

**BOARD OF REGENTS and its
BUSINESS, FINANCE AND FACILITIES COMMITTEE**

University of Nevada, Las Vegas
Student Union, Ballroom
4505 S. Maryland Parkway, Las Vegas

Thursday, December 2, 2021

Members Present: Ms. Amy J. Carvalho, Chair
Mrs. Carol Del Carlo, Vice Chair
Mr. Donald Sylvantee McMichael Sr.
Dr. Lois Tarkanian

Members Absent: Mr. Patrick J. Boylan
Mr. Byron Brooks

Other Regents Present: Mr. Joseph C. Arrascada
Dr. Patrick R. Carter
Dr. Mark W. Doubrava
Dr. Jason Geddes
Mrs. Cathy McAdoo
Mr. John T. Moran
Ms. Laura E. Perkins

Others Present: Dr. Melody Rose, Chancellor
Ms. Crystal Abba, Vice Chancellor, Academic and Student Affairs
Mr. Caleb Cage, Vice Chancellor, Workforce Development
Mr. Andrew Clinger, Chief Financial Officer
Ms. Keri Nikolajewski, Interim Chief of Staff to the Board
Mr. Joe Reynolds, Chief General Counsel
Mr. Michael B. Wixom, Special Counsel
Dr. Federico Zaragoza, President, CSN
Dr. Kumud Acharya, President, DRI
Dr. DeRionne P. Pollard, President, NSC
Dr. Keith E. Whitfield, President, UNLV
Mr. Brian Sandoval, President, UNR
Dr. Vincent R. Solis, President, WNC

Faculty senate chairs in attendance were: Dr. Julian Smit, CSN; Dr. Dave Rhode, DRI; Mr. Kevin Seipp, GBC; Mr. Glenn Heath, SA; Dr. Virginia Irintcheva, TMCC; Ms. Shannon Sumpter, UNLV; Dr. Amy Pason, UNR; and Mr. Jim Strange, WNC. Student body presidents in attendance were: Mr. Zachary Johnigan, ASCSN President, CSN; Ms. Lauren Porter, NSSA President, NSC; Ms. Darian Richards, SGA President, TMCC; Ms. Caren Yap, CSUN President, UNLV; Ms. Nicole Thomas, GPSA President, UNLV; Mr. Austin Brown, ASUN President, UNR; Mr. Matthew Hawn, GSA President, UNR; and Ms. Andrea Sanchez De Loza, ASWN President, WNC.

Chair Carvalho called the meeting to order at 10:02 a.m. with all members present except Regents Boylan and Brooks.

1. Information Only – Public Comment – None.
2. Approved – Consent Items – The Committee recommended approval of the Consent Items.
 - 2a. Approved – Minutes – The Committee recommended approval of the September 9, 2021, meeting minutes. *(Ref. BFF-2a on file in the Board Office.)*
 - 2b. Approved – Fiscal Year 2020-2021 NSHE State Operating Budget to Actual Comparison – The Committee recommended approval of the report of Fiscal Year 2020-2021 State Operating Budget to Actual Comparison for the NSHE. *(Refs. BFF-2b(1) and BFF-2b(2) on file in the Board Office.)*
 - 2c. Approved – Student Association Financial Reports – The Committee recommended approval of the report of the NSHE Student Association financial reports for Fiscal Year 2020-2021. The Board of Regents *Handbook* (Title 4, Chapter 20, B, Section 2(4)) requires each student association to annually report to the Board by December the association revenues, expenditures and ending account balances for the preceding fiscal year. *(Refs. BFF-2c(1) and BFF-2c(2) on file in the Board Office.)*
 - 2d. Approved – Biannual Report on Registration Fees and Non-Resident Tuition Fees – The Committee recommended approval of the report required by Senate Bill (SB) 553, Section 11.2 (2019 Session). The Bill requires the NSHE to report registration fees and non-resident tuition fees received by NSHE institutions beyond the amounts authorized in Section 1 of SB 553, as well as the intended expenditures for any additional student fee revenue. The Bill requires that this report be submitted to the Interim Finance Committee on a semi-annual basis. *(Ref. BFF-2d on file in the Board Office.)*
 - 2e. Approved – Effie Mona Mack Social Sciences Building Renaming – UNR – The Committee recommended approval to rename the existing Effie Mona Mack Social Sciences Building to the Effie Mona Mack Building. *(Ref. BFF-2e on file in the Board Office.)*

Vice Chair Del Carlo moved approval of the Consent Items. Regent McMichael seconded. Motion carried. Regents Boylan and Brooks were absent.

