

Minutes are not final until approved by the Board of Regents at the December 2005 meeting

Rotunda, Third Floor

Frank H. Rogers Science & Technology Building
Desert Research Institute
755 E. Flamingo Road, Las Vegas
Thursday-Friday, September 22-23, 2005

Members Present: Mr. Bret Whipple, Chair

~~Mr. Mark A. ...~~

Dr. Stavros S. Anthony

Dr. Jill Derby

Mrs. Thalia M. Dondero

Mrs. Dorothy S. Gallagher

Mr. Douglas Roman Hill

Mrs. Linda C. Howard

Mr. James Dean Leavitt

Mr. Howard Rosenberg

Dr. Jack Lund Schofield

Mr. Steve Sisolak

Mr. Michael B. Wixom

Others Present: Chancellor James E. Rogers

Vice Chancellor, Legal Affairs & Administration, Daniel Klaich

Vice Chancellor, Finance & Facilities Planning, Harry E. Neel

Vice Chancellor, Academic & Student Affairs, Jane Nichols

Vice Chancellor g

Regent Schofield.

Regent Howard led the pledge of allegiance.

Pastor Art Gafke of the Trinity United Methodist Church offered the invocation.

Regent Schofield entered the meeting.

1. Introductions – Regent Whipple introduced Dr. Jane Nichols who had returned to the System as Vice Chancellor for Academic and Student Affairs. Regent Whipple then introduced Dr. Lee Alley, Vice Chancellor for Information Technology.

President Wells introduced Dr. Cleve McDaniel, Vice President of Finance and Administration at DRI. President Lucey introduced Dr. Marilou Jarvis as Interim Vice President of Finance and Administration for WNCC. President Carpenter introduced Cory Drumright, CCSN Student Body President Dr. Art Byrd, Vice President for Student Affairs at CCSN Dr. Mike Richards, Vice President for Academic Affairs for CCSN Dr. Frank Dipuma, Director of Institutional Research at CCSN and recognized Greg Hampton, Art Davis and Rick

in the world. The goal of FACE is to assess effects of elevated CO₂ on the desert at all scales. The Mojave Global Change Facility is complementary to research being done at the FACE Facility. The goal of the Mojave Global Change Facility is to assess effects of the treatments at all scales and combine results with NDFR results to model the future ecology of the Mojave Desert. A remote control helicopter platform was developed in the past year for acquisition of multispectral images. Dr. Fenstermaker noted external researchers were being brought in to work at both desert locations. She thanked the Board for the opportunity to provide what is being done at the Nevada test site by DRI. President Wells added the research project was funded by the EPSCoR program.

Regent Whipple thanked President Wells and noted it was an exciting time for the Nevada System of Higher Education. Regent Whipple continued that he and Regent Gallagher had discussed bringing in more funds from outside sources. He stated that the System currently brings in approximately \$330 million per year. Regents Whipple and Gallagher want to provide support to the institutions to increase that amount. Regent Whipple was a guest at the Arizona Board of Regents' meeting and was given a tour of a program at University of Arizona by Dr. Peter Smith. Dr. Smith built a camera for the Mars program and submitted a successful bid to build the next ship to go to Mars. When the ship arrives on Mars, it will dig into the expected ice field, will test materials found and beam back the results. If life on Mars is found, Regent Whipple felt it would be found by the University of Arizona. Students working on the Mars project could be attracted by Nevada institutions.

3. Chancellor's Report - Chancellor James E. Rogers presented an overview of his State of the System address to the Board.

Chancellor Rogers acknowledged Vice Chancellor Nichols for accepting the offer to return to the System. He noted that Vice Chancellor Alley came from South Dakota which was a great loss to them, but a great addition to Nevada. He thanked Governor Guinn and the legislature for their support. He noted that discussions would be held later in the meeting regarding the academic medical center and its relationship to the medical school. Chancellor Rogers explained he has been spending 50% of his time talking with doctors, hospitals, and academic medical centers regarding how to increase the stature and value of the medical school and build an academic medical center in southern Nevada.

4. Public Comment – Ms. Debbie Fuetsch, Wells Fargo Bank, asked to address the Board concerning the commercial banking services award. Regent Whipple asked that her comments be held until that item was addressed.

Regent Derby asked about item 39, Sale of Real Property located at 5305 Mill Street, Reno, and wondered if public émpublicMempubl_Me~ uld ntil tha5

the matter with the chair of the foreign language department. Ms. Hoffer answered the chair informed her that there were no plans to expand due to staffing issues. Regent Derby asked if there had been more classes offered. Ms. Hoffer replied there were three classes offered for this semester, however, one was cut at the last minute. Regent Howard asked if staffing was an issue as Arabic is not a language that many can teach. President

4. Public Comment – (Continued)

Harter clarified ten foreign languages are taught at UNLV. In the last two months there have been petitions to teach Philippino, Greek and Arabic. She continued that there are 90 countries and 70 languages represented among the student body and UNLV would teach them all, but it iqmanter wf tesM

with Regent Sisolak. Vice Chancellor Klaich stated the policy was on the agenda for later discussion.

(4) Approved-Tenure Upon Hire, UNLV – The Board approved President Carol C. Harter’s request for tenure upon hire for Elaine Shoben, J.D., effective July 1, 2005. Professor Shoben has accepted UNLV’s offer as Professor of Law with tenure in the William S. Boyd School of Law (Ref. C-4 on file in the Board office) .

(5) Approved-Tenure Upon Hire, UNLV – The Board approved President Carol C. Harter’s request for tenure upon hire for Ardyth B. Sohn, Ph.D., effective July 1, 2005. Dr. Sohn has accepted UNLV’s offer as Director of the Hank Greenspun School of Journalism and Media Studies and as a full professor with tenure in the School within the Greenspun College of Urban Affairs (Ref. C-5 on file in the Board office) .

(6) Approved-Tenure Upon Hire, UNLV – The Board approved President Carol C. Harter’s request for tenure upon hire for Linda Stetzenbach, Ph.D., effective August 1, 2005. Dr. Stetzenbach has accepted UNLV’s offer as Professor of Environmental and Occupational Health with tenure in the School of Public Health (Ref. C-6 on file in the Board office) .

Regent Alden moved approval of items 3, 4, 5, and 6. Regent Leavitt seconded. Motion carried. Regents Howard, Sisolak and Rosenberg abstained.

(7) Approved-Handbook Revision, Restructure of Board Clerk/Chief Administrative Officer Position to Secretary to the Board – The Board approved Chair Bret Whipple’s request to restructure the position of Clerk of the Board/Chief Administrative Officer to “Secretary to the Board”. This is the second reading of the proposed amendments to Regents’ Bylaws (Title 1, Article IV, Sections 5 and 6) . All Handbook references to “Clerk of the Board” or “Chief Administrative Officer” will be changed to “Secretary to the Board” (Ref. C-7 on file in the Board office) .

