SPECIAL MEETING

BOARD OF REGENTS
NEVADA SYSTEM OF HIGHER EDUCATION

System Administration, Las Vegas
4300 South Maryland Parkway, Board Room

Friday, November 16, 2018

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

Members Present:	Mr. Kevin J. Page, Chairman Dr. Jason Geddes, Vice Chairman Dr. Andrea Anderson Dr. Patrick R. Carter Mrs. Carol Del Carlo Dr. Mark W. Doubrava Mr. Trevor Hayes Mr. Sam Lieberman Mrs. Cathy McAdoo Ms. Allison Stephens Mr. Rick Trachok Mr. Anthony L. Williams
Members Absent:	Mr. John T. Moran
Others Present:	Dr. Thom Reilly, Chancellor Dr. Constance Brooks, Vice Chancellor, Government and Community Affairs Mr. Dean J. Gould, Chief of Staff and Special Counsel to the Board Mr. Nate Mackinnon, Vice Chancellor, Community Colleges Mr. Vic Redding, Acting Chief Financial Officer Mr. Joe Reynolds, Chief General Counsel Dr. Federico Zaragoza, President, CSN Dr. Kristen Averyt, President, DRI Ms. Joyce M. Helens, President, GBC Mr. Bart J. Patterson, President, NSC Dr. Karin M. Hilgersom, President, TMCC Dr. Marta Meana, Acting President, UNLV Dr. Marc A. Johnson, President, UNR Dr. Vincent R. Solis, President, WNC

Faculty senate chairs in attendance were: Dr. Darin Dockstader, CSN; Dr. Abby Peters, NSC; Ms. Janet Stake, SA; Mr. Mike Holmes, TMCC; and Mr. Douglas Unger, UNLV. Student body president in attendance was: Mr. Christopher Roys, CSUN President, UNLV.

Chairman Page called the meeting to order at 9:00 a.m. with all members present except Regent Moran. Regent Stephens led the Pledge of Allegiance.

1. Information Only – Public Comment

Mr. John Nolan, UNR Lecturer, respectfully requested the Regents and Chancellor place a priority on fixing the severe compression issues identified by numerous sources. The supplemental budget request is an important first step in fixing the broken compensation system in order for Nevada to become more competitive in the higher education marketplace. He asked Regents to continue advocating for this important issue.

Ms. Linda Barrenchea, UNR Lecturer, encouraged the Regents to support funding for a consistent performance-based pay system. A compensation system must attract, motivate and retain employees with the right skill for the right time and at the right cost to meet university goals. It is critical to ensure equitable competitive pay.

Ms. Hyo Jin Jeon, UNR Associate Professor, stated she supports a permanent incentive structure for the NSHE. There was a merit-based system prior to 2008. It is time for a new system. A merit-based system will enhance incentives and the performance of faculty members.

Mr. Louis Test, CABNR Advisory Board Member, spoke in support of the proposal put together by the administration for Item 6 (Authorization to Sell the Approximately 104 Acres McCarran Center Planned Unit Development Located at the UNR Main Station Field Laboratory and Utilization of Sale Proceeds, UNR). He urged the Board to follow the recommendations being presented. Mr. Test also spoke in support of Item 7 (Conservation Easement, Main Station Field Laboratory, UNR) and urged the Board to continue negotiations.

Mr. Douglas Unger, UNLV Faculty Senate Chair, reported faculty expressed concern with Item 10 (Employee Buyouts/Settlements and Conceptual Policy Proposal). He urged the Board to consider the practical differences between voluntary incentive separation payments (VSIP) and other types of settlements/buyouts. VSIPs are an essential tool used at universities to persuade senior faculty to retire earlier than they might in order to use salary savings to grow more junior positions. Faculty also are concerned with the approval process and believe it would be more prudent for a board or committee that includes faculty to be used in the long term. Faculty support the NSHE legislative plan and offer their collaboration and assistance to the Board, Chancellor and staff.

Mr. Robert Manis, NFA Chapter President and CSN Professor, reported bargaining talks between CSN and the faculty to end the impasse will occur the end of November. One issue related to lab hours still remains. Mr. Manis voiced his support for the 2019 legislative plan.

1. Information Only – Public Comment – *(Continued)*

Mr. Christopher Roys, UNLV CSUN President, was pleased to see the implementation of the Security Committee to address the security concerns of students. He voiced his support of the guaranteed tuition proposals. For the System to move forward and hear the voices of the students, one of the proposals must be accepted. He thanked President Meana for holding the student success summit and for listening to the students on this very important issue.