3. Approved – Fiscal Year 2021-2022 NSHE State Supported Operating Budget – The Committee recommended approval of the Fiscal Year 2021-2022 NSHE State Supported Operating Budget. *(Refs. BFF-3a and BFF-3b on file in the Board Office.)*

3. Approved – Fiscal Year 2021-2022 NSHE State Supported Operating Budget – (Continued)

Chief Financial Officer Andrew Clinger stated the budget reflects \$46.6 million in General Fund and American Rescue Plan (ARP) funding allocated from the State. In addition, the budget includes outstanding budget cuts that have not been restored.

Vice Chair Del Carlo moved approval of the Fiscal Year 2021-2022 NSHE State Supported Operating Budget. Regent McMichael seconded. Motion carried. Regents Boylan and Brooks were absent.

4. Approved – Fiscal Year 2020-2021 Self Supporting Budget to Actual and Fiscal Year 2021-2022 Self-Supporting Budget – The Committee recommended approval of the Fiscal Year 2020-2021 NSHE Self-Supporting Budget to Actual Report and the Fiscal Year 2021-2022 Budget. (Refs. BFF-4a and BFF-4b on file in the Board Office.)

Chief Financial Officer Clinger noted he is working on changes to this report to present it in a more summarized way with a narrative to give the Committee context and make it more helpful.

Vice Chair Del Carlo stated she appreciates that the report will be changed due to the limited staff resources. Chief Financial Officer Clinger stated the information currently takes approximately 750 hours of staff time, not including institutional staff time.

Chief Financial Officer Clinger saw the staff's responsibility as providing information to help the Committee digest the report usefully.

Chair Carvalho stated it is important to have context around the presented information to understand it.

Regent McMichael moved approval of the Fiscal Year 2020-2021 NSHE Self-Supporting Budget to Actual Report and the Fiscal Year 2021-2022 Budget. Regent Tarkanian seconded. Motion carried. Regents Boylan and Brooks were absent.

5. Information Only – First Quarter Fiscal Year 2021-2022 Fiscal Exceptions – The First Quarter Fiscal Year 2021-2022 Report of Fiscal Exceptions of Self-Supporting Accounts was presented. (Refs. BFF-5a and BFF-5b on file in the Board Office.)

Chief Financial Officer Clinger highlighted the following Fiscal Exceptions:

- UNR ASUN Wolfshop reported a deficit of \$1.5 million. The accumulated deficit from prior operations will be paid down with a portion of the revenues generated in the new contract and the sale of inventory. In addition, quarterly transfers will occur to reduce the deficit by up to \$1 million. ASUN estimates the debt will be eliminated by the end of FY24 or FY25.

5. Information Only – First Quarter Fiscal Year 2021-2022 Fiscal Exceptions – (Continued)

- UNR Intercollegiate Athletics reported a deficit of \$2.2 million, a carryover from FY20's COVID-19 impact. In addition, UNR has earmarked up to an additional \$2 million in FY22 in the event of further pandemic impacts.
- UNLV SOM reported a deficit of \$2.4 million, representing four months of outstanding invoices. The amount of \$259 thousand is currently in dispute.
- UNLV Thomas & Mack reported a deficit of \$2.8 million. Summer League revenue hasn't cleared from the clearing accounts, which will reduce the deficit. In addition, more events have been scheduled that are not included in the budget.
- CSN Dental Faculty Practice reported a deficit of \$642,710. A second dentist has been hired and has assisted in increasing production by over \$57,000. Once fully credentialed, his projected production is estimated at \$50,000 per month or \$42,500 in revenue per month. Based on current trends, a positive balance is projected in September 2025.

Regent Boylan entered the meeting.

Regent Geddes asked how the income built into the contract during the pandemic may impact the repayment schedule for the Wolfshop. UNR Vice President of Administration and Finance Vic Redding stated with the return of full campus operations, things are looking good. However, UNR approved a \$100,000 first-quarter transfer using an abundance of caution. Should operations remain robust, he anticipates larger payments through the remaining quarters.

6. Information Only – First Quarter Fiscal Year 2021-2022 Budget Transfers, State Supported or Self-Supporting Operating Budgets – The First Quarter Fiscal Year 2021-2022 Report of Budget Transfers of State Supported or Self-Supporting Operating Budget Funds between Functions was presented. (Ref. BFF-6 on file in the Board Office.)

Chief Financial Officer Clinger highlighted the following Budget Transfer:

- System Computing Services (SCS) reported a transfer of \$550,000. SCS moved institutional support funds into the functional area Operations and Maintenance of the plant to address utility services for the SCS Las Vegas office.

