

CORRECTIONS NOTED ON PGS. 216, 223, 253, & 254

BOARD OF REGENTS
UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA
Building C, Room 133
Community College of Southern Nevada
700 College Drive, Henderson
Thursday-Friday, April 18-19, 2002

Members Present: Mrs. Thalia Dondero, Chair

Mr. Mark Alden
Dr. Jill Derby
Mrs. Dorothy S. Gallagher
Mr. Douglas Roman Hill
Mrs. Laura Hobbs
Mrs. Linda Howard
Dr. Tom Kirkpatrick
Mr. Howard Rosenberg
Mr. Doug Seastrand
Mr. Steve Sisolak

Others present: Chancellor Jane Nichols
Vice Chancellor, Finance & Administration Dan Miles
Vice Chancellor, Academic & Student Affairs Richard Curry
General Counsel Tom Ray
President Ron Remington, CCSN
President Stephen Wells, DRI
Interim President Carl Diekhans, GBC
Interim President Chris Chairsell, NSCH
Interim President Rita Huneycutt, TMCC
President Carol Harter, UNLV
President John Lilley, UNR
President Carol Lucey, WNCC
Chief Administrative Officer Suzanne Ernst

Also present were faculty senate chairs Mr. Ruell Fiant, CCSN Mr. William Albright, DRI Mr. John Patrick Rice, GBC Dr. Eun-Woo Chang, TMCC Dr. Arthur Broten, UCCSN Dr. Stephen Carper, UNLV Dr. Paul Neill, UNR and Mr. Richard Kloes, WNCC. Student government leaders present included Ms. Deborah Faust, GBC Ms. Michelle Lacerda, TMCC Mr. Paul Moradkhan, UNLV Ms. Rana Koran, UNLV-GSA Mr. Matthew Wolden, UNR and Ms. Marilou Woolm, UNR-GSA.

Chair Thalia Dondero called the meeting to order at 1:10 p.m. on April 18, 2002 with all members present.

1. Introductions – Dr. Lilley introduced the new ASUN Student Body President, Ms. Alicia Lerud and expressed his appreciation to outgoing president Mr. Matthew Wolden. President Harter introduced Mr. Erik Ball, the new editor of the Tgdgn [gmn]. She related that former editor, Mr. Mike Ziegler, had done a good job. President Wells thanked outgoing Faculty Senate Chair, Mr. William Albright for his service. President

1. Introductions – *Eqpvøf0+

Remington thanked outgoing Faculty Senate Chair, Mr. Ruell Fiant for his service, and introduced his replacement, Ms. Joan McGee. President Lucey introduced Dean Connie Capurro who presented the remedial education report during the ARSA Committee. She also thanked outgoing Faculty Senate Chair, Mr. Richard Kloes for his service. Regent Steve Sisolak introduced Regent candidate Mr. Starvos Anthony.

2. Chair's Report – Chair Dondero thanked CCSN for hosting the meeting. She announced that Mr. David Fulstone would replace Mr. Bruce James on President Stephen Wells' evaluation committee. She also announced the establishment of a new committee to evaluate the criteria and procedures for selecting Distinguished Nevadan award recipients. The committee will be comprised of Regents Thalia Dondero, Dorothy Gallagher, and Laura Hobbs. They will examine the process and make recommendations over the next few months. Chair Dondero reminded Board members about the upcoming ACCT Regional Seminar to be held June 9-12 at the Mandalay Bay Resort in Las Vegas. She then extended the Board's thanks to outgoing Presidents Dr. Rita Huneycutt and Mr. Carl Diekhans, adding that they had been a source of great support to their institutions.

Chair Dondero reported that Regent Howard Rosenberg spoke with a group of middle school students about the importance of staying in school and continuing their education. Regent Rosenberg stated that it had been a wonderful experience and recommended that other Regents take advantage of such opportunities, adding that Chair Dondero had also visited a group of students recently.

Chair Dondero introduced Mr. Ray Elgin, President of the 4-H Leaders Council, and Ms. Sylvia Beaman, Vice President, from the Pahrump 4-H Club. Mr. Elgin and Ms. Beaman presented Regent Sisolak with a plaque expressing their appreciation for his efforts in helping the 4-H group in Pahrump move into a larger building.

Chair Dondero reported that certain agenda items would be heard out of the order presented to accommodate individuals' travel schedules.

3. Chancellor's Report – Chancellor Nichols reported that the Board would hear a report about the new collaborative agreement with the State Board of Education, which was an outgrowth of the joint meeting held in January. She indicated that she was working with Chair Dondero and Dr. Jack McLaughlin to schedule another joint meeting with the State Board of Education that would also include members of the county school boards. She stated that she was pleased to present the final draft of the Master Plan, which has drawn positive attention across the country. She has been asked to make a presentation to the Society for College and University Planning about the comprehensive process the Board used to develop the Master Plan. Chancellor Nichols reported that Governor Guinn nominated her to attend the 2002 Women's Leadership Conference to be held in Washington on May 13-14, 2002. The conference agenda will focus on proposals to protect and strengthen families, create economic growth, and ensure educational opportunities for all citizens.

4. Approved-Review and Future Status of Nevada State College, Henderson – The Board assessed the development and current status of the college and determined whether to continue operation of the college or to terminate the college at this time.

Regent Kirkpatrick observed of reaffirming the Board's commitment to NSCH. Regent Alden seconded.

Regents Kirkpatrick and Sisolak noted a point of order. General Counsel Ray advised Chair Dondero that she could recognize whomever she chose to. Regent Kirkpatrick observed that the Chair had already recognized him. Chair Dondero agreed. Regent Kirkpatrick asked that the motion be held in abeyance to allow him to

the Acting President. He told Dr. Chairsell that she was tremendous and wonderful, but she was not a college president. He related that she had no line management experience, adding that a college president required a lot of that.

4. Approved-Review and Future Status of Nevada State College, Henderson –*Eqpvøf0+

He indicated that she did not have the background, training, or experience needed to make decisions, adding that she would need to rely upon what others told her. He felt that he should have addressed this issue with the Chancellor. He related that the Board did not have the same input when appointing interim positions as they did for permanent positions. He felt the System required the most qualified individual in the position in order to open the college on time.

Regent Kirkpatrick reported there were 60 student applications on file for NSCH. He related that newspapers reported that Dr. Chairsell said they would begin with 50 students. He stated that 50 students would result in a cost of \$76,000/student. He indicated that even 200 students would result in \$19,000/FTE. He related that the governor has reported the state is facing a \$240 million shortfall this biennium. The governor has indicated that he won't reduce the education appropriation. Regent Kirkpatrick felt the Board has a responsibility in this financial crunch and budget shortfall to do their part. He questioned whether the Board could justify opening a new college at this time. He stated there were 30,000 students at CCSN who would be shorted in the coming budget cycle and urged the Board not to spend money on a new college at this time. Regent Kirkpatrick suggested making a motion once discussion was completed. Chair Dondero noted there already was a motion on the floor.

Regent Kirkpatrick moved that, due to present unknowns relating to the opening of NSCH, the opening be delayed until after the next legislative session. Regent Sisolak seconded.

Regent Hill observed a point of order, stating there was a motion on the floor. Chair Dondero acknowledged the original motion.

Regent Howard requested an opinion from General Counsel regarding whether Regent Kirkpatrick's point of order had precedence over the motion on the floor.

Regent Hill noted a point of order, adding that the Chair should rule the most recent motion out of order. Regent Howard stated that she wanted an opinion from General Counsel.

Regent Kirkpatrick stated that the Chair had recognized him first, adding that he had the floor and that the Chair could not allow someone else to take precedence because he had not relinquished the floor. General Counsel Ray stated that the Chair ruled. He related that the Chair had indicated that she had accepted the motion by Regent Seastrand, which was seconded. He related that any Board member could appeal the ruling of the Chair.