Regent Howard asked for clarification regarding how the new structure would work, whether the roles of the individuals had changed and the new structure for the Chief Administrative Officer. Vice Chancellor Klaich replied the primary change in the roles was to shift the function of external communications from the Chief Administrative Officer to the Chancellor. Ms. Ernst had those functions and was the Chief Executive Officer to the Board. Under the title of Secretary to the Board, the duties to the Board will continue with the exception of external relations functions. Regent Howard asked if Ms. Ernst would work directly for the Chancellor and what her new title would be. Vice Chancellor Klaich responded Ms. Ernst would no longer be an officer to the Board but would be an assistant to the Chancellor, a position she took July 1, 2005. He explained there was currently an interim serving as Secretary to the Board and this agenda item was a second reading for a Bylaw change. He continued that there was an item later in the agenda to appoint a permanent secretary. Vice Chancellor Klaich stated this item had nothing to do with Ms. Ernst as she did not hold this position and was not a candidate for the position. Regent Howard asked why the change was made. Vice Chancellor Klaich responded that external relations was transferred to the Chancellor. He cautioned that Ms. Ernst was not notified that her past or current performance would be discussed. Regent Howard asked why the structural change was made. Regent Rosenberg explained that several years ago, when the change was made, there was a Secretary to the Board and Ms. Ernst was the External Relations Officer. When the previous secretary retired, it was thought that the two positions could be merged. As time went on, it became apparent that it may not have been a wise decision. He continued this change would go back to the original arrangement and trying to correct a mistake.

Chancellor Rogers added that he found that Ms. Ernst’s duties were so extensive, that assistance to him was not possible. He wanted her to work as a historian and in assisting him as Chancellor. He felt handling the matters of the Regents could be handled by someone else. Regent Howard expressed her concern that there was a void in the southern office and there was no one the Board could communicate with. Regent Whipple thought this could be addressed at the workshop. Vice Chancellor Klaich stated the Board had two decisions: if this was the correct structure and the appointment of an incumbent. Regent Howard understood the Chancellor utilizing Ms. Ernst and her resources in the System but she liked utilizing her also.

Regent Howard asked if this was fair, Mr

Design/Build/Finance Phase II expanded campus for approximately 6,000 students

6. Information Only-Presentation by Chevron Energy Solutions – (Continued)

Initiate an aggressive schedule to complete the campus by Fall Semester 2007

Utilize a local team

Finance the campus via a lease purchase program

Implement educational initiatives

CAMPUS PLAN

Phase II

Additional classroom buildings

Administration building

Power plant/chilled water plant

Library/student union/bookstore/dining

Timeline

Target date for completion will be Fall Semester 2007

DECKER/PERICH/SABATINI ARCHITECT

Over 44 years of experience with 3,000 projects over \$1B and more than 90 design awards

Nevada Higher Education Project Experience

UNLV – 7 buildings

UNR – New Knowledge Center (Design Consultant)

Western Nevada Community College – Applied Science Building

Other Higher Education Experience

University of New Mexico, Albuquerque – 18 buildings

College of Santa Fe, New Mexico – 2 buildings

New Mexico State University – 9 buildings

NM Junior College – 6 buildings

NMHU – Science Technology Center

MCCARTHY GENERAL CONTRACTOR

One of the largest education contractors in US

156 projects completed nationwide with experience in laboratories, teaching facilities, libraries, hospital, parking and student housing

Nevada Project Experience

The Platinum - \$70M luxury condo-hotel

Spring Valley Hospital - \$45M hospital

The District at Green Valley Ranch - \$45M mixed use project

UNLV Experience

Business Economics and Hotel Admin Building Frank and Estella Beam Hall

Shadow Lane Biomedical Facility

6. Information Only-Presentation by Chevron Energy Solutions – (Continued)

Other Educational Projects

College of San Mateo - \$20M new science building

University of Colorado Hospital – winner of DBIA national award of excellence

UC Berkeley Stanley Hall - \$115M new 289,000 sf nanotechnology lab

\$84M Rebecca and John Moores UCSD Cancer Center

\$8.8M Environmental and Natural Resource Building for University of Arizona

Cornell University - \$46.5M nanofabrication research

FINANCING
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of the state after completion. The current acceptor of state buildings is the Public Works Board and they will need to be close to the transaction so they will accept the building. Regent Hill asked if the System sold bonds to

THE MOLASKY GROUP OF COMPANIES

Commitment to Las Vegas since 1951

Company built on a tradition of integrity and trust

Develop projects using only the highest standards for quality and design

Excited about the opportunity to partner with the Board of Regents to expedite the higher education development needs for Nevada schools

Mr. Molasky reviewed the executive team and introduced Mr. Richard Worthington, President, to continue the presentation. Mr. Worthington stated that the Molasky Group has experience in every segment of real estate development.

NEVADA SYSTEM OF HIGHER EDUCATION PROJECTS

The Molasky Group is committed to extending the full resources of the firm to help the Board of Regents and individual campus representatives define, develop and refine an optimized vision for their lease-purchase projects

A TEAM APPROACH

Successful development projects start with a team of experts led by a master developer with a proven track record

The Molasky Group has partnered with Lehman Brothers, the top underwriter of higher education bonds (\$21.6 billion placed since 2000), to structure the most competitive financing

Number 1 (and only) underwriter of lease/purchase bonds for the State of Nevada (3 transactions totaling \$59 million)

The specific and specialized development projects will dictate the best team fit for the architect and general contractor

Regent Howard left the meeting.

Mr. Worthington introduced Mr. Dick King of Lehman Brothers. Mr. King commented that Lehman Brothers has experience in higher education and public/private partnerships. They have financed biotech research facilities for the University of Washington, and energy conservation projects for the University of Utah and the University of San Diego. Lehman Brothers was privileged to work

7. Information Only-Presentation by The Molasky Group of Companies –(Continued)

with the Molasky Group on the Casa Grande project in Las Vegas currently under construction.

DESIGN BUILD APPROACH

We have custom tailored our design-build process to offer an integrated development solution which delivers thoughtfully designed high quality projects at a cost competitive basis

Mr. Worthington reviewed several projects that The Molasky Group had been involved with. He noted that judgment would be reserved on financing until a project was determined. Mr. Worthington thanked the Regents for the opportunity to make the presentation. Mr. Molasky continued the presentation.

THE MOLASKY GROUP IS THE RIGHT CHOICE...

Dependable local developer with a commitment to utilize Nevada based general contractors, architectural firms and minority businesses

Proven low cost provider of thoughtfully designed real estate development projects

Relevant lease/purchase experience

Certified staff with significant knowledge of requirements to deliver energy efficient LEED buildings

Ability to offer flexibility in project financing alternatives

Mr. Molasky stated five qualified firms had been invited to make presentations and he felt whoever was chosen

would perform capably.

Regent Alden thanked Mr. Molasky for all he had done for the community. Regent Sisolak asked for an explanation of the air conditioning system in the Molasky Building. Mr. Molasky replied it is an under air system where the floor is built up 14-16 inches with a 12-14 foot ceiling, the air is chilled under the floor system and sent through vents to cool the top 7 feet. This system results in a 30% savings in energy.

The meeting recessed at 3:07 p.m. and reconvened at 3:24 p.m. with all members present except Regents Howard and Sisolak.

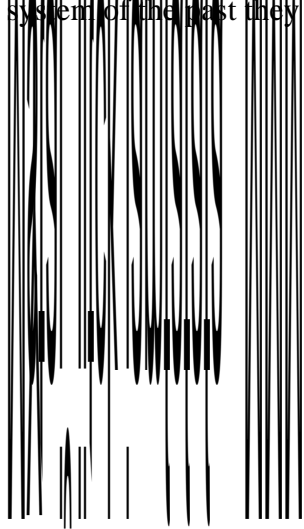
8. Information Only-Presentation by Thomas and Mack Company - Thomas and Mack Company made a presentation to the Board on its privatized development and financing program and how it may serve the educational facility needs of NSHE (Ref. C on file in the Board office).