7. Approved – Building Name Request – “William N. Pennington Health Science and Technology Building” – GBC – The Committee recommended approval of the name “William N. Pennington Health Science and Technology Building” at the Winnemucca Center of Great Basin College in recognition of the \$8,300,000 gift from the William N. Pennington Foundation. (Ref. BFF-7 on file in the Board Office.)

Vice President for Business Affairs Sonja Sibert reported the Board of Regents approved the building in December 2020. The Grand Opening is anticipated in June 2022. GBC requests approval to honor the generosity of \$8.3 million from the William N. Pennington Foundation toward this project by naming the building the “William N. Pennington Health Science and Technology Building.”

7. Approved – Building Name Request – “William N. Pennington Health Science and Technology Building” – GBC – (Continued)

Vice Chair Del Carlo moved approval of the name “William N. Pennington Health Science and Technology Building” at the Winnemucca Center of Great Basin College in recognition of the \$8,300,000 gift from the William N. Pennington Foundation. Regent McMichael seconded. Motion carried. Regent Brooks was absent.

8. Approved – Purchase of Real Property Located at 4350 South Maryland Parkway (Public Education Foundation Building) – UNLV – The Committee recommended approval to purchase the Property located at 4350 South Maryland Parkway and bearing Clark County Assessor Parcel Number 162-23-201-003; that the Chancellor be authorized to finalize, approve, and execute a purchase and sale agreement, along with any other ancillary agreements required to implement the purchase of the Property, including but not limited to conveyances, assignments, easements, and right of ways; and that all aforementioned agreements be reviewed and approved by NSHE Chief General Counsel and/or NSHE’s designated real estate counsel, in consultation with the Business, Finance and Facilities Committee Chair, to implement the terms and conditions required to finalize purchase of the Property. *(Ref. BFF-8 on file in the Board Office.)*

UNLV President Keith E. Whitfield requested approval to purchase 4350 South Maryland Parkway, which is the parcel directly south of the NSHE System Administration Building. The property is owned by the Clark County Public Education Foundation and is 2.21 acres and is approximately 37,000 square feet. The building is used as office and warehouse space. The interior of the building received a major renovation in 2014 and includes an existing cell tower and lease that will be assigned to UNLV. The annual lease revenue equates to approximately \$18,174 a year. UNLV plans to relocate the UNLV Education Outreach Office from the Paradise Campus if the sale is approved. UNLV is evaluating rent concessions for space partnerships with the Clark County Public Education Foundation to align missions to promote educational improvement and achievement closely.

Regent Tarkanian asked if the Public Education Foundation was comfortable with the sale and would have adequate space if the sale occurs. Mr. Rich Broome, CEO of the Public Education Foundation, stated the Public Education Foundation Board approved the transaction and the partnership with UNLV. The purchase makes sense for both entities.

Regent McMichael moved approval to purchase the Property located at 4350 South Maryland Parkway and bearing Clark County Assessor Parcel Number 162-23-201-003; that the Chancellor be authorized to finalize, approve, and execute a purchase and sale agreement, along with any other ancillary agreements required to implement the purchase of

8. Approved – Purchase of Real Property Located at 4350 South Maryland Parkway (Public Education Foundation Building) – UNLV – (Continued)

(Motion continued)

the Property, including but not limited to conveyances, assignments, easements, and right of ways; and that all aforementioned agreements be reviewed and approved by NSHE Chief General Counsel and/or NSHE's designated real estate counsel, in consultation with the Business, Finance and Facilities Committee Chair, to implement the terms and conditions required to finalize purchase of the Property. Regent Tarkanian seconded. Motion carried. Regent Brooks was absent.

9. Approved – Purchase of Real Property Located at 4530 South Maryland Parkway (Runnin' Rebel Plaza) – UNLV – The Committee recommended approval to purchase the Property located at 4530 South Maryland Parkway and bearing Clark County Assessor Parcel Number 162-23-301-003; that the Chancellor be authorized to finalize, approve, and execute a purchase and sale agreement, along with any other ancillary agreements required to implement the purchase of the Property, including but not limited to conveyances, assignments, easements, and right of ways; and that all aforementioned agreements be reviewed and approved by NSHE Chief General Counsel and/or NSHE's designated real estate counsel, in consultation with the Business, Finance and Facilities Committee Chair, to implement the terms and conditions required to finalize purchase of the Property. *(Ref. BFF-9 on file in the Board Office.)*

UNLV President Whitfield requested approval to purchase 4530 South Maryland Parkway located in the Runnin' Rebel Plaza. The property is 2.6 acres, is approximately 38,000 square feet, and comprises 13 retail spaces that are 100 percent occupied. UNLV owns the three surrounding properties. If UNLV owns all four properties, it will create a 5.3-acre parcel for future development and expansion opportunities. If the purchase is approved, the property will operate as is in the short term until current leases expire and UNLV analyzes future land uses.