Regent Kirkpatrick appealed the ruling.

Regent Sisolak noted a point of question. He asked whether a person who had not been recognized could make a motion. Chair Dondero stated that she had recognized the motion. General Counsel Ray stated that the Chair had indicated that she recognized or accepted Regent Seastrand's motion. Chair Dondero requested the motion be re-read.

4. Approved-Review and Future Status of Nevada State College, Henderson –*Eqpvøf0+

Regent Seastrand moved approval of reaffirming the Board's commitment to the state college. Regent Alden seconded. At which time, Regent Kirkpatrick asked to explain his reasoning for bringing the item forward. Regent Sisolak noted a point of order. General Counsel Ray stated that the Chair could recognize whomever she chose to. Regent Kirkpatrick observed that the Chair had already recognized him. Chair Dondero agreed. Regent Kirkpatrick asked that the motion be held **Mis###**

Regent Seastrand proposed a friendly amendment to the motion that NSCH be opened in Fall 2002. Regent Alden accepted the friendly amendment.

Regent Hill felt that it was an important time to consider the future of the State of Nevada and, more importantly, the City of Las Vegas and Clark County. He praised the U.S.'s overall legal system and its system of education and its system of education and its system of education. He reported that the U.S has a better-educated populace than nearly any country in the world, adding that education was the future of this country. He observed that Nevada has the highest growth rate, one of the highest high school dropout rates, and the lowest rate of matriculation to college in the nation. He stated that Nevada has only two universities

4. Approved-Review and Future Status of Nevada State College, Henderson and no state college, adding that the universities had recently increased their admission requirements. He urged Board support for the state college.

Regent Seastrand expressed his appreciation to Regent Kirkpatrick for taking the time to share the state college's history with the Board. He also felt it important for the Board to consider Regent Hill's remarks. Regent Seastrand observed that long-term planning often presented short-term problems, adding that he considered the state college a long-term solution. He acknowledged that the State of Nevada was in a very difficult financial situation. He favored starting the college as soon as possible because he felt it would cost less in the long run and would enable more people to be educated. He felt that more people with college degrees was good for Nevada. He acknowledged that the Board would be criticized in the short-term because of the cost. He observed there were 64 people in the first class held at Nevada Southern. He said that he was gratified to support NSCH.

Regent Hobbs stated that her concerns related to financial and fiscal responsibility. She acknowledged the state's deficit and that the legislature would be faced with cutting programs. She felt the Board should really think about how money is spent and where it is going. She agreed that the college was a good idea and she supported the location. Her concerns related to the short term. She observed that even 250 students in September would still be double the amount appropriated to university-level instruction, which was the most significant consideration for her in arriving at a decision.

Regent Derby stated that she was very proud of the state college initiative. She observed that the RAND Report revealed that Nevada would likely require more than one state college in order to educate more Nevadans than are now. She was glad the Board was ahead of the curve. She appreciated Regent Kirkpatrick's recounting of the history, adding that the state college had been under consideration for the past 3 years. She was proud of the process leading to the establishment of the college and addressing the community's needs. She was also proud of the committees established by Chair Dondero, as well as the community support and engagement during this process. She related that the Board had provided a model for how to establish a new state college in a thorough and inclusive manner. She said that she was proud of the Board's work, adding there had never been a new project that did not invite opposition. She expressed her pleasure that the Board would finally approve the September 2002 opening of the state college. She thanked former President Moore and Acting President Chairsell for their leadership, as well as community leaders who were involved.

Regent Sisolak expressed his appreciation for Regent Kirkpatrick's efforts. He was troubled that the Board chose to cut off debate on this issue. He said that some of his questions might make people feel uncomfortable, adding that he felt he had a fiduciary responsibility to his constituents. He observed that September 11th had changed everyone's life, as well as Nevada's economy, forever. He acknowledged the state's \$250 million budget shortfall, adding that the governor had spoken of flat budgets and budget cuts. He said that he did not know where the money would come from. He observed that students would be most affected. He said that he thought the state college was a good idea, but he failed to see the need to open the college this year. He hoped the state

4. Approved-Review and Future Status of Nevada State College, Henderson college would be the best institution possible. He expressed concern for opening the state college in an uncertain financial climate without negatively impacting the other institutions. He felt that the \$3.75 million allocated to

NSCH could better serve existing institutions, adding that he had significant concerns about ongoing expenses. He asked the Chancellor whether a minimum number of enrolled students had been determined as necessary in order to open the college on Sept. 3rd. He also asked whether discussion of an enrollment minimum would be appropriate. Chancellor Nichols replied that many discussions had been held over the past few months about whether to open the college in the Fall and whether it was feasible. To her knowledge, no minimum enrollment number had been determined. She said that part of the difficulty in determining a minimum number was that the institutions were funded on an annual average FTE. She explained that the Spring and Fall enrollments would be equally important in establishing the annual FTE. She related that the State had historically not required a refund when UCCSN failed to enroll the number projected, adding that CCSN was currently funded for more students than it enrolled. She stated that she did not want to squander state funds, adding that she hoped to have 500 FTE by the end of the Spring semester. Regent Sisolak asked whether the college would open with only 35 enrollments. Chancellor Nichols replied that it would be a Board decision. She said that everyone hoped for more than 35 students on the first day of class. Were that to happen, System Administration would be aware of that situation prior to September 3rd and the Board would have an opportunity to review that. She stated that the Board could establish and pursue a minimum number of enrollments if so desired.

Acting President Chairsell reported there were nearly 70 applications with no student recruitment efforts. The college tallied 110 phone calls in the last week expressing interest in enrolling. She said she would follow the will of the Board. If the Board wanted NSCH to open on September 3, 2002, an aggressive student recruitment program would be initiated. She explained that she could not do that prior to receiving Board approval of the

some assurance from the Board that the programs were approved and the enrollments would follow. He urged the Board to give the college a chance, adding that the long-run benefit would be worth the risk. He was not concerned with establishing a minimum number, adding that the college was needed and the students would come.

Regent Gallagher stated that, if the state college had not received money from the legislature, she had no confidence that it would have been shared with the other institutions, but rather used somewhere else. She cited Board contention regarding NSCH as the likely cause for low enrollments to date. She encouraged Board support for the college, adding that discussion regarding the number of students or the amount of money raised could be entertained in plenty of time for the Board to reconsider their decision.

Chair Dondero requested a roll call vote. Ms. Ernst explained that a “yes” vote would support Regent Seastrand’s motion, while a “no” vote would oppose his motion.

Upon a roll call

replied that it was, adding they could only do certain things with the property. Regent Alden asked whether the property could ever be used for classrooms in the future. President Harter replied that it could not. Regent Alden wanted to affirm that the property would not be needed by UNLV, adding that he did not like giving up property.

to the Board as well as designated minority group organizations, which have not been designated. No process is currently in place.

Recommendation #2 - Has budget ramifications and is dependent upon the budget. The FY03 budget has already been set the change would need to be implemented in FY04's budget request.

#3 – Dependent upon legislative funding for Millennium Bound Outreach Centers.

#4 – Dependent upon Board action on tuition and fees and the portion set aside for financial assistance

#5 – Has been accomplished. Recommendation mirrors Handbook language.

#6 – An advisory committee needs to be established at each institution and implementation strategies need to be Board approved.

#7 – A budget item dependent upon funding. If enrollment grows and the formula is sufficiently funded, there should be increased funds for student support services.

#8 – Need a report from each campus regarding how it is currently managed, or would be managed in the future.

#9 - System Administration will conduct a study on educational opportunity programs for Board consideration.

#10 – This is not a problem and should obviously be done.