Mr. Tom Thomas, Managing Partner, Thomas and Mack Company, expressed his pleasure and appreciation for the opportunity to make a presentation. He introduced Mr. Peter Thomas and Mr. Tim Snow from Thomas & Mack, Mr. Frank Martin of Martin Harris Construction and Mr. Bradley Schulz, Vice President at JMA Architecture Studios. The Thomas & Mack team began

8. Information Only – Presentation by Thomas and Mack Company – (Continued)
analyzing a new and innovative approach to supply classroom buildings and other facilities to the campuses over three years ago. It was apparent that the System could not meet the demand for facilities by relying upon state funding. Private funding sources are needed to accelerate the production of facilities. Of equal importance, was the need to improve upon the speed of the delivery of facilities.

Regent Sisolak entered the meeting.

Mr. Thomas continued that his company came to the conclusion that in order to improve the delivery U P G system of the past they needed to join the developer, architect and contract/d perfse deveas & Mack teamany made



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A proven team: Forger 114 projects, totaling \$340 million over 20 years
Demonstrated competence at design – build with over 40 projects in Nevada
Local construction offices with twenty-eight years of successful experience in southern Nevada

8. Information Only – Presentation by Thomas and Mack Company – (Continued)

Established performance on higher education, schedule-sensitive and sustainable design campus projects
Local design offices with sixty years of successful experience in Southern Nevada

Mr. Thomas stated the team approach was critical to achieve speed and cost efficiency lacking in public projects. His company chose to work with JMA Architecture and Martin Harris for their ability to work with the Public Works Board. Mr. Thomas reviewed the timeline and explained that by using the design-build program, along with the permitting process, accounting, financing expertise and oversight of Thomas & Mack, the timeline has been reduced to 14 months from an average of 30 months. All fees are open for scrutiny by project managers to prove that the team is providing a market competitive project. built to Public Works specifications and subject to inspections. He added that all sub trades in projects are competitively bid and open to inspection.

LEASE OPTIONS

Ground Lease

Parties: Board of Regents to Thomas & Mack
Area Included: Pad under building

Building Lease

Parties: Thomas & Mack to Board of Regents
Building Included: Completed building plus sublease on pad land
Term: 40 years with purchase options

Buyout Option

Right By: Board of Regents
When: Every four (4) years
Calculated Values: Unamortized improvements and fair rate of return to developer

SUMMARY

An innovative developer/architect/contractor “team approach”
Extensive track record in designing and building functional and cost efficient educational facilities
Proven financial strength and capital market experience with the capacity to deliver \$100 million in facilities annually
A local team with over 135 years of combined company experience in building Las Vegas
Our team would consider it an honor to participate in the future success of the Nevada System of Higher Education

The Thomas & Mack Company recommended seeking public funding for several public buildings at the same time rather than a building-by-building basis. Mr. Thomas stated they were trying to create a template for the future and were hoping

8. Information Only – Presentation by Thomas and Mack Company – (Continued)

that a process could be created that would last beyond current building considerations and become a resource for building campuses. Mr. Thomas thanked the Board for the time to make the presentation.

Regent Alden felt it was important to have a local architect and contractor. Regent Sisolak asked for clarification of the 14-month timeline. Mr. Thomas answered it was a benefit of having the architect and contractor in place with overlapping functions. It will not be a “spec” building as they will know who the tenant is and the building would be designed with the tenant. Regent Sisolak stated planning and construction would overlap by two months. Mr. Thomas replied planning could continue after the start of construction. He related that his company

welcomed change orders from tenants but not from the contractor.

9.

Advantages

- Expedite process design, bidding, legislative and legal approvals
- Expanded opportunities for partnerships between the university, the public, and the private sector
- Cost efficiencies saving time from conception to completion
- Off balance sheet potential

Disadvantages

- Higher debt cost related to greater distance between university funding and sources of repayment
- Contraction of revenue sources creates necessity for one or more reserve funds
- Projects are often deemed to be “off balance sheet” but “on credit”

Mr. Kerzner explained that the System would be removed from the project. All financing would be around

10. Information Only-Nevada Health Sciences/School of Medicine - Chancellor James E. Rogers provided a status report on the academic medical center. The report included a review of all aspects of this project, including but not limited to: the history of the project, review of the meetings held with interested parties, future planning and challenges faced. There was an update on the MOU between the University of Nevada, Las Vegas and the University of Nevada, Reno for a joint Health Sciences Program in Las Vegas and its implications, if any, to the academic medical center. Appropriations from the 73rd Nevada Legislative Session were also reviewed.

Chancellor Rogers explained he would provide an outline of a proposal from the University of Pittsburgh medical center to develop an academic medical center in Nevada. He noted that Pittsburgh has gone from 700,000 to 300,000 people in the last 10-15 years. He continued that the University of Pittsburgh medical school is separate from the academic medical center. The University of Pittsburgh medical center owns 19 hospitals. Chancellor Rogers stated that across the country, the ratio between private and public hospitals is 90% publicly owned and 10% privately owned. Las Vegas is an exception as 90% of the hospitals are privately owned and 10% are publicly owned. In his view, the most important thing to the System is the development of the medical school. In the development of the medical school, there will be no effort to move the school to Las Vegas. As the school develops, it will need to join with the health science programs at UNLV to develop a joint venture to make a great medical school. A fallout may be the development of an academic medical center. He has tried to leverage contacts with the Pittsburgh Medical School as they have suggested they would come to Las Vegas and build or operate an academic medical center. The Pittsburgh Medical School could build the center without the System. As the hospitals in Las Vegas have looked at the University of Pittsburgh, they have seen a threat to their profit. Several hospitals approached Chancellor Rogers for the opportunity to show what they could provide in lieu of the University of Pittsburgh and a proposal was presented. He suggested that if the hospitals were putting up money, the doctors would also contribute to the medical school. He noted that the hospitals were not suggesting that they would contribute funds for an academic medical center. Hospitals would contribute funds to expand the role of the medical school. Chancellor Rogers has been having discussions with doctors and suggested they should contribute. The hospital association will have their proposal ready on October 11. He had a meeting with the county and it was suggested that there could be property on Shadow Lane that could be transferred to the System. Chancellor Rogers did not think the 15 acres downtown would be adequate. This will affect the future of Southern Nevada and he wanted to ensure they are not thinking for the short term. They need to ensure that if an academic medical center is built it is one of the best in the world.

Chancellor Rogers introduced Dr. John McDonald, Dean of the University of Nevada School of Medicine.

10. Information Only-Nevada Health Science/School of Medicine – (Continued)

THE UNIVERSITY OF NEVADA SCHOOL OF MEDICINE'S ROLE IN FURTHERING HEALTH CARE FOR NEVADA

Our Missions

1. Increase the number and diversity of health care providers in Nevada
2. Train the work force for the health care system of the future
3. Expand biomedical and biotechnology research and development within the state
4. Become a health care information resource for Nevada, providing stake holders and policy makers with the accurate and timely information they need to make decisions about resource allocation

The Medical School depends upon clinical revenue

Three dollars of four come from clinical activities, grants and contracts

Dean McDonald explained that affiliate hospitals provide the environment to attract the best faculty and staff who are committed to education. The School of Medicine has a world-class plastic and reconstructive surgery department.