2. Approved – Consent Items – The Board approved the consent items.

2a. Approved – Minutes – The Board approved the minutes from the May 31, 2018, Athletics Committee meeting. *(Ref. BOR-2a on file in the Board Office.)*

2b. Approved – Transfer of Conditional Pledge, GBC – The Board approved the transfer of the conditional pledge between the William N. Pennington Foundation and GBC from the Board of Regents to the GBC Foundation. *(Ref. BOR-2b on file in the Board Office.)*

Regent Stephens moved approval of the consent items. Regent Del Carlo seconded. Motion carried. Regent Moran was absent.

3. Approved – Northern Nevada Police Consolidation, Addition of WNC – The Board approved a merger of WNC public safety services and University Police Services as outlined in the proposal. *(Ref. BOR-3 on file in the Board Office.)*

Vice Chancellor Nate Mackinnon, Community Colleges, reported at the October 19, 2018, special meeting of the Board, UNR Assistant Vice President and Director of University Police Services Adam Garcia provided an overview of a proposal to further expand University Police Services to include WNC. The current level of protection at WNC does not include regular sworn police officers. WNC also lacks a number of key safety functions. If approved by the Board, this will take effect on July 1, 2019. There will also be a reestablishment of a peace officers academy.

Regent Stephens moved approval of a merger of WNC public safety services and University Police Services as outlined in the proposal.

In response to a question from Regent Anderson, Assistant Vice President Garcia stated Nevada requires academy training for all its police officers within one year of service. Currently in Nevada, all the academies except one require a person be hired by a police agency prior to receiving the training. This academy will allow the students to attend the academy, become certified and then find a position within an organization.

Assistant Vice President Garcia stated there has been overwhelming support from the WNC community and Carson City.

3. Approved – Northern Nevada Police Consolidation, Addition of WNC – *(Continued)*

Regent Doubrava seconded. Motion carried. Regent Moran was absent.

President Solis stated this proposal will enhance safety services for faculty, staff and students. He believed this will be a positive addition to WNC.

Chairman Page welcomed the Regents-elect to the meeting.

4. Approved – NSHE Business Centers – The Board approved the proposed implementation timeline for various consolidation activities for the NSHE Business Centers with accountability from the System Chief Financial Officer through the Chancellor. *(Ref. BOR-4 on file in the Board Office.)*

Assistant Vice Chancellor Stephanie Shepherd, Finance, presented a PowerPoint titled, "Update on Business Centers" which included the history and operation of the NSHE Business Centers and a proposed implementation timeline for various consolidation activities.

The meeting recessed at 9:29 a.m. and reconvened at 9:43 a.m. with all Regents present except Regent Moran.

Assistant Vice Chancellor Shepherd continued her PowerPoint.

In response to a question from Regent Carter, Assistant Vice Chancellor Shepherd stated the new requirements for contractor licenses have increased the amount of work for the business centers. Chairman Page believed the Board policy lays out the requirements for contractor licenses and is a good business practice since institutions were using contractors that were not licensed. Mr. Rolando Mosqueda, Associate Vice President, Procurement and Auxiliary Services, CSN, said in 2009/2010 there was a change to Board policy that requires the vendor to have a state business license. The business centers verify licensing through the Secretary of State website. It is not time-consuming, but it does add steps to the process. Mr. Mosqueda added a change in the 2015 legislative session that created compliance requirements for NSHE institutions that apply specifically to construction-related projects is extremely detailed. Regent Carter thought both examples seemed reasonable and good practices.

In response to a question from Regent Stephens, Assistant Vice Chancellor Shepherd stated she has been working with the controllers to create a working group to walk through the biggest areas needing improvement in order to arrive at agreeable solutions. Because Workday is an integrated system any changes made on the front end will also impact the back end. The working group will begin its work in January 2019. Some of the smaller issues most likely will be resolved quickly to ease some of the day-to-day issues.

4. Approved – NSHE Business Centers – *(Continued)*

Regent Stephens recalled the Board had gone through a process discussing shared services as the model and had made the decision to move forward. Vice Chairman Geddes stated the Board made recommendations for shared services and encouraged the institutions to move in that direction, but nothing was put into the Code. Regent Stephens clarified recommendations were established related to shared services and those have not been completed. Vice Chairman Geddes stated some were done, but others were waiting for the implementation of Workday to make sure the business processes aligned.