#11 & #12 - Involve issues of curriculum, faculty, and graduation requirements. It would need to go through the ARSA Committee and receive faculty input.

#13 – K-16 curriculum alignment is on the current agenda.

#14 – Is exactly what the American Diploma Project will accomplish.

#15 - Part of the K-16 initiative with the State Department of Education.

#16 – Providing information to minority group organizations should not be a problem.

#17 – Is System Administration material and underscores System goals.

#18 – Is already in the works and on the agenda.

No item #19.

#20 – Is underway.

#21 – Similar to the American Diploma Project with better communication with minority group organizations in the state.

No item #22.

#23 – Is already done on the campuses.

#24 – Is already done The change involves providing better information to designated minority group organizations.

Chancellor Nichols noted that the common theme was that minority group organizations said they wanted to be partners with the System.

Regent Alden established with Regent Howard that the list had been mis-numbered with items #19 and #22 missing.

7. Approved-Support Policies and Programs for Increased University Admission Standards

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Senator Neal asked the university presidents to count the minority students, particularly Black students from Nevada, and not just those coming from African countries. Regent Howard requested a five-year history. President Lilley replied that he would have it ready the following day.

Mr. Andres Ramirez, Ramirez & Associates, Inc., stated that minority groups had been working on this issue for quite some time. He urged increasing communication and coordination between minority communities and the institutions, adding that the issue was important to them. He recognized no intentional wrong doing, adding that improvement was necessary. He said he was not as concerned about the timing of implementation, rather that the recommendations would be implemented. The minority organizations want to ensure that as many Nevadans as possible can succeed and receive the best education possible. He said they desired better access and better opportunities for all Nevadans. He related that he left Nevada because not one UCCSN institution attempted to recruit him, adding that he was accepted at Georgetown University. He said that he had no help completing

technology.

Motion carried.

drug

Upon a roll call vote the motion carried. Regents Derby, Dondero, Gallagher, Hill, Hobbs, Howard, Kirkpatrick, Rosenberg, Seastrand, and Sisolak voted yes. Regent Alden voted no.

Chancellor Nichols stated that in Fall 2002 the Board would discuss review boards. The legislature mandated that the Regents look at whether the campuses require review boards. She reported that police department funding came from the institution's regular budget. They have recommended increasing the number of employees and sworn officers, adding that they want to attract more women and minorities. They want to address the pay differentials between campus police and the county/municipal agencies. The Chancellor has requested a study by the State of Nevada. The results of the study will be incorporated into the governor's budget through the executive branch, if it is determined that a discrepancy exists.

10. Approved-Final Report and Recommendations, UCCSN Police Study Committee – *Eqpvøf0+

President Wells stated that DR relies upon UNLV and TMCC for campus security. He thanked them for their outstanding work.

Regent Derby noted that these departments train and educate students about other dangers, including alcohol and drug use. He noted that the other member of employees and

Regent Sisolak asked about the parking situation. Dr. Huneycutt replied there were 377 developed spaces, with 1.7 undeveloped acres for future expansion, and 200 curbside parking spots. Regent Sisolak asked about the price on the undeveloped property. Mr. Steve Salaber, Acting Vice President, Administrative Services-TMCC, replied that it was part of the agreement at \$700,000. Regent Sisolak asked about the total square footage of the building. Mr. Salaber replied it was 90,000-sq. ft. Regent Sisolak asked about space allotted to the leased portion of the building. Mr. Salaber replied that 70 spaces were currently used by existing tenants, but one-half of the 377 total spaces totaled 188 spaces. Regent Sisolak asked about the number of spaces allocated to the existing tenants. Mr. Jimm Groshong, Director, Plant & Facilities-TMCC, replied that the City of Reno's building code required one space per 275-sq. ft. of space. Regent Sisolak established there were 213 parking spaces for the 45,000-sq. ft. to be used by TMCC staff, faculty, and students. Dr. Huneycutt stated there were an additional 200 curbside parking spaces available. Regent Sisolak asked about the legality of counting curbside parking as allocated space. General Counsel Tom Ray replied that he was unsure what the City code provided. He related that the documents indicated that it satisfied City requirements for parking. Mr. Groshong stated that it could not be exceeded by more than 10%, so they actually had too many parking spaces at this time. Dr. Huneycutt stated that the option for the undeveloped acreage was intended to provide space for expansion and would provide over 200 parking spaces, which would exceed the City's code.

Regent Alden asked about current full time enrollment and population at TMCC. Dr. Huneycutt replied that 25% of TMCC's students attended Reno Town Mall. Regent Alden asked about the total FTE for the current semester. Dr. Huneycutt replied that TMCC has over 2,000 students, with approximately 700 FTE. Regent Alden asked about the current FTE and student population at WNCC. President Lucey replied that the headcount was approximately 6,000, with 2,200 FTE. Regent Alden asked who owned

13. Approved-Neil Road Property Purchase, TMCC – Mr. Salaber replied that Mr. Rudolf Gunnerman owned the property, adding that he was an inventor with a corporation in Reno. Regent Alden asked about the realtors of record. Mr. Salaber replied that Pat Morrissey was handling the buy side. He did not know the realtor from the selling side. Regent Alden asked whether the appraisal was based on current use and revenues. Dr. Huneycutt replied that it was based on both current and future use and revenues. Regent Alden said he would not support the project due to the

Regent Hill asked about concerns relating to cash flow. Mr. Salaber replied there were no concerns. Regent Hill asked how many parking spaces would be required if the building was entirely converted to classroom space. Mr. Salaber replied the requirements would be the same as reported.

Regent Sisolak expressed concern for avoiding code requirements. Mr. Salaber replied they were not. Regent Sisolak questioned the code providing for the same parking requirements with classrooms as with office space. Dr. Huneycutt stated that, if TMCC were building the Neil Road properties today, the City of Reno would require fewer parking spaces to be provided than federal, state, and local mandates. She stated that more spaces were provided than were needed. Regent Sisolak asked about federal guidelines for parking. Dr. Huneycutt replied there were many federal requirements for educational institutions. Regent Sisolak asked whether an asbestos abatement study had

13. Approved-Neil Road Property Purchase, TMCC – *Eqpvøf0+

been performed. Mr. Groshong replied that a Phase I environmental assessment had been performed and no hazardous materials were found.

Regent Alden asked whether the building was in the flight path of the Reno airport. Mr. Peter Dube?, The Dube? Group Architect, replied that many of the buildings in that area were. Regent Alden asked about the purchase price. Mr. Salaber replied it was \$9.4 million. Regent Alden asked about the state-approved bonds. Dr. Huneycutt replied they totaled \$8.5 million. Regent Alden asked about the difference. Mr. Salaber replied that Mr. Gunnerman had taken a personal note for 8 years at 7.5%. Tenant rent in the second building will provide the cash flow.

Regent Gallagher noted that the student population being served would not all arrive in automobiles, adding that the City also had a great bus service.

Upon a roll call voter the motion carried. Regent Alden voted no.

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He stated that the State Public W

UNLV - \$21 million for the Student Services addition and renovation and the Greenspun College of Urban Affairs, with a \$9.7 million gift from the Greenspun family.

UNR - \$25.7 million for the campus renovation package and the Biotechnology Teaching/Research facility, with \$50 million in private and campus contributions.

Regent Alden advised complete utilization of existing facilities and warned that the legislature would be unable to fund the existing capital project list. He urged the need for private funding.

Regent Seastrand observed that the Board agreed that priorities should be based on needs. He asked how the needs were established and how the equity space study applied to the list. Mr. Amend replied that System Administration was completing an update to the space inventory. Enrollment projections are used to determine institutional need based upon space standards, which will be provided to the Chancellor and the presidents.