Critical role of affiliate hospitals in medical education

Postgraduate (residency training post-MD) is hospital based
Students learn essentials of caring for acutely patients
Learn indications for and limitations of complex and invasive procedures
Learn to work in multidisciplinary teams in a complex and demanding environment
Attract the very best faculty and staff committed to education

the principles articulated. Regent Gallagher asked if the System would own a hospital under the affiliation. Dean McDonald answered no, he did not think the System wanted to own a hospital.

Vice Chancellor Klaich followed up that consideration of the players is critical especially due to the commitment and support from Presidents Harter and Lilley. He noted Chancellor Rogers has indicated this will be a partnership in the System, integrated in its programmatic offerings and broad based and a community asset.

10. Information Only-Nevada Health Science/School of Medicine – (Continued)

Vice Chancellor Klaich continued that the Nevada Cancer Institute is open with private money, the Larry Ruvo Keep the Memory Alive Foundation is open with private money and the Whittemore Chronic Fatigue Center will also open with private funding. The System has been courted by the University of Pittsburgh. He believed a decision needed to be made quickly whether the System wanted to move into the market or abdicate the market. The legislature provided \$5.5 million in planning money for an academic medical center and a transplant center. There are also leaders willing to help make it happen with the Board's direction, consent and advice.

Regent Derby stated the partnership model discussed the need for a nonprofit hospital that was supportive of training physicians. She asked how that would come together to meet the needs of the medical school when 90% are for profit. Dean McDonald replied the offer by the Nevada Hospital Association was welcome and they are primarily for profit. He did not mean the hospital could only be nonprofit. There are examples of for profit hospitals running academic medical centers, however, the relationship is not as seamless or transparent as with a controlled affiliated hospital. What is essential is a commitment of hospital leadership to integrate the School of Medicine. The school primarily functions as laborers as doctors are paid on contract and provide a majority of care for indigent patients. He felt it was essential to move to the next step and step up to the challenge.

Regent Wixom left the meeting.

Regent Dondero asked if the county had been approached to see what part they wanted to play. Chancellor Rogers replied he had and they would help in any way. They are currently looking for additional property in the Shadow Lane area. Regent Dondero asked if the county was willing to assist with more }

staff to the project and that is a measure of the importance of the academic medical center. Regent Gallagher expressed her appreciation for the work done by the Chancellor, but felt the System needed to start talking to the people of Nevada about the plan for an academic medical center.

11. Approved-Appointment of Secretary to the Board and Approval of Contract- The Board considered and made a decision regarding the appointment of Interim Clerk of the Board, Fini S. Dobyms, to be the permanent Secretary to the Board. The Board also considered and made a decision regarding the Secretary to the Board employment terms and conditions presented at the meeting (RRLE on file in the Board office).

Regent Alden moved approval of the appointment of the Secretary to the Board and approval of the contract. Regent Rosenberg seconded.

Regent Sisolak noted a point of order. Vice Chancellor Klaich stated that in order to make this appointment, the Board would have to make a motion to suspend their Bylaws which needed approval by a super majority.

Regent Alden moved suspension of the Bylaws. Regent Rosenberg seconded. Motion carried. Regents Howard, Leavitt and Whipple were absent.

11. Approved-Appointment of Secretary to the Board and Approval of Contract-
(Continued)

Regent Alden moved approval of the appointment of the Secretary to the Board and approval of the contract. Regent Rosenberg seconded.

Regent Leavitt entered the meeting.

Vice Chancellor Klaich informed the Board that discussions had been held between the Chair, Vice Chair and Mrs. Dobyms with respect to the contract. The annual salary will be \$75,000. A one year contract and retention of her currently vested rights regarding notice of reappointment of one year was recommended. He mMeereC-M H

Regent Alden moved approval of items 12-15 with the codicil that all are budgeted, there is full disclosure and no supplemental contracts.

12-15. Approved-Employment Contracts, UNLV – (Continued)

Regent Sisolak noted a point of order. President Harter replied these contracts were for supplemental compensation within the contract.

Regent Sisolak seconded. Motion carried. Regents Howard and Whipple were absent.

16. Approved-Supplemental Presidential Compensation, DRI – The Board approved Chancellor James E. Rogers' request for approval for the DRI Research Foundation to provide funding to the NSHE to supplement the compensation provided to President Stephen G. Wells in his role as president of DRI (Ref. F on file in the Board office).

Chancellor Rogers stated he has strong feelings regarding compensation for the presidents and has lobbied for supplemental pay for presidents. He wrote a letter to the DRI Foundation suggesting they supplement President Wells' salary by \$22,000 per year. The foundation agreed, and the agreement is the same as that of Presidents Harter and Lilley.

Regent Hill moved approval of the supplemental presidential compensation for President Stephen G. Wells. Regent Anthony seconded.

Regent Rosenberg commented that he was in full favor as President Wells is a superstar. He could not support the motion as salaries are not appropriate for part-time teachers, letters of appointment, and adjunct professors and he wished consideration could be given to them.

Motion carried. Regent Rosenberg voted no. Regents Howard and Whipple were absent.

Regent Alden left the meeting.

17. Approved-Commercial Banking Services Contract – The Board approved Ms. Kathleen Payne's, Director of Banking and Investments, request for approval of Bank of America to provide commercial banking services to NSHE beginning January 1, 2006 (Ref. L on file in the Board office).

Kathleen Payne, Director of Banking & Investments, asked for approval of a new banking contract. She noted an RFP had been done for banking services, credit card services, a purchasing card and a travel card, which was sent to 44 companies with 6 responses received. It was hoped that by combining services better pricing could be obtained, however, each service was priced separately and there was no benefit to a multiple contract. The RFPs were reviewed by Ms. Payne and all

17. Approved-Commercial Banking Services Contract – (Continued)

campus controller's offices. Ms. Payne recommended approval of a contract with Bank of America for 5 years, with 2 two-year extensions. She explained the reasoning for choosing Bank of America included: 1: the cost of services is one-third of that currently being paid 2: a signing bonus of \$100,000 to be applied to monthly fees which will provide approximately one year of free services 3: the technology, banking services, web services and capabilities were impressive.

Regent Dondero moved approval of the commercial banking services contract. Regent Derby seconded.

Regent Sisolak asked for a dollar amount of the fees. Ms. Payne replied the committee had the same reaction and wanted to make sure it was not a misunderstanding. The System's fee for April 2005, under the current contract was \$35,000, while Bank of America would have been \$11,000. She noted that January and August would have higher volume and higher fees due to funds received for tuition and fees. Regent Sisolak expressed his concern that it seems too good to be true. Ms. Payne stated she had requested clarification of the fees from

Bank of America. Regent Sisolak asked if Wells Fargo was contacted to determine how this could happen to ensure nothing was being missed. Ms. Payne answered no. Regent Sisolak asked Vice Chancellor Klaich to review the contract. Regent Dondero mentioned she had called and asked about the contract. Ms. Payne stated her office, and every institution, had reviewed the pricing and performed the evaluations.

Regent Wixom stated he had represented Bank of America in the past and would abstain from the vote.