In response to a question from Chairman Page, Assistant Vice Chancellor Shepherd stated Business Center North does most of the payroll work. Business Center South does some transactional work. Payroll has been structured so there is a delineation of work so there is no overlap in service.

Regent Carter asked if feedback was solicited as to whether the centers were doing well. Acting Chief Financial Officer Redding responded no because all transactions come into the same queue and are treated the same. Acting Chief Financial Officer Redding stated the funding model has not kept pace with the evolution of the business centers. The business centers are subsidized by nonstate funds. A portion of the NSHE growth has been outside of the state budget and is why it is important to review the funding model for the business centers.

Chairman Page recommended the Chancellor be involved in the working group. Chairman Page also asked for an inventory of printing presses and what is being printed on campus versus what is being outsourced.

Regent Williams stated each stage of the working group states it will take 60-90 days and asked what that is based on. Assistant Vice Chancellor Shepherd stated they just wanted to make sure they were being expedient, but certainly, if there was an issue that required more time it will happen.

Regent Stephens stated she was concerned with the length of time for this project. There should be a liaison and accountability. Chancellor Reilly stated he will report back with the Chief Financial Officer once a project liaison is chosen.

Chairman Page requested a quarterly update.

Regent Stephens moved approval of the proposed implementation timeline for various consolidation activities for the NSHE Business Centers with accountability from the System Chief Financial Officer through the Chancellor. Regent Lieberman seconded. Motion carried. Regent Moran was absent.

5. Information Only – Clark County Elevated Expressway Project, UNLV – UNLV Acting President Marta Meana presented background information and an update related to the elevated expressway project in the Swenson Street/Paradise Road area between Hacienda Avenue and Naples Street. *(Ref. BOR-5 on file in the Board Office.)*

Chairman Page left the meeting.

Acting President Meana presented a summary of an "Impact Study" commissioned by UNLV which included the following areas:

- Traffic and access study conducted by Kimley-Horn and Associates, Inc.
- Economic and related impacts (i.e. noise, land-use, visibility and view-shed) conducted by JABarrett Company.
- Economic and related impacts (i.e. signage, branding and digital advertising) conducted by CSL International.

Chairman Page entered the meeting.

UNLV is continuing its conversation with Clark County which has been both responsive and collaborative. The Impact Study results were sent to the county manager. A meeting is scheduled for December 12, 2018, to continue the discussion on how to address the traffic problems at the Tropicana/Swenson intersection without such serious damage to UNLV. UNLV will continue to provide updates.

In response to a question from Regent Stephens, Vice Chancellor Constance Brooks, Government and Community Affairs, responded she has been engaged in the discussions along with the Chancellor.

6. Approved – Authorization to Sell the Approximately 104 Acres McCarran Center Planned Unit Development Located at the UNR Main Station Field Laboratory and Utilization of Sale Proceeds, UNR – The Board approved: 1) to sell real property consisting of the approximately 104 acres McCarran Center Planned Unit Development located at the Main Station Field Laboratory (MSFL) in Reno, Nevada (APN 021-010-07), for $18 million, the current appraised value; 2) to waive Board Resolution 81-8 with respect to this sale; 3) a Conservation Easement on all of the remaining land except for this 104-acre parcel and the 40-acre parcel approved for sale at the June 2018 Board meeting, prior to it being sold; and 4) a Resolution authorizing the Chancellor or his designee to approve and execute, after consultation with the Business, Finance and Facilities Committee Chair and approval of the Chief General Counsel, documentation to sell the property for $18 million, the current appraised value, and to sign corresponding easements, escrow and title documents associated with the sale and close of escrow. The Board also acknowledged the proceeds from the sale of the parcel shall be distributed in accordance with the Memorandum of Understanding dated August 20, 2018, signed by President Johnson and College of Agriculture, Biotechnology and Natural Resources (CABNR) Dean William Payne. *(Ref. BOR-6 on file in the Board Office.)*

6. Approved – Authorization to Sell the Approximately 104 Acres McCarran Center Planned Unit Development Located at the UNR Main Station Field Laboratory and Utilization of Sale Proceeds, UNR – *(Continued)*

President Johnson reported the sale of the 104-acre parcel was approved under certain conditions at the June 2018 Board of Regents meeting and reported in the September 2018 meeting minutes. The land was appraised at $20 million. During a due diligence period, the buyer walked away from the purchase, which put UNR back in a position to get the land reappraised. The last appraisal was in November 2017. Board policy states appraisals must be within one year of the transaction. The 104-acre parcel was reappraised at $18 million. In June 2018 when the sale was preapproved there were conditions placed in the motion to restrict the distribution of the proceeds. In addition to the reappraisal, the property was turned over to a broker. The broker has a new buyer. The CABNR Dean and the President have agreed upon a new memorandum of agreement related to the distribution of the sale proceeds.

