was proud to serve on the Board of Regents and discussed his fellow Regents and their service on the Board and dedication to education. He stated that Mrs. Sparks had been viciously attacked over a 2 or 3 year period but had not called for a special meeting, but rather kept on going because she believes in higher education.

Mr. Alden referred to 10 virtues as stated in William Bennett's book: self-discipline, compassion, responsibility, friendship, work, courage, perseverance, honesty, loyalty and faith. He sta







had done that strictly on her own and strictly on the spur of the moment for those two reasons. Therefore, she continued, if Mrs. Price thought there was a conspiracy here, that was totally incorrect. Mrs. Sparks stated she had not spoken to one other person on the Board at the time of her vote.

Mrs. Price returned to the discussion on Mr. Phillips' votes on the Audit Committee. There were two votes, and the indication to her was that the new people were going to conform to the way of the Board. With regard to the April 15, 1995 meeting, that was the only meeting she had not attended. She stated she was in the System Office at 10 A.M. waiting for the meeting to end because from her perspective the meeting was for the benefit of the Board, and she had later learned that it was very beneficial.

She stated that Mr. Alden was correct in that the information going to the Audit Committee is not correct and the Committee should be doing other things. She continued that the Committee is working to bring about changes. She urged the members to read Dr. Bennett's book. She stated th

that she was not making up her allegations, that she had discussed these items with other people. She referred to Mr. Klaich being a tax expert, and he replied that he was not, but the Board had two seminars by Mr. Bill Sutton, who is, and he had not raised some of the concerns that Mrs. Price has found troublesome. Mrs. Price stated there were concerns, the Board has made changes, and those are the first step. Mrs. Price stated that she did see things differently on the Board, but in the best interest of the students and System and they should take due diligence, which means that the problems are to be addressed.

Dr. Derby stated that each member of the Board brings strengths to the Board and needs to work together in the best interests of higher education. She stated that she disagrees with much of what Mrs. Price had raised at this meeting, but not

Board members are the elected representatives of the people and must make clear who is the governing authority and has the right to approve those academic plans. But each member has the right to broach concerns and they should be discussed. She stated she has always been concerned about the Board's public image and did not like these concerns played out in the Press.

With regard to the UNLV search, Dr. Derby stated that it

asks her to have this matter continually rehashed. She

stated that the process of that search was an entirely

open, democratic and collaborative effort on which the

institutional representatives had the maximum amount of

input.

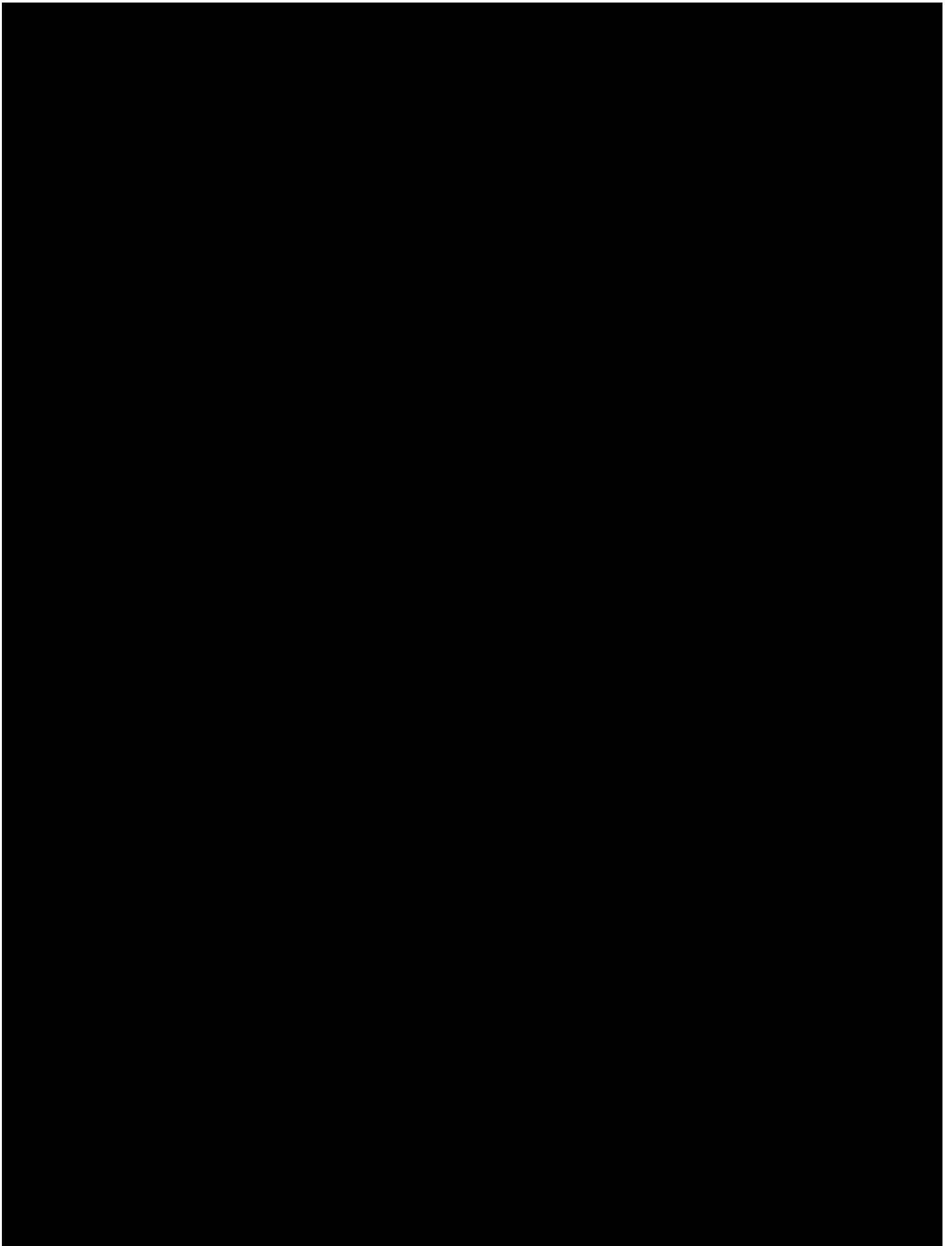
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the recommendations