Regent Rosenberg asked what options were available to terminate the contract. Ms. Payne responded the RFP would be part of the contract. Regent Rosenberg remembered that the System once contracted with Bank of America and the service was poor. He wondered if the contract could be terminated if the service was not adequate. Ms. Payne replied a lack of service would be a contract issue. She continued that the System left Bank of America because of services not being provided. The committee conducted reference checks for Bank of America and the representative that would be assigned the System's account and they were excellent. Regent Rosenberg asked if the reason for the recommendation was due to the amount being saved, not dissatisfaction with Wells Fargo. Ms. Payne responded the money was a factor, but the committee felt comfortable with the services to be provided, technology, web system and banking system. She continued that savings for lousy service would not be beneficial. Regent Derby assumed there was a good process used to come forth with this recommendation. Ms. Payne replied the committee wrote the RFP and all campuses participated. Regent Leavitt commented this may not be the greatest deal it may be that just the other one was bad. Regent Sisolak stated Bank of America charges, against the

17. Approved-Commercial Banking Services Contract – (Continued)

earnings credit, for deposits, stop payments, etc. and asked if the System had the same arrangement with Wells Fargo. Ms. Payne answered Wells Fargo does not provide an earnings credit but pays interest to the System. Regent Sisolak asked where the 2/3 reduction came from. Ms. Payne replied the savings would come from the actual cost of individual line items. Regent Sisolak expressed his concern that the System would not be able to get out of the contract. Regent Gallagher asked if the legal department had reviewed the contract. Ms. Payne responded they had not. When Regent Gallagher asked when the contract with Wells Fargo would end, Ms. Payne answered December 31, 2005.

Regent Gallagher asked the Board to table this item until the legal department had reviewed the contract. Vice Chancellor Klaich cautioned that for the Board to hear comments from the Wells Fargo representative, a motion to table is non-debatable and must be voted on immediately.

Ms. Payne mentioned the Wells Fargo contract ends December 31, and if approval of a new contract was delayed to another meeting, it would be difficult to go through conversion before December 31 and approval would be needed to extend the contract with Wells Fargo.

Regent Sisolak asked if the contract with Wells Fargo was not on the agenda. À ò € 4°€ € p (

Ms. Debbie Fuetsch, Vice President, Relationship Manager for Wells Fargo. Ms. Debbie Fuetsch is a former

Regent Gallagher stated she was uncomfortable approving the contract without having the legal department review it.

President Carpenter and pay what the market dictates. He stated that President Carpenter had been accessible to all Regents.

Regent Sisolak thanked President Carpenter for coming in at a time when the turbulence was immense at CCSN. Suffering by students, staff and faculty was unfortunate and unwanted. Under President Carpenter's leadership the institution has gotten onto smooth sailing and good seas and the future is bright. He expressed appreciation to President Carpenter and what he has done for students. Regent Hill congratulated President Carpenter. Regent Schofield expressed his gratitude for President Carpenter's courage and fortitude to get to the bottom of things at the school. Regent Schofield stated President Carpenter has the support of Regents. Regent Howard said that President Carpenter came into an institution that was broken and is now in the healing process. She expressed her appreciation for what President Carpenter is doing for students, faculty and staff.

Regent Rosenberg stated he has a history of not voting for raises, however, in this case, he will vote for the raise. He felt President Carpenter has done a wonderful job.

President Carpenter stated much of what was said about CCSN is true. He noted the spirit was not broken and no one could have done much had that happened. There are many good, dedicated and hardworking people at the college, who are wonderful to work with, and care about students. He has focus groups with students who say that faculty care. What is important is what happens in the teaching/learning process. He thanked the Regents for the vote of confidence. He said that if the Chancellor and Board do not stand behind him it would be impossible to make tough calls. President Carpenter thought the campus is moving in a good direction. He felt comfortable and good about his first year, and was most appreciative of the support given, which made his first year a success. Regent Whipple expressed his appreciation to President Carpenter and noted there were high expectations which have been met.

19. Approved-Presidential Contract, CCSN - The Board considered and made a decision regarding the employment terms and conditions for CCSN President Richard Carpenter.

Regent Anthony moved approval of the contract for CCSN President Richard Carpenter. Regent Sisolak seconded. Upon a roll call vote, the motion carried unanimously.

20. Information Only-Handbook Revision, Clarification of Code, Chapter 5, Regarding Notices of Nonreappointment/Termination – Vice Chancellor Daniel Klaich provided clarification language to Chapter 5 of the NSHE Code. This is a change to the Code and requires two hearings. Final action will be taken at the December 2005 meeting (Ref. N on file in the Board office).

Vice Chancellor Klaich informed the Board that the effective date for provision of notice of nonreappointment in the policy passed two meetings ago had been omitted.

21. Information Only-Handbook Revision, Applicability of Code, Title 2, Chapter 5, Section 5.6.2 to Letters of Appointment - Vice Chancellor Daniel Klaich provided information of a change in the NSHE Code to ensure that the provisions of Title 2, Chapter 5, Section 5.6.2, regarding confidentiality of personnel and payroll files apply to employees on a Letter of Appointment. This was the first hearing of a change to the Code and final action will be taken at the December 2005 meeting (Ref. O on file in the Board office).

Vice Chancellor Klaich stated items 21 and 22 were similar because the System operates in an open meeting law and public records state, but there are certain exemptions. Exemptions are available to System employees. Confidential personnel and payroll items needed to include letters of appointment so the employees would have the same protection that others enjoy. Regent Sisolak asked whether letters of appointment were being provided more or less confidentiality. Vice Chancellor Klaich responded more, they are currently not included in policies for confidentiality. Regent Sisolak asked about roster information being made public. Vice Chancellor Klaich answered roster information is public, will remain public and is provided when requested.

22. Approved-Handbook Revision, Confidentiality of Employment Application Materials – The Board approved Vice Chancellor Daniel Klaich’s request for a change in the NSHE Code (Title 2, Chapter 5, new Section 5.6.3) to ensure that the application materials for professional positions remain confidential. This was the second hearing of a change to the Code (Ref. P on file in the Boardp

Regent Schofield entered the meeting.

STRATEGY 2010

Strategic Planning Focus Groups

Cheyenne, Charleston, Henderson
Faculty, Staff & Students
On-line Campus Surveys
Community Focus Groups

Strategic Goals

1. Restoring Public Confidence
 2. Resourcing
 3. Improving Student Access
 4. Enhancing Academic Reputation
 5. Leveraging Economic Development
24. Information Only-Strategic Plan, CCSN – (Continued)
6. Building Distributed Learning Enterprise
 7. Capitalizing on Diversity and Multiculturalism
 8. Improving Grantsmanship and Development
 9. Planning the Future
 10. Building Campus Infrastructure

Restoring Public Confidence

1. Restore public confidence in management and operations
2. Establish college-wide performance metrics, standards and expectations
3. Professionalize Human Resources policies, practices and position

6. Establish Academic Honors Program
7. Establish outcomes assessment and academic performance and productivity benchmarking

Economic Development

1. Launch new Division of Workforce and Economic Development
 2. Establish new industry-specific advisory boards in support of academic programs
24. Information Only-Strategic Plan, CCSN – (Continued)
3. Establish corporate college learning centers at southern Nevada worksites
 4. Establish clearinghouse for linking faculty expertise with emerging business needs
 5. Pursue workforce grants to address customized training needs

On-Line Learning

1. Establish Virtual Learning Enterprise
2. Create student-centered quality standards for on-line program development
3. Establish complete on-line degree and certificate programs
4. Expand media-rich programming
5. Establish on-line student support services
6. Establish technical support center for students
7. Facilitate faculty adoption of technology across the curriculum

Diversity & Multi-Culturalism

1. Globalize CCSN curriculum
2. Internationalize Student life and campus culture
3. Establish new community forums, CCSN outreach & economic empowerment
4. Engage community organizations and civic leaders in the CCSN strategic planning process
5. Engage community organizations in measuring CCSN's institutional performance
6. Empower CCSN's new Director of Diversity as college/system resource