14. Information Only-Proposed Capital Improvement Priorities – *Eqpvøf0+

Regent Seastrand observed that the equity space study provided a component to needs assessment. He observed the need for private dollars, adding that Regent Hill felt that those projects should be higher in priority. He stated that growth created needs as well. Mr. Amend stated that the equity space study included a future growth component. Regent Seastrand noted serious differences in the amount of space provided for the populations served. He said that he saw no reference to the Strategic Plan and how the capital expenditures related to that Plan. He felt that buildings should be the result of proper planning. He felt the Board required a needs index in addition to the campus priorities, adding that it was difficult for the Board to determine the areas of greatest need. Chancellor Nichols stated that staff was disappointed that the results of the space needs study were not available. She indicated it would be available for the May 9 meeting.

Regent Kirkpatrick stated that each institution's first priority totaled \$115 million, adding that UNR and UNLV comprised approximately 80% of the total, which was not fair. He observed that some institutions would likely not receive the necessary funding. He felt the Board and System required a method for determining the System's most important projects. He observed that UNLV was running out of space, and urged the need to consider multi-storied structures. He felt that System Administration should build a facility *3/pqtvj"cpf"3/uqvwj+ to avoid the rental payments in the southern office. He stated that long-range planning was necessary and agreed that determining priorities was difficult.

Regent Sisolak asked how UNR determined the amount of private contributions. President Lilley replied that the numbers were derived from their strategic planning process *y j cv"y cu"rquukdng"r tqlgev/d{/r tqlgev+ based upon knowledge of UNR's benefactors and their interests. Regent Sisolak asked about the Fire Science Academy's ranking for fundraising. President Lilley replied that the FSA was not on the capital list, adding that the same knowledge was used to explain to the Board that, until the FSA had demonstrated its capability, no benefactors had been identified. He felt that people might be interested in the long-term. Regent Sisolak asked whether donor knowledge had been used in presentations for Manogue High School, the FSA, and the Thunderbird Lodge. President Lilley replied that he was not involved with the Manogue or Thunderbird Lodge discussions. Dr. Ashok Dhingra, Vice President, Administration & Finance-UNR, replied that UNR had received \$5 million from refinancing the pavilion bonds for the Manogue project. The university and bishops are working together to raise money to build a new high school for Manogue, at which time UNR will assume the old Manogue property. The \$5 million will be used for renovation. Regent t Sisolak asked about the amount received in private contributions. Dr. Dhingra replied that the president was working with the diocese to raise money to build a new Manogue high school. In return, UNR will receive the Manogue property *43"cetgu+. Regent Sisolak asked about the FSA. Dr. Dhingra replied that, once the facility is operating, UNR will seek interested buyers or contributors to help reduce the burden on the students. Regent Sisolak recalled a discussion regarding naming opportunities at the FSA. Dr. Dhingra said that he recalled that former Vice President Paul Page expressed the possibility of raising \$7 million in

14. Information Only-Proposed Capital Improvement Priorities – *Eqpvøf0+

naming opportunities for the seven buildings at the FSA. Regent Sisolak asked whether that figure had been based on benefactor knowledge. Dr. Dhingra replied that benefactor information had been used. Regent Sisolak asked whether the same knowledge was used to determine the donor information for the capital priorities. Dr.

Dhingra replied that it was.

Regent Gallagher stated that naming opportunities for FSA buildings occurred prior to the discovery of environmental problems. She recalled flying to the site with three donors to the FSA.

President Harter stated that all of the presidents agreed on the importance of economic development, which she felt should also be considered when setting priorities.

Mr. Somer Hollingsworth, President and CEO, Nevada Development Authority, reported that the NDA was charged with diversifying southern Nevada's economy. Last year, 63 companies were recruited, creating over 7,000 jobs with average wages of \$22.00/hour. The economic impact to the community was \$709 million. He related that 45% of those companies were technology-based. Technology is relied upon to create higher paying jobs in southern Nevada. In order to attract technology company headquarters, NDA requires UNLV's involvement. He said that NDA had counted on showcasing the Science Engineering and Technology Center. He related that discussions with Georgia Tech revealed that this could not be accomplished without UNLV's involvement, adding that NDA had cultivated a relationship with UNLV for that purpose. He requested Board consideration of these issues, adding that it would affect the future of the community.

Regent Alden asked the Chancellor to provide the following:

CCSN/UNLV/UNR – Number of students attending, number of classes vs. the square footage of classroom utilization for the past two semesters.

UNLV/UNR –What is the expected impact of grant and contract money that will be received for the advancement of technology, based on the capital priorities.

The meeting recessed at 10:58 a.m. and reconvened at 11:10 a.m. with all members present except Regents Derby and Sisolak.

level, which would have eliminated the hold harmless conditions. When the Economic Forum provided their forecast, a reduction in the governor's budget was made. UCCSN was asked to absorb a sizeable portion of that reduction.

Regent Sisolak entered the meeting.

Mr. Miles reported that UCCSN would attempt to restore the 85% funding levels. He indicated that some campuses were trying to move to a higher level of funding. As the funding ratio rises, other needs could be addressed

Mr. Miles stated that the estate tax would soon be eliminated. He reminded the Board of their approval of the Estate Tax Committee recommendation to seek approval for endowing the balance of the account at the end of the biennium and to limit expenses to the statutory \$2.5 million/year. He reported that \$75 million would be spent on essential programs in the current biennium. UCCSN will ask the governor and legislature to replace estate state tax expenditures with state funds. The governor and the Governor's Task Force on Tax Policy have been notified.

Mr. Miles reported that some equipment needs were addressed under the new formula. Provisions exist for funding new positions and replacement of equipment. Nothing in the formula addresses extraordinary equipment expenses. To cover those expenses, the legislature appropriated \$20 million in 1995, \$17 million in 1997, \$4.5 million in 1999, and \$2.5 million in 2002. All of the campuses have requested that equipment money be provided. The Dental School will have a \$5 million requirement for equipment. Most campuses need funding to support technology for distance education, technicians, and equipment.

Regent Derby entered the meeting.

15. Approved-State Budget Request Priorities – *Eqx

Vice Chancellor Miles reported an estimated \$8.9 million for part-time faculty salaries, which would be phased in. The System will wait for the governor's recommendation before determining support staff salaries. The faculty COLA totals \$24.7 million. Mr. John Patrick Rice stated that the faculty senate entertained a long discussion about the COLA, enlisting the help of former members from the Joint Compensation Committee. He reported that a fair proposal would be a 5% COLA increase for each of the two years in the biennium because faculty has fallen behind the CPI over the last 10 years. The faculty has requested 3% and 4% in light of the stringent budget constraints. He said that Chancellor Nichols had provided some assurance that, if the request fell behind the remainder of the state, it could be adjusted.

Vice Chancellor Miles identified a number of items grouped under the \$47.7 million request for Economic/Workforce Development, including an estimated \$12.1 million for the legislative mandate for AB378. He related that the request for indirect cost recovery would total \$7 million over the next biennium.

Mr. Miles reported \$11.4 million in Diversity Challenges, including \$0.6 million for a Millennium Bound Outreach Center. The \$8.8 million requested for recruitment and retention included specific program requests/enhancements at UNLV and UNR as well as a proposal to devote 5% of the campus budgets to recruitment of underrepresented groups.

Mr. Miles then reviewed a listing of Other Budget Initiatives totaling \$20.4 million, which included public safety issues, Athletics/gender equity the Business Centers, and other specific campus requests. The potential UCCSN request totals \$1,436.3 million, or a 40% increase over the previous budget request.

Regent Gallagher asked whether the 25% indirect cost recovery to the state was committed to a specific area. Mr. Miles replied that it would be returned to the state, thereby reducing the general fund. Regent Gallagher asked whether DRI funds for weather modification were returned to the Interim Finance Committee in dry years.

