

SPECIAL MEETING
BOARD OF REGENTS
NEVADA SYSTEM OF HIGHER EDUCATION

Friday, April 10, 2020

This meeting was held via teleconference pursuant to Section 1 of the Declaration of Emergency Directive 006 ("Directive 006) issued by the State of Nevada Executive Department. There were no physical locations for this meeting.

Members Present:

- Dr. Jason Geddes, Chairman
- Dr. Mark W. Doubrava, Vice Chairman
- Dr. Patrick R. Carter
- Ms. Amy J. Carvalho
- Mrs. Carol Del Carlo
- Mr. Trevor Hayes
- Mrs. Cathy McAdoo
- Mr. Donald Sylvantee McMichael Sr.
- Mr. John T. Moran
- Mr. Kevin J. Page
- Ms. Laura E. Perkins
- Mr. Rick Trachok

Others Present:

- Dr. Thom Reilly, Chancellor
- Ms. Crystal Abba, Vice Chancellor, Academic and Student Affairs
- Mr. Andrew Clinger, Chief Financial Officer
- Mr. Dean J. Gould, Chief of Staff and Special Counsel to the Board
- Mr. Nate Mackinnon, Vice Chancellor, Community Colleges
- Mr. Joe Reynolds, Chief General Counsel
- Dr. Federico Zaragoza, President, CSN
- Dr. Kumud Acharya, President, DRI
- Ms. Joyce M. Helens, President, GBC
- Mr. Bart J. Patterson, President, NSC
- Dr. Karin M. Hilgersom, President, TMCC
- Dr. Marta Meana, President, UNLV
- Dr. Marc A. Johnson, President, UNR
- Dr. Vincent R. Solis, President, WNC

Faculty senate chair in attendance was: Dr. Brian Frost, UNR. Student body president in attendance was: Ms. Nicola Opfer, NSSA President, NSC. Classified council chair in attendance was: Ms. Julia Bledsoe, TMCC.

Chairman Geddes called the meeting to order at 1:00 p.m. with all members present. Regent Del Carlo led the Pledge of Allegiance.

1. Information Only – Public Comment – Public Comment from Dr. Jodie Barker, UNR Teaching Assistant Professor, related to the disparity that exists between salaries of NSHE employees. (Ref. Barker.Jodie4.10.20 on file in the Board Office.)

Public Comment from Dr. Kent Ervin, Nevada Faculty Alliance, related to proposed budget cuts and that instruction and student-facing services be prioritized. Collective bargaining contracts must be honored. If salary reductions are implemented, the highest-paid executives should accept more substantial reductions as is happening across the nation. (Ref. Ervin.Kent4.10.20 on file in the Board Office.)

2. Approved – Amendment to Employment Contract, President Marc A. Johnson, UNR – The Board approved the Second Addendum to the current employment contract of UNR President Marc A. Johnson, which will extend President Johnson's term as President of UNR to December 31, 2020, or until a permanent President of UNR is hired by the Board, whichever is sooner. All other terms and conditions of President Johnson's current contract with the Board remain unchanged. (Refs. BOR-2a and BOR-2b on file in the Board Office.)

Chancellor Tom Reilly reported he is asking the Board to extend the contract for President Johnson, who has agreed to stay as the NSHE works through this very challenging time.

Regent Perkins moved approval of the Second Addendum to the current employment contract of UNR President Marc A. Johnson, which will extend President Johnson's term as President of UNR to December 31, 2020, or until a permanent President of UNR is hired by the Board, whichever is sooner. All other terms and conditions of President Johnson's current contract with the Board remain unchanged. Regent Del Carol seconded. The motion carried via a roll call vote. Chairman Geddes, Vice Chairman Doubrava, and Regents Carter, Carvalho, Del Carlo, Hayes, McAdoo, McMichael, Moran, Page, Perkins, and Trachok voted yes.

3. Approved – Proposals to Comply with Governor's Requested Budget Cuts for FY 2020 and FY 2021 – The Board approved the budget reduction proposals as submitted. (Ref. BOR-3 and Supplemental Material on file in the Board Office.)

Chairman Geddes thanked Chancellor Reilly, the Presidents and Business Officers for their hard work.

Chancellor Reilly also thanked the Presidents, Business Officers, students, and faculty who have worked on this in a very short time. Chief Financial Officer Andrew Clinger finished the reference material late last night. These are budget reduction proposals.

3. Approved – Proposals to Comply with Governor's Requested Budget Cuts for FY 2020 and FY 2021 – (Continued)

Based upon the Governor's feedback, the updated plans will be presented to the Board at a future meeting. On April 3, 2020, the Governor issued a directive to submit budget reduction proposals for 4 percent in Fiscal Year (FY 2020) and three different proposals for FY 2021 to include a 6 percent, 10 percent, and 14 percent reduction.

The Presidents, in consultation with faculty and student leadership, have put together budget reduction scenarios that minimize disruptions for the students and faculty. The Presidents agreed to look at budget savings in the areas of vacancies, hiring freezes, operations, reserves, and reducing contracts before any proposal that may include furloughs or a student surcharge. Consistency in three areas was requested: 1) Coronavirus Aid, Relief, and Economic Security (CARES) Act; 2) temporary professional staff furloughs; and 3) temporary student surcharge.