Grants & Development

1. Brand CCSN
2. Engage CCSN alumni
3. Expand grant writing capacity & engage faculty more in grant proposals
4. Pursue academic program endowment
5. Promote Foundation challenge grants
6. Link corporate giving to workforce development

Planning the Future

1. Employ college-wide, systematic, inclusive planning process
2. Delineate institutional performance metrics
3. Centralize & expand institutional performance tracking capacity
4. Establish uniform performance evaluation process
5. Create quality and customer service expectations
6. Re-orient executive and academic decision making (data-driven)

Campus Infrastructure

1. Develop long range academic and physical plant master plans
 2. Establish long range capital financing plan
 3. Establish deferred maintenance funding strategies
24. Information Only-Strategic Plan, CCSN – (Continued)
4. Establish risk management policies
 5. Establish partnerships for co-utilization and co-development of campus infrastructure
 6. Expand virtual and physical libraries

METRICS 2010

Benchmark Institutions

Portland Community College Sacramento City College
Maricopa Community College Austin Community College
Tarrant County Community College North Harris Montgomery
Broward Community College Community College
Tidewater Community College Montgomery College
Cuyahoga Community College

Institutional Support (NACUBO Categories)

Peer Tracking, \$ per FTE

- Instruction
- Academic Support
- Student Services
- Institutional Support
- Operations & Maintenance

Program Costs (Direct and Indirect)

Peer Tracking, \$ per FTE

- Limited Entry Programs
- Developmental Education
- Technical Programs
- Workforce Development
- Others

Student/Faculty Ratios

Peer Tracking Ratios by:

- Full-Time Faculty
- Part-Time Faculty
- Instructional Department
- Academic Program
- Campuses/Sites

Student/Administrator Ratios

Administrative FTE per Student Head Count

- All state funded positions including faculty release time
- Annual census date of October 15

24. Information Only-Strategic Plan, CCSN – (Continued)

Average Class Size

Average Number of Students by:

- Course Section
- Department
- Academic Division
- Campus/Site
- College

Average Class Size (Detail)

Number & Percent of Course Sections With:

- 1-4 Students
- 5-9 Students

10-19 Students
20-29 Students
30-49 Students
50+ Students

Faculty Workload

Distribution of Effort (DOE) Linked to NSHE Comparisons:

Teaching
College/Community Service
Academic Advising
Professional Development
Other

Space Utilization

Expand on NSHE Space Utilization Study:

All campuses all sites, analysis of classroom and lab space by room, each hour, each day
Library & study space per student, each hour

Ratio of early to late withdrawals
Grade distribution trends by full-/part-time faculty and by program

Student Demand

Unduplicated attempts to enroll by
Course
Department
Division
Ratio of attempts to capacity

Student Satisfaction

Survey students upon completion of 30 credits
Survey graduates in capstone classes
Survey “leavers”
Point-of-contact student services surveys
Trend surveys over time

Employer Satisfaction

Employer focus groups
Business roundtables
Gap-Analysis surveys (what employers expect vs. graduate performance)
Satisfaction guarantee

24. Information Only-Strategic Plan, CCSN – (Continued)

Regent Derby thanked President Carpenter for his presentation and complemented the focus on metrics which she thought was well needed. She asked about the relationship between financial planning skills and student persistence rates. President Carpenter answered that Ms. Debra Lopez, Director of Human Resources at CCSN, had helped uncover this issue. He thought the primary issue for student persistence was academic performance. He continued that part of the interview and says that students persist

Regent Dondero thought it was a good idea to add properties to the Investment Committee and has asked that a map of the System's property inventory be prepared. She also asked that a map of BLM land be acquired. Regent Alden stated he has advocated that everything come through committees and it was important to add properties to the responsibilities of the Investment Committee. Regent Sisolak expressed his concern that the scope is enormous and overseeing

26. Information Only-Handbook Revision, Investment Committee adds Properties to Responsibilities – (Continued)

properties will be a great deal of work. He noted the Chair of the Committee would need staff support. Vice Chancellor Neel mentioned that deadlines had been established. He continued that the business officers would appreciate being able to look at concerns about the timing of issues with acquisition and disposal and assisting with developing the role of the Committee to assure there are no other issues.

27. Information Only-Handbook Revision, Establishment of a Board Standing Committee on Research and Economic Development - Staff presented to the Board a proposal for creation of a standing committee of the Board charged with reviewing and making recommendations on issues concerning research and economic

development initiatives. This was the first proposal of its kind and would be an amendment to the Regents' Bylaws with Article VII, Section 3) with first only. Hvmakrec

30. Tabled-Handbook Revision, Employment of Regents at NSHE Institutions, Units or Foundations – The Board tabled action on Chairman Bret Whipple’s request for approval of a change to the Board of Regents’ Policies (Title 4, Chapter 1, Section 3) to establish a policy regarding the employment of Regents at institutions, units or foundations of NSHE (Ref. W on file in the Board office) .

Vice Chancellor Klaich stated this issue had been previously discussed and was brought back to the Board for consideration without recommendation. Regent Sisolak felt strongly that the Board has a fiduciary duty and obligation to protect the integrity of the System and he wanted to ensure there was no perception of problems. He noted that other boards and agencies deal with this restriction and he thought it was reasonable for the Board of Regents to have this policy. He thought that sometimes Regents lose sight of the pressure put on presidents when making requests. Presidents are put in harm’s way to say no. He had considered amending the language so that if a president was approached it would be incumbent upon them to notify the Chancellor.

Regent Sisolak moved approval of the Handbook revision to establish a policy regarding employment of Regents at institutions, units or foundations of NSHE. Regent Alden seconded.

Regent Alden thanked Regent Sisolak for proposing the amendment. He asked if the other agencies had a one- or two-year cooling off period. Regent Sisolak answered to the best of his knowledge it was one year. Vice Chancellor Klaich noted this policy was modeled on NRS that states one year. Regent Derby mentioned there had never been a problem and she did not see the need. Regent Rosenberg stated that many times the Board reacts to a situation and he agreed with Regent Derby. He did not think the presidents were weak in any way and did not see the need.

30. Tabled-Handbook Revision, Employment of Regents at NSHE Institutions, Units or Foundations –
(Continued)

Regent Anthony commented the Regents were not a regulatory body but a policy making body. He did not like policies made due to situations, and felt this was unfair. When he was elected to the Board, he taught at the community college and UNLV. He would like to return to teaching after he leaves the Board and he would hate for a policy to infringe on that. He continued that he understood the spirit but wondered if this was the correct avenue. Regent Howard stated she also formerly worked at CCSN and UNLV. She has an interest in pursuing a position in higher education after her Board tenure. She did not see the need and if this was approved, she did not think Regents should be singled out. She believed the policy should include the Chancellor, General Counsel and Faculty Senate Chairs. She noted she had seen situations where senate chairs moved from their chair position to higher positions than held before due to their position as Faculty Senate Chair. She asked what kind of position a president would be put in if a General Counsel or any counsel member who knows every legal matter on the Board and what is going on in the System, including personal and confidential matters, applied for a position. She felt the policy needed to be looked at in depth and she did not believe that regulatory agencies with such policies only included their board members.