Vice Chairman Geddes moved approval to sell real property consisting of the approximately 104 acres McCarran Center Planned Unit Development located at the Main Station Field Laboratory (MSFL) in Reno, Nevada (APN 021-010-07), for $18 million, the current appraised value. Regent Stephens seconded.

In response to a question from Regent Carter, President Johnson stated UNR would probably not sell the land if it had to follow Board Resolution 81-8.

Motion carried. Regent Carter voted no. Regent Moran was absent.

Regent Anderson moved to waive Board Resolution 81-8 with respect to this sale. Regent Stephens seconded. Motion carried. Regent Carter voted no. Regent Moran was absent.

President Johnson clarified the Conservation Easement would pertain to the remaining property after the 104 acres and the 40 acres.

Regent Lieberman moved approval of a Conservation Easement on all of the remaining land except for this 104-acre parcel and the 40-acre parcel approved for sale at the June 2018 Board meeting, prior to it being sold. Regent McAdoo seconded. Motion carried. Regent Moran was absent.

6. Approved – Authorization to Sell the Approximately 104 Acres McCarran Center Planned Unit Development Located at the UNR Main Station Field Laboratory and Utilization of Sale Proceeds, UNR – *(Continued)*

Vice Chairman Geddes moved to approve a Resolution authorizing the Chancellor or his designee to approve and execute, after consultation with the Business, Finance and Facilities Committee Chair and approval of the Chief General Counsel, documentation to sell the property for $18 million, the current appraised value, and to sign corresponding easements, escrow and title documents associated with the sale and close of escrow. Regent Williams seconded. Motion carried. Regent Moran was absent.

Regent Lieberman moved that the proceeds from the sale of this parcel shall be distributed in accordance with the Memorandum of Understanding dated August 20, 2018, signed by President Johnson and College of Agriculture, Biotechnology and Natural Resources (CABNR) Dean William Payne. Regent Stephens seconded.

Regent Carter asked if there was a reason Cooperative Extension and the Experiment Station were not involved in the discussion of the sale proceeds distribution. President Johnson stated CABNR Dean Payne is the administrative leader of Cooperative Extension and the Experiment Station and represented CABNR as a whole.

Motion carried. Regent Carter voted no. Regent Moran was absent.

7. Information Only – Conservation Easement, Main Station Field Laboratory, UNR – UNR President Marc A. Johnson presented a progress report on the Conservation Easement for the Main Station Field Laboratory. *(Ref. BOR-7 on file in the Board Office.)*

In June 2018, a requirement of a Conservation Easement for the remaining 762 acres was put in place after the sale of the 104-acre and 40-acre parcels. UNR has been working with Resource Concepts Incorporated (RCI) to develop the concepts of the Conservation Easement. A town hall meeting has been set to allow an open discussion with interested parties.

CABNR Dean Payne highlighted the following permitted uses of the property under the Conservation Easement:

- Agricultural and other activities.
- Agricultural structures.
- Agricultural and research practices.

7. Information Only – Conservation Easement, Main Station Field Laboratory, UNR – *(Continued)*

- Grazing.
- Fencing.
- Education, research and outreach equipment.
- Roads, drainage ways, ditches and diversions.
- Paving, driveways and utilities.
- Wolfpack Meats and Feedlot area.
- Dairy Hill and Farm Housing.
- New research, education and outreach facilities.

Chairman Page left the meeting.

UNR General Counsel Mary Dugan explained a Conservation Easement is a voluntary legal agreement between a landowner (grantor) and another entity (grantee) that permanently limits the way the land can be used in order to protect the lands' identified conservation value. The landowner in a Conservation Easement can retain many of its rights including the right to own the land, to use it in certain ways and to sell it. If the land is sold the Conservation Easement transfers with the land. A Conservation Easement always imposes restrictions on the land and how it is used. The *Nevada Revised Statutes* defines a Conservation Easement as a nonpossessory interest in real property that imposes limitations or affirmative obligations and assures the availability of the real property for, in this case, agricultural use. The Board has approved a Resolution requiring a Conservation Easement be placed on the remaining acreage of the MSFL. In this instance, the Conservation Easement will permanently restrict the use of the MSFL to ensure it is available for agricultural purposes. The MSFL will not be used for a housing development. Construction of permanent structures will be limited to three building envelopes shown on the exhibit, but no other areas of the MSFL. The entity that purchases the Conservation Easement has the right and power to enforce the Easement and the restrictions it contains. Termination of the Conservation Easement is only allowed in narrow circumstances.