President Wells replied that DRI requested the funds in anticipation of having a normal year. If they are unable to seed the clouds, the money is returned to the state. He related that a portion was retained for staff, equipment, and rental space.

Chair Dondero asked about the 5% dedicated to education under the 1998 Public Lands Act. Vice Chancellor Miles replied that K-12's budget included a revenue item for federal land sales. He indicated that the state formerly received 50% of land sales and royalties from mining operations on federal land that was devoted to K-12. Chair Dondero felt that some of those funds should be returned to support research. Mr. Miles replied that he would research that.

Chancellor Nichols requested a sense of direction from the Board, adding that it would be foolish to request a 40% funding increase. She asked to hear the Board's priorities.

15. Approved-State Budget Request Priorities – *Eqpvøf0+

Regent Rosenberg stated that he was most concerned about the System Computing Center. He felt that those items affecting all of the campuses should be considered first.

Regent Seastrand said the Board was fortunate to have Mr. Miles' legislative experience. He established that the proposed base budget was equivalent to FY 2003's, which would then be expanded for two years. Mr. Miles explained that enrollment-driven costs would be included in the maintenance section of the budget and were considered allowable adjustments to the base budget. Regent Seastrand asked about future reductions to the base budget. Mr. Miles replied that it would depend upon the state's financial condition, adding there were many worthy projects that were difficult to prioritize because of their importance. Regent Seastrand requested a list of all items included in the entire budget, with explanation of priority and applicability to existing projects. He observed that the Board wanted to implement a Millennium Bound Outreach program, but he was unaware of the amount of current expenditures for that effort, or what percentage increase it represented. He asked whether certain items were ever eliminated from the base budget. Chancellor Nichols replied that the governor was taking a serious look at which programs could be eliminated or reorganized for cost savings. She said that she had asked UCCSN presidents to do the same. She said it would result in a more efficient and effective manner of conducting business *k0g0"dgikppkpi"pgy"rtqitc ou"ykvj"gzkuvkpi"fqmct+ . She related that UCCSN would need to provide evidence to the legislature that they had undertaken a similar review.

Regent Gallagher recalled that line-item budgeting had been very difficult, *k0g0"nkdtctkgu"ykvj"pq"dqqu"cpf"dwknfkpi u ykvj"pq"ykpfaqy+ . She related that the base budget constituted the ongoing cost of turning on the lights and opening the doors. She said that the Board had not been successful adding items to the base budget in the past. She cautioned against upsetting the legislature to the point of a return to line-item budgeting.

Regent Derby supported the Chancellor's comments regarding the importance of bringing evidence of cost saving efforts to the legislature, adding that it was important to include such evidence with the budget request. She agreed that the Board required some sense of campus priorities and ongoing efforts. She stated that part-time faculty salaries was a very important item, adding that it was long overdue. She expressed hope that it would not be cut from the budget request.

Regent Kirkpatrick agreed that part-time faculty salaries should be one of the Board's top priorities. He observed there was very little that could be cut from the budget request. He desired assurance that CCSN's new athletic program would not require base budget funding. He asked what items would be eliminated from the budget. Chair Dondero replied that the Board had asked the Chancellor and presidents to develop that budget. Chancellor Nichols explained that staff was seeking Board priorities, and would review the Master Plan and campus priorities, to set a reasonable budget proposal for Board approval. She related that COLA was not included in the budget request of the two previous bienniums, *cnvjqwij"ctgeqoogpfcvkqp"hqtpq"nguu"vjcp"qvjgt"uvvcg yqtmgtu"ycu"kpenwfgf+ . She explained that Board comments would be considered with the Master Plan and campus priorities to determine the budget proposal.

15. Approved-State Budget Request Priorities – *Eqpvøf0+

Regent Alden observed that the Wisconsin Board of Regents had voted to cap enrollments due to state funding levels, adding that, 2 weeks later the legislature agreed to fund higher education. He stated that capped enrollments and local, governmental funding for the community colleges should be considered. Chancellor Nichols stated that staff had included a recommendation for local funding of community colleges in a report to the governor's office. She said that capping enrollments was key to the Board's consideration for when it could no longer provide the services for the amount funded. When falling below a percentage of the formula funding, UCCSN cannot adequately provide the quality of services to the number of students. She related that the System had relied upon Estate Tax funds in the past, but would be unable to in the future.

Regent Kirkpatrick observed that locally-funded community colleges were governed by local boards. He felt it would be difficult to justify local support for the current Board structure of control.

16. Information Only-Personnel Session – The Board held a closed personnel session.

16.1 Approved-Closed Session - In compliance with NRS 241.030, a closed session will be held for purposes of discussion of the character, alleged misconduct, professional competence, or physical or mental health of certain executive employee(s) of the UCCSN.

Regent Rosenberg moved approval of moving to a closed personnel session. Regent Kirkpatrick seconded. Motion carried.

The meeting moved to a closed session at 12:00 noon and reconvened at 1:15 p.m. with all members present except Regent Derby.

16.2 Information Only-Return to Open Session – The Board returned to open session.

17. Approved-Financial Aid Policy Waiver, NSC – The Board approved to allow Nevada State College at Henderson to use institutional methodology to meet the 90% need-based requirement *Dqctf"qh" Tgi gpvuø" Jcpfdqqm Vkvng"KX."Ej crvgt"3 :."Ugevkqp"3904+ for Nevada Student Access in the absence of federal methodology for the academic year 2002-2003. Upon receipt of approval from the Department of Education to implement federal financial aid programs, the federal methodology will be implemented. *Tgh0"G"qp"hkng"kp"vjg"Dqfmgcpvke0+

Ms. Lori Tiede, Director of Financial Aid-NSC, requested a special waiver for using federal methodology for federal funds. Until the institution is accredited, they cannot participate in any federal loan programs, and have no access to federal calculations. She asked the Board to waive federal methodology until the institution em²

policy required two readings. The Board approved the Code amendment. *Tgh0

it provided a vital community service *97 ' "q

uvwfgpvu"ctg"okpkowo"ycig"ecukpq"yqtmgtu+.

Ms. Alicia Lerud, student body president-UNR, reported that students would never favor paying more for their

increase, as well as the need to increase need-based financial aid. UCCSN will ask that a portion of the increase be returned to System Administration for need-based financial aid. Board policy mandates that half of all increases be used for scholarships, which resulted in a very small portion for the state. A different methodology was used to keep the capital on campus. The capital was removed first. Then financial aid and state general funds were divided evenly. Reductions provided in Options 1-4 were subtracted from financial aid. She said the Board could determine to reduce the amounts for both state and financial aid.

Chancellor Nichols then discussed non-resident tuition rates:

Rates based on the WICHE median *wukpi "c"5/{gct"nc i+ times 120%.

Part-time non-resident *rc{"rgt"etgfkv+ pays the basic fee times 110%.

Good Neighbor non-resident tuition equals the basic fee plus 60% of the fee *eq o owpkv{"eqng i gu+ , and the basic fee plus 110% of the fee *wpkxgtukvkgu+ .

Children of Alumni pay the basic fee times 60%.

Distance Education basic fee plus 50% of the fee.

Regent Howard asked about fee distribution options for the state college/GBC as compared with the community colleges. Chancellor Nichols stated that the university undergraduates would generate \$3.5 million in need-based scholarships, while the community colleges would generate \$199,000 *hktuv" {gct+ and \$422,000 *ugeqpf {gct+ with Option 4 *843.222ldkppkw o+ . Regent Howard asked why the community college figures were significantly lower. Chancellor Nichols replied that those fees did not require an increase to reach the WICHE median. She related that UCCSN had a policy for maintaining low community college fees.

Regent Rosenberg moved approval of the 2003-2005 tuition and fee proposals presented in Option #4, with no change to the fee distribution and formula. Regent Seastrand seconded.