Chief Financial Officer Clinger presented NSHE proposals to comply with the Governor's request to enact a 4 percent cut from the budget for Fiscal Year 2020 and up to a 14 percent cut from the budget for Fiscal Year 2021 to include CARES Act funds; 2) temporary professional staff furloughs of six days per year (2.3 percent reduction at the 10 percent level) and 12 days per year (4.6 percent reduction at the 14 percent level); and 3) temporary student surcharge only if a 14 percent budget reduction is instituted.

Chief Financial Officer Clinger reviewed the following:

- Pages 4-5 include the budget targets NSHE was asked to meet.
- Pages 6-7 are the 4 percent budget reduction summary.
- Pages 8-9 are the 6 percent budget reduction summary.
- Pages 10-11 are the 10 percent budget reduction summary.
- Pages 12-13 are the 14 percent budget reduction summary.

UNLV President Marta Meana presented UNLV's budget reduction proposals beginning on page 14 of the supplemental material.

UNR President Marc A. Johnson presented UNR's budget reduction proposals beginning on page 28 of the supplemental material.

NSC President Bart J. Patterson presented NSC's budget reduction proposals beginning on page 41 of the supplemental material.

CSN President Federico Zaragoza presented CSN's budget reduction proposals beginning on page 45 of the supplemental material.

GBC President Joyce M. Helens presented GBC's budget reduction proposals beginning on page 49 of the supplemental material.

TMCC President Karin M. Hilgersom presented TMCC's budget reduction proposals beginning on page 52 of the supplemental material.

3. Approved – Proposals to Comply with Governor's Requested Budget Cuts for FY 2020 and FY 2021 – (Continued)

WNC President Vincent R. Solis presented WNC's budget reduction proposals beginning on page 55 of the supplemental material.

DRI President Kumud Acharya presented DRI's budget reduction proposals beginning on page 57 of the supplemental material.

Chancellor Reilly presented System Administration's budget reduction proposals beginning on page 59 of the supplemental material.

Chief Financial Officer Clinger presented System Administration's Special Projects and System Computing Service's budget reduction proposals beginning on page 61 of the supplemental material.

Vice Chairman Doubrava thanked everyone for their hard work to meet the Governor's requirements.

Vice Chairman Doubrava moved approval of the budget reduction proposals as submitted. Regent Trachok seconded.

UNR Faculty Senate Chair Brian Frost, on behalf of the Faculty Senate Chairs, thanked the Presidents and Business Officers for working closely with the Senates while developing the budget reduction proposals. The Faculty Senate Chairs support the recommendations and appreciate that furloughs and student fees have only been added to the worst-case scenario. Faculty across the System are working tirelessly to move instruction online and provide students with the best possible education. Faculty understand during economic downturns that they must do their part. The budget cuts will not be easy and will harm the institutions, but faculty understand the situation and are willing to step up. Faculty have proposed that grant-funded and soft-funded positions be excluded from furloughs and are requesting that the NSHE Code be revised to allow that all faculty furloughs happen at the same time.

NSC Student Body President Nicola Opfer noted students are uncertain of their futures. The students are concerned about graduate assistantships amid a hiring freeze as well as financial hardships that international students are experiencing. Student financial assistance will become increasingly important during these times. She thanked the Presidents for providing updates to the students throughout the process.

TMCC Classified Council Chair Julia Bledsoe thanked the Board for recognizing the critical role that classified staff play. The Council is willing to support the Governor's goals of a unified state workforce and support the overall mission of recovery from this pandemic and the subsequent budget crisis. The NSHE Classified Council remains

3. Approved – Proposals to Comply with Governor’s Requested Budget Cuts for FY 2020 and FY 2021 – (Continued)

committed to working positively and constructively with the NSHE Administration and the respective institutions to develop solutions and mitigate the negative impact of the budget crisis. The Council continues to gather input from classified personnel on how to move forward, avoid layoffs, and work efficiently with fewer positions because of the hiring freeze. The Council will work with respective institutions as each will have circumstances unique to their communities.

Regent Carvalho appreciated the work that has been done and that students were put first. This is a difficult moment in the state’s history. She is hopeful the economy will recover quickly.

In response to a question from Regent Carvalho related to the temporary student surcharge, Chief Financial Officer Clinger stated the projection is based on the student credit per hour predictions for Fiscal Year 2021 for each institution.

Regent Perkins thanked those involved in the layout of the materials, as it was easy to understand. Regent Perkins asked if there will be deliverables related to the CARES Act that may limit the NSHE’s ability to use the funds as NSHE would like. Chief Financial Officer Clinger stated NSHE received notice for the first 50 percent of CARES Act funds that go directly to the students. In the coming weeks, the remainder of the funds and requirements/restrictions will be received. There are also additional funds that may be available in the Higher Education Act and the Higher Education Stabilization fund, that may offset these budget reductions further.

Regent Carvalho understood that the CARES Act funds do not apply to undocumented students and requested that NSHE find ways to help this student population.

The motion carried via a roll call vote. Chairman Geddes, Vice Chairman Doubrava, and Regents Carter, Carvalho, Del Carlo, Hayes, McAdoo, McMichael, Moran, Page, Perkins, and Trachok voted yes.

Vice Chairman Doubrava noted the importance of reaching out to Nevada’s federal delegation to make sure they understand that NSHE health-related entities are working hard during this pandemic and that reducing their budgets during this time would not be helpful.

Chairman Geddes was proud of how the NSHE responded to this crisis.

4. Information Only – New Business – None.

5. Information Only – Public Comment – None.

The meeting adjourned at 2:35 p.m.

Prepared by:

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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 July 23, 2020, meeting.