that there are a number of things h





result.

Mrs. Berkley stated that she had voted against the Audit

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but

Mr. Graves stated that what was presented today he has heard before and it is all "what I can believe", "what I heard", and that he fully believes no one can ever convince

Mrs. Price any di

and that Mrs. Price was the Board's spokesman. He asked what Mrs. Price felt she was doing to the Board when she makes such statements as that the outcome of the search has been predetermin

was a "cozy triangle" working between herself and her husband, Assemblyman Bob Price. AB 495 is known as the "Nancy Price Bill" in Carson City, so that Mrs. Price can put anything she wishes on the agenda in order to totally disrupt the manner in

the Board meeting Mrs. Price had already made a number of charges against him and other Board members. He stated he felt the entire Board deserved an apology from Mrs. Price, and that he did not intend to apologize to her.

Mr. Graves continued that he was very disturbed with Mrs. Price's votes in opposition to anything that has to do with money for programs, a child care center, and others, when aó plans have been presented to the Board, with proper docu-

**SIR** m. on. He discussed the fact that there is one Regent who is discouraging donors who have raised about \$20 million a year for the System that these donors are beginning to question why their effa



she considers, personally, that Mr. Graves should address this matter either personally or with outside help. Mr. Graves asked for an explanation. Mrs. Price related that in the case of Marilou Jarvis she was looking at an attitude toward women which includes that a person d





in any way, shape or form, of ever picking up the phone or  
doing anything to háM

that she does not operat





much information, or how much explana

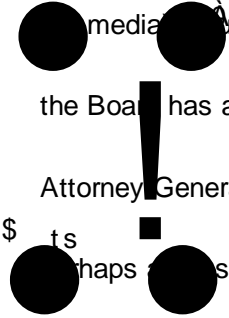


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Mrs. Price stated she had given the reasons why the Board had gotten here the main reason was that for 2 1/2 years she could not get an item on the agenda. She related that if the Board had addressed Foundations then, she would not have to raise the questions at every Board meeting.

Mrs. Price stated that the characterization of what she has said and who she has attacked she does not accept. She mentioned that she should have taken each of the quotes (in

media) and explained them. She reiterated that the Board has a workshop session with Bob Auer (from the Attorney General's office), the report from Monica, perhaps a session on how to deal with the media, a session on conflict of interest, and the role of the Regents to be



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the next time of a search the law had changed, attitudes had changed, and trends had changed, but the Board had not changed and got "noses tweaked", and there is no great mystical meaning of the words "open meeting". He added that he felt this Board needs to be a little bit better losers. He cited Mrs. Gallagher as being an excellent winner and knows how to work the Board. He continued that Mrs. Gallagher is also an excellent loser, because when this Board acts, no one would ever know how she voted one way or the other. Mr. Klaich stated that is what this Board is not very good at -- that a member brings the business to the Board, action is taken, and that is the decision to be upheld. He cited the action taken by the Board at its last meeting which concerned tuition and fees, and that he had not voted on the prevailing side. Upon his return to Reno he had been interviewed and related the Board's position, defying anyone to determine from that

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the request for a workshop on dealing with media however,

with the press -

Mrs. Price, had

other time during his tenure.

#### 4. New Business

None

The meeting adjourned at 5:20 P.M.

Mary Lou Moser

Secretary of the Board

05-02-1995