Chairman Page entered the meeting.

Regent McAdoo clarified in June she kept the conservation easement discussion broad with an intent to protect the land in order to benefit Nevada and to not restrict it to only agricultural purposes.

Chief of Staff Gould clarified the motion in June was a requirement that a conservation easement be created. Chief of Staff Gould agreed with Regent McAdoo that there was no limitation for agricultural purposes only.

Chief General Counsel Reynolds reported the *Nevada Revised Statutes* defines conservation easement and the types of uses with agriculture being one of the uses.

7. Information Only – Conservation Easement, Main Station Field Laboratory, UNR – *(Continued)*

President Johnson stated General Counsel Dugan is explaining the nature of the contract and the draft contract shows how it will protect agricultural operations in the future. This item is for information only. UNR asks the Regents to have a discussion about what the conservation easement should include.

General Counsel Dugan stated the next step is for the University to sort through a draft conservation easement and what it should include after which an appraisal will be obtained and then it will be offered for sale. The final conservation easement document and the purchase price will be brought back to the Board for approval.

Regent Carter left the meeting.

General Counsel Dugan stated the University does not propose to include the water rights in the Conservation Easement. The University owns many water rights and believes including the water rights would likely devalue the water rights.

Regent McAdoo stated the water rights are most valuable and she proposed they be included in the Conservation Easement. Regent McAdoo proposed the Regents include the protection of open space and natural resources, including wildlife habitat and the water rights in the Conservation Easement.

Regent Carter entered the meeting.

Principal Bruce Scott, RCI, stated there is no question that there are significant and valuable water rights associated with the parcels. There has not been a full valuation yet of the water rights.

In response to a question from Regent McAdoo, Chief General Counsel Reynolds stated he did have an opportunity to review the documents related to the Conservation Easement.

Regent McAdoo stated it was logical that RCI and UNR come back with another draft prior to the Board approving the Conservation Easement.

Vice Chairman Geddes stated some of the land has been used as recreation playing fields and he did not want that included in the Conservation Easement. He added that he would prefer to see a separate agenda item related to the valuation of water rights.

Regent Anderson agreed a study of the water rights should occur. She did not want to see the water rights sold.

Regent Trachok stated that if the water rights are not put to beneficial use then the rights may lapse. A decision related to water rights must be based on the amount of water being received and what the use will be.

7. Information Only – Conservation Easement, Main Station Field Laboratory, UNR – *(Continued)*

Regent Hayes left the meeting.

Regent McAdoo agreed with the assessment. She stated the Regents need more information to make the best decision.

Regent Hayes entered the meeting.

Regent Del Carlo agreed that the Regents are not in a position to make a decision.

Regent McAdoo asked to see the updated Conservation Easement prior to the appraisal. The Board could then consider a future Conservation Easement for preliminary approval with the understanding that with any appraisal there will be further negotiations.

8. Information Only – Resolution No. 81-8, Main Station Farm – Chief General Counsel Joe Reynolds discussed legal implications of Resolution No. 81-8, which was passed by the Board of Regents in 1981 and set forth the Board's preferences for future uses of proceeds from any sale of the Main Station Farm property in Washoe County, Nevada. *(Ref. BOR-8 on file in the Board Office.)*

Chief General Counsel Reynolds reported the Board previously approved waivers of Resolution 81-8 in 2005 and 2012. A resolution in a broad sense is a statement of opinion and intent by a public body. Several NRS statutes indicate resolutions have legal implications.

Chief General Counsel Reynolds noted that his review of Resolution 81-8 shows it is primarily a money resolution that refers to the use of funds and proceeds.

In response to a question from Regent Hayes, Chief General Counsel Reynolds stated that just because parcels have been sold does not necessarily make the Resolution moot. The Board could rescind the entire Resolution.

Vice Chairman Geddes believed future direction on what is a binding or non-binding resolution would be helpful.