Regent Sisolak related that he had received conflicting information from student representatives. He was concerned that the previously imposed \$4 technology fee would never sunset. He felt that students were buried by their fees, adding that lab, housing, meals, and parking fees represented additional costs. He noted that parents complained about frequent changes in book requirements. He acknowledged that UCCSN tuition was reasonable. He stated that some parents were working two jobs or refinancing their homes to afford their children's education. He felt the increases were significant to the students and urged Board awareness that tuition was only one component of students' costs.

23. Approved-2003-2005 Tuition and Fee Proposals – *Eqpvøf0+

Regent Hill requested presidential feedback. President Harter felt it was a real dilemma for all of the presidents, emphasizing the real concern for students. She agreed that each option provided increased funding for need-based financial aid. She expressed her concern for the System's credibility with the legislature and encouraged Board support for Option 1. Dr. Lilley agreed, adding that Option 1 provided the most need-based student support and constituted the best public policy. President Lucey stated that students expressed the most concern for maintaining control over the increased fees. She felt that Option 1 provided the most need-based aid and additional resources for students requiring financial aid. Presidents Remington, Huneycutt, and Diekhans agreed. President Huneycutt observed that Option 1 provided the most access support.

Regent Hill requested an explanation for states with higher tuition higher having higher enrollments. He felt that Option 1 addressed Regent Sisolak's concerns *oqtg" oqpg{ "hqt" pggf/dcugf" uejqnctujkru+ , adding that Nevada had the lowest college continuation rate in the nation. Chancellor Nichols replied there was a correlation between the availability of need-based scholarship aid and college attendance. She said it was a major deterrent that Nevada lacked sufficient need-based scholarship aid. She explained that the cost of education was a consideration factor. A recent national study revealed that the largest barrier was the public's perception about the cost of a college education. Most first-generation college families believe it is unaffordable. They do not apply for financial aid or test prior to starting college. States with low tuition have a culture that does not value or support higher education. She related that UCCSN had maintained low fee rates for many years, yet it had not contributed to the college going rate.

Regent Hill stated that cost was also an indicator of the value of education. He feared that Nevada was sending the message that higher education was not worth much. He observed that Mississippi used to be the worst in every statistical category, adding that Nevada now had the worst college continuation rate, while Mississippi ranked 20th. He felt that a higher tuition rate was the only method available for those who genuinely care about education, students attending school, and parents mortgaging their home. He said he would not support Option #4, but would support Option #2.

Regent Rosenberg proposed a friendly amendment to the motion. He moved approval of the 2003-2005 tuition and fee proposals presented in Option #2, with no change to the fee distribution and formula.

Regent Seastrand asked about the percentage increase represented by each option. Chancellor Nichols provided percentage increases for the first year of the biennium:

	<u>Option 1</u>	<u>Option 2</u>	<u>Option 3</u>	<u>Option 4</u>
Universities Undergraduate	8%	8%	7%	6%
Universities Graduate	8%	7%	7%	6%
State College	7%	6%	6%	6%
Community Colleges	4%	4%	3%	3%

Chancellor Nichols reported that a poll was conducted regarding other western states' proposals for tuition increases: Idaho-12%, Washington-14%, Utah-10%, and Montana-

23. Approved-2003-2005 Tuition and Fee Proposals – *Eqpvøf0+

13%. Regent Seastrand asked about the second year of the biennium. Chancellor Nichols provided percentage increases for the second year of the biennium:

	<u>Option 1</u>	<u>Option 2</u>	<u>Option 3</u>	<u>Option 4</u>
Universities Undergraduate	8%	7%	7%	6%
Universities Graduate	8%	7%	7%	6%
State College	7%	6%	5%	5%
Community Colleges	4%	4%	3%	3%

Regent Seastrand acknowledged there was not much difference between the options. He stated that the larger difference was in student access and the amount returned to the state.

Regent Seastrand accepted the friendly amendment.

Regent Rosenberg agreed that Regent Sisolak had raised valid points. He related that books become outdated almost as soon as they were printed because new knowledge was discovered so quickly. Once the book is outdated, it is difficult to sell back. He agreed that all educational costs were increasing. He related that it was becoming increasingly more difficult to provide the materials and paper for art classes without raising the \$35/semester lab fee. He noted that each department tried to supplement need-based scholarships, adding that UNR's Art department provided \$16,000 in scholarships to twenty-five students.

Chancellor Nichols reported that Option 2 would generate \$6.4 million in need based assistance, while Option 4 would generate \$3.5 million.

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approximately 80% of the cost. She related that subsidized students had no other way to afford college and it created a more competitive environment for those already attending. She expressed concern that, if fees were not increased, the legislature would cut other programs.

Regent Alden asked about percentage increases to the existing formula. Chancellor Nichols replied that under the existing formula:

Undergraduates = \$82 and \$85

Graduate - \$112 and \$117.50

State College = \$65 and \$68

23. Approved-2003-2005 Tuition and Fee Proposals –

Community College = \$47 and \$48.50

Regent Alden said he would only accept the existing formula, and was opposed to raising tuition and fees.

Regent Rosenberg said that he too did not like raising tuition. He related that the state was unable to fund education at the level required. He expressed concern for the continued ability to provide quality education, adding that shared expense provided the only answer.

Ms. Ernst clarified that the motion included acceptance of the new formula, proposal Option 2 with the new fee distribution. Chancellor Nichols asked whether the motion included out-of-state. Regent Rosenberg replied that it did. Ms. Ernst stated that the motion included acceptance of non-resident tuition, etc.

Upon a roll call vote, the motion carried. Regents Dondero, Gallagher, Hill, Hobbs, Kirkpatrick, Rosenberg, and Seastrand voted yes. Regents Alden, Howard, and Sisolak voted no. Regent Derby was absent.

24. Approved-2003-2005 Tuition and Fees, School of Medicine – The Board approved a second hearing on recommended tuition and fees for the 2003-05 biennium for the University of Nevada School of Medicine.

Discussion included the distribution of Medical School tuition and fee revenues.

Dr. Carol Ort, Vice Provost-UNR, reported that a meeting was held with representatives of the SOM, SOM student body, and campus representatives-that th 1

Regent Howard asked about the purpose of the increase. Dr. Ort replied that the tuition increase would not

25. Approved-2003-2005 Tuition and Fees, William S. Boyd School of Law – The Board approved a second hearing on recommended tuition and fees for the 2003-05 biennium for the William S. Boyd School of Law. *Tgh0 Q"qp"hkng"kp"vjg"Dqctf"qhkeg0+

Regent Hill moved approval of the 2003-2005 tuition and fee proposals for the William S. Boyd School of Law. Regent Rosenberg seconded.

Regent Sisolak observed that the cost for out-of-state tuition at the medical school was significantly higher than for the law school. President Harter replied that law was a much cheaper education, with the most expensive items being the law faculty salaries and the library. More students are taught with fewer clinical laboratory costs than those associated with a medical school. Regent Sisolak noted that no increase was proposed. He observed there were many more applicants than available spots. He asked about the number of in-state vs. out-of-state students. President Harter replied there were 21 out-of-state and 121 in-state students in the class of 2001 *37 ' qww/qh/uvcvg+. Regent Sisolak asked about a maximum number of non-residents. President Harter said there was no maximum, but rather, an understanding to not go above 20%. She related that UNLV was at the top of WICHE states for both in-state and out-of-state tuition. Regent Sisolak asked why UNLV was at the top and UNR was below the median. President Harter replied that the two most recently developed schools were developed with a sense that professional school tuition should be higher and that out-of-state tuition should be substantial. She attributed it to the time period in which the schools were developed.