Regent Leavitt stated this was a policy to stem perception. The proposal calls for a one-year period, but he could support a rule that a Board member could not apply until the day following the end of their tenure on the Board. He thought the policy was an attempt to say Board members do not use influence improperly. Regent Wixom asked if the proposed language meant that if a Board member was employed at the present time, they would not be employable when they left the Board. Vice Chancellor Klaich agreed. Regent Wixom noted there had been no suggestion of impropriety but he understood the perception. He felt the Board often rushes to address perception in haste without understanding the ramifications. Action needs to be taken after reflection and thought. He wanted this to have more consideration before moving forward. Regent Sisolak appreciated everyone’s concern and was not implying there was influence used in the case that precipitated the development of the policy. There is public perception that the Regents have power and put pressure on presidents. The Board needs to make sure there is no problem or impression there is a problem. Other applicants need to be considered and he felt it was just that they get a fair shot. Regent Anthony thought the issue was that System employees should not be in a position of undue pressure to hire Regents. He asked for an opinion from the ethics commission about applying

Mr. Kuhlman responded the three had different type faces. Regent Whipple asked which would be easiest to replicate. Mr. Kuhlman replied Garamond or Trajan.

Regent Alden moved approval of the Handbook revision regarding the new seal of the Nevada System of Higher Education to use the Garamond font. Regent Anthony seconded.

Regent Sisolak entered the meeting.

Motion carried. Regent Leavitt was absent.

32. Approved-Handbook Revision, Acquisition or Sale of Real Property – The Board approved V

B.S. degree using existing Junior and Senior level undergraduate courses

Executive Masters in Hospitality

Program Administration

Registration, admissions, transfer and general education approvals, including graduation would be the responsibility of the UNLV Singapore program

Little or no impact on UNLV resources

Courses offered will meet or exceed UNLV academic standards

Chancellor to negotiate MOU with the Singapore EDB

Non-Resource Cash Advance

Providing financial incentives for UNLV Singapore

October 2005

Finalize designs for NLB build out
Commence build out of NLB
Hire administrative staff (Kelly Services)

November 2005

Finalize class schedule and calendar for Fall 2006
Finalize admissions process

December 2005

Hire and schedule faculty as required
Develop UNLV Singapore website
Develop recruiting and marketing programs

January through August 2006

Activities as needed to open for classes in AY 2006

The Global Schoolhouse
Business, Hospitality, Engineering

Request for Board Action

1. Authority to enter into agreement with Singapore EDB for non-recourse cash advance of up to \$2.3 million.
Chancellor to approve agreement

sponsor of SB 156, to review the background and impetus for this legislation (Ref. CC on file in the Board office) .

Regent Whipple introduced Senator John Lee and thanked him for his support of higher education. Senator Lee expressed his excitement to tell the Board about the ornamental horticulture program. He noted it is a 2+2 program developed by the industry. Senator Lee did not understand how the process worked and introduced a bill. He was in the middle of these efforts before he understood how things worked. He now understands the procedures and is willing to work within them. There are wonderful students in southern Nevada but no facilities to teach them. He spent a day with President Carpenter at a symposium learning about low income adults returning to college and this program would allow them to be able to receive a degree in this field. Currently students are transferred to Washington or California. His responsibility, by developing the bill, is also to

34. Information Only-Review of Legislation, SB 156 – (Continued)

fund it. He will go to the next session and request funding of \$1.2 million. He introduced Doug Busselman, Nevada Farm Bureau Federation Dick Post, Emeritus, University of Nevada Cooperative Extension Susan Ray, Board of Agriculture Jim Johnson, Nurserymens Association Andy Belanger, Las Vegas Valley Water District John Smith, CCSN Debra Rae Drew, Nevada Landscape Association Tom Jaszewski, Mirage Horticulture and Dean David Thawley, UNR. He was excited to offer this opportunity in Southern Nevada and bring it forth to the Board. He understands the System and would not introduce a bill for programs again but it was for the betterment of the people. Regent Whipple expressed his appreciation to Senator Lee for taking the time to visit and for his support of higher education. He expressed his concern that a procedure had not been set up to bring forward information and felt that needed to be addressed. He thought it was important to hear from the presidents regarding this issue as it will directly affect them. Senator Lee believed a procedure would be helpful so the legislature would know how to better work with the System.

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President Lilley thanked Senator Lee for his support. He noted this was an item brought through the strategic planning process for the College of Agriculture but not through the standard procedure of the Board. It is currently going through the process and will come forward to the Regents for approval. Regent Whipple thought a concern of Senator Lee was the need in the south. He wondered what type of presence there would be to

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strong objections to the legislature making recommendations and appropriating money to create programs without the advise and consent of the Chancellor, presidents and the Board of Regents. The Board is constitutionally mandated to govern the System of Higher Education and it is the Board's responsibility to oversee the creation of curricula and programs within the System. He appreciated the concern, but \$1.2 million coming into the System when there are other needs (letters of appointment, part-time faculty and adjunct faculty salaries) that are not paid a decent wage. Regent Rosenberg thanked Senator Lee and appreciated the work that went into this. Regent Whipple asked Regent Leavitt, as chair of the Board Development Committee, to communicate with the legislature on how to bring concerns forward to the Board.

professors and there has been communication but nothing happened. President Lilley noted UNR was aware of the need and requested resources. The program was proposed to be created, but there were no resources. This has been something that has been planned with CCSN for several years. President Carpenter wanted to ensure that those present knew CCSN wanted to respond and his door is open.

response to the RFP and standard treasury regulations. He asked that the words “and pricing” be added to the contract. He noted the contract contained a 180-day walk away clause that can be used at any time during the contract if either party is unhappy with the relationship. This is the time period that another RFP could be sent out to change banking services. There is also a termination for cause provision of 60 days. The General Counsel’s of

save money on expenses related to bonds.

Regent Gallagher moved approval of the sale of revenue bonds for UNR and UNLV. Regent Hill seconded.

Vice Chancellor Klaich asked if the \$23 million would be refinanced. Ms. Payne answered that would be determined at the time of sale. V

where the discussion took place. Regent Rosenberg answered the salary scale is not part of ARSA's charge.

Regent Dondero entered the meeting.

President Carpenter stated he had been charged with developing a formula and he worked with the faculty senate and NFA. This is a collaborative effort. Dr. Divine reassured the Board that the plan had been brought to the senate leadership committee. Faculty had a chance to review and alter the plan and support it. Regent Howard thought this money was to be used for salary increases for faculty. President Carpenter answered the bulk of the money is to increase instructional faculty salaries and will be distributed equally.

Motion carried. Regent Alden was absent.

38. Approved-Sale of Real Property Located at 5305 Mill Street, Reno (APN 012-320-02), UNR - The Board approved President John M. Lilley's request, on behalf of the University of Nevada, Reno, for the sale of 55 acres at 5305 Mill Street, Reno (a portion of APN 012-320-02) for \$13.2 million. The Board also approved rescinding Board of Regents' Resolution No. 81-8 insofar as it restricts the use of proceeds from the sale of a portion of Parcel No. 012-320-02 (Ref. DD on file in the Board office).