Chief of Staff Gould added that if the Conservation Easement does go into place, there will be money coming from the sale which would then mean Resolution 81-8 would have to be followed, waived or rescinded.

Regent McAdoo left the meeting.

Chief General Counsel Reynolds stated the Board, as a publicly elected body, does have the authority to amend prior action of another makeup of the Board.

The meeting recessed at 11:28 a.m. and reconvened at 12:00 p.m. with all members present except Regent Moran. Chairman Page announced special meetings of the Audit and Compliance Committee and the Board of Regents on December 19, 2018, beginning at 9:00 a.m.

9. Approved – Resolution, North Las Vegas Campus, UNLV – The Board approved a Resolution to authorize the Chancellor, in consultation with the Chairman and Vice Chairman of the Board, as well as the President of UNLV, to pursue amendments to federal legislation to broaden the possible uses of approximately 2,085 acres of land that the federal government intends to convey to NSHE as the UNLV North Las Vegas Campus. *(Ref. BOR-9 on file in the Board Office.)*

Chief General Counsel Reynolds noted this item was in order for the Board to take a proactive forward-thinking approach.

Regent Williams left the meeting.

Chief General Counsel Reynolds reported the 2015 National Defense Authorization Act passed by the United States Congress proposed to convey approximately 2,085 acres of land which is referred to in the legislation as the UNLV North Campus. Within the legislation, there were limitations placed on the uses of the land for "educational and recreational purposes." The land can revert back to the federal government if not used for the purposes provided. This land was once a part of the Nellis Air Force Base and is currently undergoing environmental remediation. UNLV has engaged in discussions regarding the vision/development of the land. The purpose of the Resolution is to provide transparency and notice to the Board of Regents that discussions may be occurring to make sure the possible uses of the land are maximized.

Regent Stephens stated the land has not yet been conveyed to the Board of Regents, so this action may be premature. She asked Vice Chancellor Brooks for an assessment. Vice Chancellor Brooks noted she had spoken with Chief General Counsel Reynolds and UNLV Government Affairs. Concerns were expressed that the action may be premature, but a decision was made that it would not cause any impediments for the future.

Vice Chancellor Brooks stated it is her job to bring forward concerns related to potential partnerships and collaborations in respect to land use and governmental entities; however, she also is part of a team. The team discussed the concerns and then decided to bring forward the Resolution for consideration. Chief General Counsel Reynolds reiterated the purpose of the Resolution is to provide communication and transparency to the Board of Regents.

Regent Doubrava moved approval of a Resolution to authorize the Chancellor, in consultation with the Chairman and Vice Chairman of the Board, as well as the President of UNLV, to pursue amendments to federal legislation to broaden the possible uses of approximately 2,085 acres of land that the federal government intends to convey to NSHE as the

9. Approved – Resolution, North Las Vegas Campus, UNLV – *(Continued)*

UNLV North Las Vegas Campus. Regent Del Carlo seconded. Motion carried. Regents Moran and Williams were absent.

10. No Action Taken – Employee Buyouts/Settlements and Conceptual Policy Proposal – Chief General Counsel Joe Reynolds presented a PowerPoint titled, "Employee Buyouts/Settlements: Proposed Policy" which included an overview of employee buyouts/settlements from each institution from July 2016 through June 2018. He also presented conceptual new policies and procedures to ensure greater transparency and accountability at the President, Chancellor and Board of Regents levels, which will be brought to a future meeting for review and consideration of approval. *(Ref. BOR-10 on file in the Board Office.)*

In response to a question from Chairman Page, Chief General Counsel Reynolds stated the UNLV Voluntary Separation Incentive Program (VSIP) does provide flexibility as to how the 10 years of employment is calculated.

Vice Chairman Geddes liked all the proposed policy/Code changes with the following caveats:

- President should be ultimately responsible for making the decisions for their campus.
- Have an appeal process similar to other appeal processes on the campuses.
- Suggest a threshold not be included in the proposed policy.

Regent Williams entered the meeting.

Regent Lieberman agreed with Vice Chairman Geddes related to the threshold. He was concerned that the buyouts/settlements seemed excessive.

Regent McAdoo requested the employee buyouts/settlements for System Administration.

Regent Del Carlo asked that the annual report provided by the Chancellor be categorized so the Board of Regents is able to track the reasons for the buyouts/settlements. Chief General Counsel Reynolds stated he would look for designations in order to provide a justification for the annual report.

Regent Hayes left the meeting.