Regent Kirkpatrick asked about the percentage of out-of-state students that became residents the following year. President Harter replied that she did not know, adding that state law would not allow the university to prevent them from establishing residency. Regent Kirkpatrick asked about modifying the second, third, and fourth year tuition fees

25. Approved-2003-2005 Tuition and Fees, William S. Boyd School of Law –*Eqpvøf0+ similar to the medical school. President Harter replied that more students remain in the out-of-state category in law than in other disciplines. She related that the dean of the law school also raised considerable private money to supplement the law school budget.

Regent Alden asked about the number of students in the law school. President Harter replied they had 422 students. Regent Alden noted a cost of \$20,000/student with a \$7.9 million/year budget. He established that the law school tuition covered most of the costs, with additional costs covered by donated funds.

Regent Howard asked what the tuition and fees would be used for. President Harter replied that the three professional schools have line item budgets. Their budgets are comprised of tax-generated state dollars and tuition dollars, which cover salaries, lectures, library books, equipment, and scholarships. Regent Howard asked about the frequency for increases. President Harter replied there was not a request for an increase because the law school tuition was already at the top of the western states.

Motion carried. Regents Derby and Gallagher were absent.

26. Approved-2003-2005 Tuition and Fees, Dental School – The Board approved a second hearing on recommended tuition and fees for the 2003-05 biennium for the Dental School. *Tgh0"P"qp"hkng"kp"vjg"Dqctf"qhkeg0+

Regent Rosenberg moved approval of the 2003-2005 tuition and fee proposals for the Dental School. Regent Hill seconded.

Regent Kirkpatrick asked about the number of minority dental school applicants. President Harter replied there were 41 out-of-state students and 40 in-state students in the first class. Of the 81 students who have accepted enrollment, 20 are minorities *4/Chtkecp"Cogtkecp."8/Jkurcpke."cpf"34/CukeplRcekhke"Kuncpfgt+. Regent Kirkpatrick expressed concern about spending more money than originally intended, as well as subsidizing out-of-state students to become dentists. President Harter stated that the state portion of the dental school budget was very small. The recommended fees are at the very top of professional schools across the country. She said they were attempting to achieve high tuition, private practice fees support, and modest state support. Vice Chancellor

authority to seek additional funds from the Interim Finance Committee to pay for the increased cost of malpractice insurance, and/or authority to study the possibility of establishing a fund to self-insure against medical malpractice claims for UNSOM and all other UCCSN health care related programs. The results of the study, including actuarial analysis of insurance options, and further recommendations will be reported to the Board at the June meeting.

General Counsel Ray related that discussion applied to all health care clinical practices within the System, however the majority related to the medical school and applied to all practices, with the exception of the dental school. The dental school's current malpractice policy runs to mid 2003. The principle policy is with St. Paul and expires June 30, 2002. They will not renew the policy. The current premium is approximately \$1.2 million/year. An RFP was issued with a requested return date of April 30, 2002. Estimates indicate that the premium increase will be 2-3 times the current premium. The medical school lacks sufficient funds to meet the increase. Three sources provide funding for the premiums: state funds, clinical practices, and the hospitals where the physicians practice. The medical school is negotiating with various hospitals seeking assistance to increase their share. No firm quote has been received. If an acceptable quote is not received, other alternatives must be explored. A primary issue is "tail coverage", a standard clause in malpractice policies, where acts and claims must occur within the period of coverage. If a claim was submitted after June 30th it would not be covered. If the school obtains other insurance, the policy will be retroactive to 1978 to provide the necessary tail coverage. The ideal preference is to find other, affordable insurance. Other

31. Approved-UCCSN Medical Malpractice Insurance – *Eqpvøf0+ options include the governor's plan, which the school is exploring, but it does not provide tail coverage *crr tqzk ocvgnt{"&4"oknnkqp+. The governor's plan is also not capitalized, so there is not a large reserve fund to pay claims. Participants could be assessed 100% of the losses. The governor has indicated that this plan is not a long-term solution, but merely a temporary measure until the next legislative session. Another alternative is self insurance, which is similar to the governor's plan. The UCCSN Risk Manager has engaged an actuary to identify the amount required on deposit for tail coverage as well as projected current claims. Regardless of the alternative selected, additional financial assistance will be required. The School of Medicine is seeking permission to approach the IFC for additional funding of the state portion.

Dr. McFarlane stated that two companies *vj cv"kpwtgf"82 ' "qh"vjg"r j {ukekcpu"kp"Pgxcfc+ had withdrawn from the state. Regent Rosenberg asked whether an in-state carrier was required. Mr. Jon Hansen, UCCSN Risk Manager, replied there were two kinds of companies: admitted or non-admitted. The distinction is that the guarantee funds do not apply to non-admitted companies. He related there are a limited number of malpractice insurance companies in the country and UCCSN was now in a crisis-driven situation. Regent Rosenberg asked whether the medical school would close if a carrier could not be located. Mr. Hansen felt they would locate a carrier prior to June 30th. President Lilley stated that the school could not operate without insurance. Mr. Hansen explained that medical malpractice typically had infrequent, but very large claims. The self insured option would expose the System to a great deal of potential loss. Dr. McFarlane affirmed that insurance was required in order to be viable. He stated that financial assistance would be required due to the expected increased premiums.

Chair Dondero asked whether UMC was supportive. Dr. McFarlane stated that the hospitals had agreed to help with the residents' portion of the cost.

Regent Rosenberg moved approval of requesting authority to seek additional funds from the Interim Finance Committee to pay for the increased cost of malpractice insurance, and/or authority to study the possibility of establishing a fund to self-insure against medical malpractice claims for UNSOM and all other UCCSN health care related programs. Regent Kirkpatrick seconded.

Regent Sisolak stated that the insurance companies took advantage of the market situation. Mr

32. Approved-Request for Permission to Obtain Appraisal and Enter into Negotiations with Washoe County, UNR – The Board approved for UNR to obtain an appraisal and to enter into negotiations with the Washoe County Parks and Recreation Department. The Washoe County Parks and Recreation Department has expressed an interest in purchasing an 11-acre parcel of vacant land located in Pleasant Valley, south of Reno. *Tgh0"W"qp"hkng kp"vjg"Dqctf"qhkkeg0+

Regent Rosenberg moved approval for UNR to obtain an appraisal and to enter into negotiations with the Washoe County Parks and Recreation Department. Regent Hill seconded.

Regent Kirkpatrick clarified that this was a request to obtain an appraisal.

Regent Sisolak suggested that some of the money could be used to retire the Fire Science Academy debt. President Lilley replied that these funds were limited to the Mackay School of Mines and could not be used for any other purpose.

Motion carried. Regents Derby and Gallagher were absent.

33. Approved-Capital Improvement Fee Funds, CCSN – The Board approved the use of \$825,000 in Capital Improvement Fee funds for placement of a temporary structure to accommodate additional student classrooms at the Charleston Campus. At present, this campus has reached a maximum utilization of space, and a critical need exists to respond to increasing student demands. This temporary structure of approximately 7,500-sq. ft. will house six large general-purpose classrooms as well as appropriate restroom facilities and a utility room. Also included within the scope of the project are classroom furnishings, necessary security systems, and a parking area.

President Remington explained that the temporary structure would be a permanent building on the campus. He related that CCSN required additional classroom space and had a plan to accommodate six, large general classrooms. He believed the facility could be converted for Operations & Maintenance use after fulfilling its classroom function.

Regent Kirkpatrick moved approval of the Capital Improvement Fee request for CCSN. Regent Rosenberg seconded.

Regent Sisolak observed a cost of \$110/sq. ft. Mr. Bob Gilbert replied that the construction costs were \$85/sq. ft. Also included is \$100,000 for furniture, fixtures and equipment \$25,000 for security and \$50,000 for permanent parking. Regent Sisolak asked about the structure. Mr. Gilbert replied that they were looking at a metal building.