President Lilley reported that after permission was received from the Board, a public auction was held for university property. As a result of the auction, a decision was made to sell the property to Pacific West Homes. The Truckee Meadows Flood Control Planning Committee, under the auspices of Washoe County, made a counter offer to the Board of Regents. With two university votes on the planning committee and the requirement that all actions be unanimous, the university abstained on the vote. Pacific West has agreed to withdraw their offer conditioned upon the Board's acceptance of the Flood Control Planning Committee's offer. President Lilley thanked Mr. Paul Tanguy of Pacific West Homes and Ms. Naomi Dewer of the Flood Control Planning

land acquisition account could be used for agriculture. Regent Sisolak stated if the funds went into the property acquisition account proposals had to come before the Board. He expressed his concern about commingling the funds. Regent Gallagher stated the funds would not be commingled, they would be separate and set aside. Regent Sisolak asked how that could be when the funds were placed into the account Vice Chancellor Klaich replied the Board could stipulate the funds would go into a separate, new account. Mr. Zurek clarified that UNR's property acquisition account contains sub-accounts and another could be added. He assured the Board that nothing would be spent without approval. Regent Rosenberg asked whether that would include interest. Mr. Zurek answered yes. Regent Derby wanted to be assured the money was in a separate account and she felt it was premature to rescind the resolution. She continued that to take action prior to the task force developing a plan and determining needs was premature. If the property is sold, she felt it was important that the proceeds go into a separate account and not be spent before the task force has completed its work and brought back recommendations. She argued for defeat of the motion.

Regent Whipple called for public comment related to this item. He reminded attendees that there had been a special meeting and comments would be limited.

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Mr. Dennis Hellwinkel stated he was a member of the task force. The task force has had one meeting, and is in the process of gathering information and getting input for needs. It was hoped that the information would be available by December 1 when another meeting will be held. The plan is due by March. He noted that all members are committed to getting this done as quickly as possible. If the purpose of agriculture research property is to provide capital

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

Regent Rosenberg moved approval of the sale of the property located at 5305 Mill Street, Reno to Washoe County. Regent Anthony seconded.

Ms. Dewer presented the terms of the Washoe County offer to purchase the property for \$12.1 million in cash. She noted the offer was contingent upon review of title and review of environmental conditions. The county also offered

38. Approved-Sale of Real Property Located at 5305 Mill Street, Reno (APN 012-320-02), UNR – (Continued)

to be a “good neighbor” to other university properties by leasing back water rights for a minimal additional consideration and using them to better manage the property. The water rights issue would be worked out later and was not part of the sales agreement. She thanked the Board for allowing the county to come forward with an offer. She was impressed with the collegiality and partnership of UNR and it was her hope to continue to build bridges with UNR and DRI. She asked the Board for positive consideration of the offer. Regent Gallagher wanted it understood that nothing had been done improperly. The university went through the proper process, the highest bidder was recommended and the county had since submitted a different offer.

Regent Whipple observed that Vice Chancellor Klaich asked that the motion be amended to include the power for the Chancellor to sign the documents.

Regents Rosenberg and Anthony accepted the amendment.

Regent Dondero expressed her concern about the water rights and that the county was forced to negotiating everything in 30 days. She asked if that had been changed. Ms. Dewer replied no, the county made an offer and the environmental and title review would be conducted and before moving forward with closing. She suggested, in her cover letter, t

Regent Hill noted a point of order that Hurricane Rita was not included in the agenda item.

Tech Prep/Associate Degree Program – The Committee recommended approval of a proposed joint policy statement on Tech Prep/Associate Degree Program between the State Board of Education and NSHE (Ref. ARSA-10 on file in the Board office)

Dual Enrollment Joint Policy – The Committee recommended approval of a statement in support of dual enrollment between Nevada High Schools and NSHE institutions (Ref. ARSA-13 on file in the Board office)

~~New Program Follow-Up Report~~ ~~helped Committee~~ recommended approval of a follow-up report on enrollment and budgetary projections of all new programs(Ref. ARSA-14 on file in the Board office)

Regent Rosenberg moved approval of the Committee recommendations and acceptance of the report. Regent Dondero seconded. Motion carried. Regents Alden and Howard were absent

~~Regent~~ Regent Schofield left the meeting.

44. Approved-Audit Committee - Chair Douglas Roman Hill reported the Audit Committee met September 22, 2005 and requested Board action on the following Committee recommendations:

The Audit Committee heard the following reports: follow-up responses for seven internal audit reports that were presented at the April 2005 meeting the institutional bank reconciliations are up-to-date the Committee requested a follow-up and plan of action for the Nevada System of Higher Education Management Assistance Partnership audit report be presented at the next Audit Committee meeting Regent Alden requested a follow-up report on the open audit recommendations noted in the Audit Exception report be presented at the next two Audit Committee meetings and AGB publication, the Audit Committee, was distributed to the Committee members Regent Alden requested a report on the status of the recommendations made in the publication.

Regent Hill requested Board action on the following Committee recommendations:

Minutes – The Committee recommended approval of the minutes from the June 23, 2005 Audit Committee meeting

Internal Audit Reports – The Committee recommended approval of the following internal audit reports and certain actions pertaining to the reports (Audit Summary Report)

Management Assistance Partnership, NSHE (Ref. A-3 on file in the Board office)

Bursar's Office, UNLV (Ref. A-2 on file in the Board office)

Admissions and Records, CCSN (Ref. A-4 on file in the Board office)

Child Development Center, WNCC (Ref. A-5 on file in the Board office)

Housing, GBC (Ref. Ai-6)

after May 1, 2005 for fiscal year 2004-2005 current NSHE policies and procedures on contracts for consulting services.

Regent Sisolak requested Board action on the following Committee recommendations:

Minutes – The Committee recommended approval of the minutes from the June 23, 2005 Budget & Finance Committee meeting

NSHE Self-Supporting Budget – The Committee recommended approval of the FY 2005-2006 Self-Supporting Budget (Bound Report

Rosenberg seconded. Motion carried. Regent Alden, Howard and Hill were absent.

Regent Sisolak asked that all chair reports be passed down to Mrs. Martinovic so they could be made part of the record.

48. Approved-Board Development Committee - Chair James Dean Leavitt reported the Board Development Committee met July 8, 2005 and August 12, 2005 and requested Board action on the following Committee recommendations:

At the July 8, 2005 meeting, the Committee discussed logistics for hosting a Board workshop including timing, locations, travel and possible topics for the agenda and an ethical code of conduct for Regents. During the August 12, 2005 meeting the Committee discussed the value of establishing a system for mentoring of new Board members, encouraging Regents to be accessible to the public through local events Board of Regents meetings, the availability of Board library resources in both the System offices.

48. Approved-Board Development Committee – (Continued)

Regent Leavitt requested Board action on the following Committee recommendations.

Minutes – The Committee recommended approval of the minutes from the July 8, 2005 Board Development Committee Meeting

Committee Classification – The Committee recommended the Board of Regents Bylaws be amended to add the Board Development Committee as a standing committee and to approve the Committee's charge

Workshop Update – The Committee recommended topics to be covered at the Workshop

Rotation of Roll Call Voting – The Committee recommended that the full Board adopt a policy of alternating each vote to begin with a different Regent

Orientation – The Committee took action to approve an agenda and date for the new Regent orientation meeting.

Future Projects – The Committee identified ideas for future projects

Calendar – The Committee determined a calendar of future meetings

Regent Leavitt moved approval of the Committee recommendations and acceptance of the report. Regent Rosenberg seconded. Motion carried. Regents Alden, Howard and Hill were absent.

Regent Whipple complimented the Committee chairs and expressed his appreciation for their hard work.

49. New Business – none noted.

The meeting adjourned at 2:20 p.m. on Friday, September 23, 2005.

Fini S. Dobyns
Interim Clerk of the Board