In response to a question from Chairman Page, Chief General Counsel Reynolds stated that NRS provides that any agreement to settle a claim or action brought against an employee must not provide any terms of the agreement be confidential. NRS also provides the settlement must include a number for attorney's fees and costs to be paid pursuant to the agreement and that any settlement is public record.

10. No Action Taken – Employee Buyouts/Settlements and Conceptual Policy Proposal – *(Continued)*

Chairman Page asked if UNLV was the only institution with the VSIP program with Chief General Counsel Reynolds responding yes. Chairman Page did not believe it was an effective program and is usually created with particular people in mind.

Vice Chairman Geddes asked Chancellor Reilly to engage the administrative faculty when creating and evaluating the policies around the administrative positions.

Regent Williams left the meeting.

UNLV Faculty Senate Chair Unger stated if the amount of time is shortened for longtime faculty to transition out or work into another job, the already severe attrition of administrative faculty will be increased. Currently, administrative faculty are leaving NSHE institutions for the private sector. The private sector provides higher-paying, better career path jobs. If workplace security of administrative faculty is changed it will seriously affect all the institutions' abilities to hire the best and the brightest in positions that are vitally necessary for higher education.

Chief General Counsel Reynolds stated based on the discussion the $60,000 or 60 percent threshold would be eliminated and NSHE will be included in the annual report requirements.

Vice Chairman Geddes clarified today's action is to provide direction, but the policy will be brought back for final approval.

Regent Williams entered the meeting.

In response to a question from Regent Anderson, Chief General Counsel Reynolds stated it was his understanding that the provisions regarding notice of non-reappointment were amended. Currently, new hires and those that have worked for the NSHE less than a year have a 90-day notice.

11. Approved – Bylaws and *Handbook* Revisions, Board of Regents Committees – The Board approved amendments to the Board of Regents' Bylaws and *Handbook* necessary to implement the revised structure and meeting schedule of the Board's committees approved at the October 19, 2018, special meeting. *(Ref. BOR-11 on file in the Board Office.)*

Vice Chairman Geddes moved approval of amendments to the Board of Regents' Bylaws and *Handbook* necessary to implement the revised structure and meeting schedule of the Board's committees approved at the October 19, 2018, special meeting. Regent Trachok seconded. Motion carried. Regents Hayes and Moran were absent.

Regent Williams left the meeting.

12. Action Taken – Inspector General Position – The Board directed the Chief General Counsel to come back with the details of a plan where the Chief of Internal Audit reports to the Board and is the clearinghouse for all these matters *(Ref. BOR-12 on file in the Board Office.)*

Chief General Counsel Joe Reynolds, with the assistance of Chief Internal Auditor Joe Sunbury, presented a PowerPoint titled, "Proposed Inspector General Position Discussion Overview" which included options for the creation of a new inspector general position or the revision of the current structure to provide for new complaint resolution public intake, internal review and follow-up procedures.

Regent McAdoo left the meeting and Regent Williams entered the meeting.

Regent Trachok believed the way to move forward is to use the Chief Internal Auditor, who in turn reports to the Board of Regents, either through the Chairman and Vice Chairman or directly to the Board of Regents, depending on the matter. It is also important that this be independent of the Chancellor's Cabinet. The Chief of Staff to the Board of Regents and the Chief General Counsel should be involved in the process.

Regent Anderson believed it was an impossible task for one person to be the clearinghouse of all complaints. She would like to see the complaints cleared by the department.

Regent Lieberman believed it was the responsibility of the Board of Regents, the Chief General Counsel's Office and the Internal Audit Department to change the focus of the compliance system. The compliance system within NSHE should be expanded without hiring an Inspector General.

Chancellor Reilly clarified there are two proposals: 1) for the Chief Internal Auditor to triage the complaints within a 24-hour period and send them to existing staff for resolution; or 2) hire an Inspector General.

Regent McAdoo entered the meeting.

Regent Williams believed the idea of an Inspector General is to ultimately have a person in charge to provide a sense of urgency, as well as accountability when there are issues.

Regent Stephens believed the proposed job description clearly states the concept of the Inspector General position is to triage, with protocols in place at the System level. The question is whether the Board wants to add the responsibilities to the Chief Internal Auditor or a separate person in the Inspector General position.

Regent Stephens understood that the triage function is typically done by a single person, even in corporate environments.