In response to a question from Chair Carvalho related to the longest lease term, Special Counsel Michael B. Wixom believed it was a 20-year lease. UNLV Associate Vice President for Planning, Construction and Real Estate David Frommer clarified the longest lease is the Chipotle pad site with a base lease expiring in 2023, with the option to exercise four additional 5-year extensions.

Chair Carvalho asked if UNLV would build around this property or negotiate to incorporate the tenants into the new development. UNLV Associate Vice President Frommer stated it is an outstanding question related to the redevelopment plan. This does provide a tremendous opportunity for the sites. There is a variety of alternatives to be reviewed. UNLV President Whitfield added that purchasing this property in conjunction with the other properties would activate South Maryland Parkway and look very different.

9. Approved – Purchase of Real Property Located at 4530 South Maryland Parkway (Runnin’ Rebel Plaza) – UNLV – (Continued)

Special Counsel Wixom stated he is working with UNLV to ensure that everything done moving forward with the transaction is consistent with System policy and procedures. It is a strategic acquisition, but UNLV will take great care to assure the Board that everything has been done appropriately.

UNLV President Whitfield stated UNLV sees this as an opportunity to improve its neighborhood in order to flourish during expansion.

Vice Chair Del Carlo moved approval to purchase the Property located at 4530 South Maryland Parkway and bearing Clark County Assessor Parcel Number 162-23-301-003; that the Chancellor be authorized to finalize, approve, and execute a purchase and sale agreement, along with any other ancillary agreements required to implement the purchase of the Property, including but not limited to conveyances, assignments, easements, and right of ways; and that all aforementioned agreements be reviewed and approved by NSHE Chief General Counsel and/or NSHE’s designated real estate counsel, in consultation with the Business, Finance and Facilities Committee Chair, to implement the terms and conditions required to finalize purchase of the Property. Regent McMichael seconded. Motion carried. Regent Brooks was absent.

10. Approved – Request to Expend Capital Improvement Fees – UNR – The Committee recommended approval to expend Capital Improvement Fees for the following funded projects totaling \$5 million: (Ref. BFF-10 on file in the Board Office.)

1. Design and Installation of a Modular Chiller at the Central Plant (\$4,500,000); and
2. University Security Camera System Modernization (\$500,000)

UNR President Brian Sandoval requested approval of an expenditure of funds from the existing Capital Improvement Fee balance. This is not a new fee but a balance from the Capital Improvement Fee portion of the Registration Fee, which has accumulated due to shifting capital plans related to the Gateway Project. The existing balance will be directed to the campus capital priorities listed above. If approved, the Capital Improvement Fee funding totaling \$500 thousand, combined with funding from various areas across campus, will complete the upgrade project.

Regent McMichael moved approval to expend Capital Improvement Fees for the following funded projects totaling \$5 million: 1) Design and Installation of a Modular Chiller at the Central Plant (\$4,500,000); and 2) University Security Camera

10. Approved – Request to Expend Capital Improvement Fees – UNR – (Continued)

(Motion continued)

System Modernization (\$500,000). Vice Chair Del Carlo seconded. Motion carried. Regent Brooks was absent.

11. Information Only – Mathewson University Gateway Public Private Partnership Development Concept – Phase One Update – UNR – University of Nevada, Reno
President Brian Sandoval presented a PowerPoint update on phase one of the development plans for the Mathewson University Gateway, including an anticipated public solicitation for a public private partnership development. *(Ref. BFF-11 on file in the Board Office.)*

In response to a question from Vice Chair Del Carlo related to whether this was the first UNR public private partnership development, UNR President Sandoval responded yes. UNR President Sandoval stated this type of partnership is used across the country at many campuses. This partnership is an excellent opportunity for the City of Reno and the campus.

Regent Moran believed that all the Presidents are looking at the limited property ready for future development surrounding their respective campuses and are thinking out-of-the-box on how to utilize it.

Chancellor Melody Rose offered her support and commended UNR President Sandoval for his vision of pursuing this model.

Chair Carvalho stated public private partnerships with industry are the future of higher education.

12. Information Only – New Business – None.

13. Information Only – Public Comment – None.

The meeting adjourned at 11:03 a.m.

Prepared by:

Angela R. Palmer
Special Assistant and Coordinator
to the Board of Regents

Submitted for approval by:

Keri D. Nikolajewski
Interim Chief of Staff
to the Board of Regents

Approved by the Board of Regents at its March 3-4, 2022, meeting.