Regent Kirkpatrick expressed concern about not knowing the type of structure. Mr. Gilbert replied that they were considering a metal, prefabricated building with a 50-year life cycle. Once the design is complete, a more permanent structure may be selected if the cost is not prohibitive. Regent Kirkpatrick asked about the proposed location. Mr. Gilbert replied they proposed to put it behind the Central Plant building currently under construction with the Science building. He related that the classroom space would not be

33. Approved-Capital Improvement Fee Funds, CCSN – *Eqpvøf0+ needed after the Science building was built. The structure would then be used for Operations & Maintenance. Regent Kirkpatrick asked how much capital improvement fee funds were available. President Remington replied there was close to \$2 million and CCSN really needed the expansion.

Regent Rosenberg asked whether the building would have a mold problem. Mr. Gilbert replied it would not. Regent Alden stated that he did not want to incur the same problems as UNLV had with its Bubba *Ec orwu Ugtxkegu+ Building.

Motion carried. Regents Derby and Gallagher were absent.

34. Approved-Request to Draw on Loan, GBC – The Board approved a request to draw \$1,000,000 on the loan approved at the December 2001 Board meeting and place the money in the bank to await approval of a property purchase at the Board's June meeting. *Tgh0"X"qp"hnq"kp"vjg"Dqc tf"qhkkqg0+

Bachelor of Science

Majors: Biology, Environmental Science, and Nursing.

Bachelor of Arts

Majors: English, History, Psychology, Elementary Education.

Regent Rosenberg moved approval of the Committee recommendations and acceptance of the report. Regent Kirkpatrick seconded.

Regent Kirkpatrick indicated that he would abstain from voting due to items related to NSCH.

Regent Sisolak noted a point of order, observing that Regent Kirkpatrick had seconded the motion and could therefore not abstain from voting.

Regent Hill seconded the motion.

36. Approved-Academic, Research & Student Affairs Committee Report

Regent Alden asked about providing a math emphasis. Dr. Chairsell replied that, it would likely be presented at the June meeting. Regent Alden noted the need for math teachers in Clark County.

Regent Howard said that she would like to see more information from CCSN when requesting new degree programs. She noted there was a large demand for bachelor degrees for community college students. President Remington replied that he and the Chancellor had discussed the matter. Provided an agreement can be reached, it will be brought before the Board for approval. Chancellor Nichols stated that implementation of the Master Plan included offering select baccalaureate degrees at the community colleges, adding that it would require much study. Regent Howard asked why. Chancellor Nichols replied that it would change the nature of the institution for accreditation purposes. She said that CCSN would be treated in the same manner as GBC. Regent Howard said that she would like to be on that committee. Chancellor Nichols replied that no committee had been formed at this time.

Motion carried. Regent Kirkpatrick abstained. Regents Derby and Gallagher were absent.

37. Approved-Audit Committee Report - Chair Steve Sisolak reported the Audit Committee met April 18, 2002 and received follow-up responses for five internal audit reports presented at the October and December 2001 Committee meetings. Mrs. Sandi Cardinal, Director of Internal Audit, reported that the institution bank reconciliations were up-to-date. Dr. John Lilley, UNR President, reported on the status of the University of Nevada School of Medicine Practice Plan. A committee has met and is moving forward on the evaluation of whether operations of the Practice Plan will be inside or outside the operations of the medical school. Dr. Lilley will report the results of the evaluation at a future Audit Committee meeting. Ms. Denise Baclawski, Executive Director, UNR Fire Science Academy, reported on the status of the FSA. She indicated that revenues and expenditures were on target with the FSA business plan. FSA personnel continue to pursue opportunities to perform offsite consulting. Regent Sisolak requested Board action on the following Committee recommendations:

Internal Audit Reports – The Committee reviewed the following Internal Audit reports:

Committee met April 18, 2002. Staff presented a report to the Committee regarding graduation rates by gender and ethnicity. Staff also provided an

38. Approved-Campus Environment Committee Report – *Eqpvøf0+

update on the implementation of the full-time administrative and academic faculty survey. A total of 3,897 individuals will receive the survey and the final report is anticipated in mid-July 2002.

Regent Hill moved acceptance of the report. Regent Kirkpatrick seconded. Motion carried. Regents Derby and Gallagher were absent.

39. Approved-Finance & Planning Committee Report - Chair Tom Kirkpatrick reported the Finance & Planning Committee met April 18, 2002 to review two budget reports, the 3rd Quarter Fiscal Year 2001-2002 Self Supporting Budget Revisions Report and the 3rd Quarter Fiscal Year 2001-2002 State Operating Budget, Budget Transfers Report, and to discuss the possibility of requiring semi-annual or annual reporting of institutional resource reassignment/allocation between institutions and units of the UCCSN. The Committee first reviewed the Self-Supporting Budget Revisions Report. The Board of Regents' financial policy governing budget revisions requires revisions of Self-Supporting budgets exceeding ten percent *32 ' + of planned expenditures for budgets up to \$500,000, or \$50,000 or greater for budgets exceeding \$500,000, be approved by System Administration and reported to the Board. Budget revisions for the 3rd quarter of FY02 were reported by six appropriation areas totaling \$249,898. The Committee also reviewed the Budget Transfers Report. The Board of Regents' financial policy governing budget transfers requires that transfers of budget spending authority between state-appropriated functions exceeding \$25,000 must be reviewed and approved by System Administration and reported to the Board. One appropriation area, WNCC, reported budget transfers between functions totaling \$235,584. The budget transfers were necessary to hire vacant positions due to increased student enrollments, to fund needs assessment for academic programs and to purchase scheduling software. Regent Kirkpatrick requested Board action on the following Committee recommendation:

Institutional Resource Reassignment/Allocation – The Committee discussed requiring semi-annual or annual reporting of institutional resource reassignment/allocation between institutions and units of the UCCSN and requested the issue be brought back to the next Committee meeting after the campuses had an opportunity to review the resource allocation data presented at the meeting.

Regent Kirkpatrick moved approval of the Committee recommendations and acceptance of the report. Regent Alden seconded. Motion carried. Regents Derby and Gallagher were absent.

40. Approved-Health Care Education Committee - Chair Doug Seastrand reported the Health Care Education Committee met March 15, 2002. Ms. Doreen Begley, MS, RN, Nurse Executive for the Nevada Hospital Association, and Dr. Julie Johnson, RN, Director and Professor of the Orvis School of Nursing-UNR, presented a draft of V j g "WEEUP"Dqctf"qh"Tg i gpvuø"Rncp"vq" Fqwdng"vjg"Ec rcekv{"qh"vjg"Rtqi tc ou"qh"Pwtukpi"ykvj kp vjg"System. UNLV Provost Ray Alden reported that the UNLV dental school had received more than 1,200

40. Approved-Health Care Education Committee – *Eqpvøf0+

applicants. Regent Seastrand requested Board action on the following Committee recommendation:

Doubling the UCCSN Nursing Programs – The Committee approved in concept the draft report from the Nursing Task Force on doubling the capacity of UCCSN nursing programs called for in A.B. 378.

Regent Seastrand moved approval of the Committee recommendations and acceptance of the report. Regent Hill seconded. Motion carried. Regents Derby and Gallagher were absent.

Chair Dondero reported that she and members of the Committee accompanied Mayor Oscar Goodman to an Academic Medical Center affiliated with the University of California, San Francisco. She indicated that Mayor Goodman would very much like to have such a facility close to UMC and the downtown government center. She related that it was a wonderful program and that it had been interesting hearing about San Francisco's programs and the number of students served. She reported they visited a new site where earthquake debris had been used to fill in a bay. President Lilley reported that he had asked the mayor to be patient.