12. Action Taken – Inspector General Position – *(Continued)*

Regent Trachok clarified his position that he preferred the triage be completed by the Chief Internal Auditor, rather than hire an Inspector General.

Chief Internal Auditor Sunbury stated what is being described today is not much different than what he has done in his corporate past. Essentially a hotline was established that immediately notified a group of people. The issue was triaged and depending on the nature of the issue it was sent to the appropriate people for resolution. He stated his team is uniquely positioned within the System to facilitate coordination, identify risk and make recommendations.

Chief General Counsel Reynolds stated there is a distinction between the two proposals. An Inspector General will guide and oversee all investigations, while the triage under the Chief Internal Auditor will provide protocols for intake procedures to help disseminate information.

Regent Stephens disagreed and said the intent is for the individual to triage and guide to the extent listed to make sure the investigations are completed. She reiterated there is no distinction between the Inspector General versus having the Chief Internal Auditor complete the activities.

In response to a question from Regent Del Carlo, Chancellor Reilly stated there were concerns among some Regents and others that issues were not equally being addressed within a formalized process.

Regent Del Carlo supported the triage being completed by the Chief Internal Auditor to see if it works before hiring an Inspector General.

Chairman Page stated the person making the complaint doesn't usually come to the System first. The person starts at the institution and for some reason hits a roadblock or doesn't receive a response.

Regent McAdoo left the meeting.

In response to a question from Regent Lieberman, Chief General Counsel Reynolds stated he was not aware of another system using this type of triage model. The proposed model was created through ongoing discussions.

Regent Del Carlo felt it was fair that any complaints always triage to the institutions first.

Chief Internal Auditor Sunbury added he would provide a quarterly report to the full Board of Regents or the Audit and Compliance Committee.

Regent McAdoo entered the meeting.

12. Action Taken – Inspector General Position – *(Continued)*

Chairman Page pointed out that $1 million of the $25 million special distribution was allocated to hire three additional staff members to support data mining and report generation, consistent with Board direction, in relation to providing data to measure attainment by instituting the Board's strategic goals and initiatives. The special distribution also included funding for an Inspector General. Chairman Page requested a report back related to the savings realized through this streamlining.

Regent Trachok moved to direct the Chief General Counsel to come back with the details of a plan where the Chief of Internal Audit reports to the Board and is the clearinghouse for all these matters. Regent Stephens seconded. Motion carried. Regents Hayes and Moran were absent.

Regent Trachok left the meeting.

13. Approved – 2019 Legislative Plan – The Board approved NSHE plans of advocacy for the 2019 Session of the Nevada Legislature. *(Ref. BOR-13 on file in the Board Office.)*

Chancellor Thom Reilly, Vice Chancellor for Government and Community Affairs Constance Brooks and Acting Chief Financial Officer Vic Redding presented a PowerPoint titled, "NSHE 2019 Legislative Session" which included NSHE's plans of advocacy for the 2019 Session of the Nevada Legislature.

Regent Stephens left the meeting.

Acting Chief Financial Officer Redding stated there are no substantive changes to the budget approved in August and submitted to the Governor on September 1, 2018. He presented the 2019-2021 maintenance and enhancement request highlights.

Regent McAdoo left the meeting.

Acting Chief Financial Officer Redding presented the prioritized list of eight supplemental programs in the event funds are identified.

Regent Stephens entered the meeting.

Vice Chancellor Brooks continued the PowerPoint, highlighting legislative outreach, personalized legislative tracking, communication, and protocols for Board of Regents activity.

Chairman Page thanked Vice Chancellor Brooks and the team for all they do during the session.

Vice Chairman Geddes stated Vice Chancellor Brooks has the Board's full support.

13. Approved – 2019 Legislative Plan – *(Continued)*

Regent Del Carlo requested contact information for the NSHE legislative team.

In response to a question from Regent Del Carlo, Vice Chancellor Brooks stated the bill draft request related to the Millennium Scholarship will raise the grade point average to 2.75 to maintain the scholarship.

Regent Anderson moved approval of NSHE plans of advocacy for the 2019 Session of the Nevada Legislature. Regent Lieberman seconded. Motion carried. Regents Hayes, McAdoo, Moran and Trachok were absent.

14. Information Only – New Business – None.

15. Information Only – Public Comment – None.

The meeting adjourned at 1:46 p.m.

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Submitted for approval by: Dean J. Gould
Chief of Staff and Special Counsel
to the Board of Regents

Approved by the Board of Regents at its January 17 & 18, 2019, meeting.