

SPECIAL MEETING
BOARD OF REGENTS
NEVADA SYSTEM OF HIGHER EDUCATION

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

Friday, April 1, 2022

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:

Mrs. Cathy McAdoo, Chair
Dr. Patrick R. Carter, Vice Chair
Mr. Joseph C. Arrascada
Mr. Patrick J. Boylan
Mr. Byron Brooks
Ms. Amy J. Carvalho
Mrs. Carol Del Carlo
Dr. Mark W. Doubrava
Dr. Jason Geddes
Mr. Donald Sylvantee McMichael Sr.
Mr. John T. Moran
Ms. Laura E. Perkins
Dr. Lois Tarkanian

Others Present:

Ms. Crystal Abba, Vice Chancellor, Academic and Student Affairs
and Community Colleges
Mr. Andrew Clinger, Chief Financial Officer
Ms. Keri Nikolajewski, Interim Chief of Staff to the Board
Dr. Federico Zaragoza, President, CSN
Dr. Kumud Acharya, President, DRI
Ms. Joyce M. Helens, President, GBC
Dr. DeRionne P. Pollard, President, NSC
Dr. Karin M. Hilgersom, President, TMCC
Dr. Keith E. Whitfield, President, UNLV
Mr. Brian Sandoval, President, UNR
Dr. J. Kyle Dalpe, President, WNC

Faculty senate chair in attendance was: Dr. Amy Pason, UNR. Student body presidents in attendance were: Mr. Zachary Johnigan, ASCSN President, CSN; Ms. Caren Yap, CSUN President, UNLV; and Ms. Nicole Thomas, GPSA President, UNLV.

Mr. William Peterson, P.C., Snell & Wilmer, was also in attendance.

Chair McAdoo called the meeting to order at 2:00 p.m. with all members present. Vice Chair Carter led the Pledge of Allegiance. Interim Chief of Staff to the Board Keri Nikolajewski provided the Land Acknowledgement.

1. Information Only – Public Comment

The following individual provided written public comment in support of Chancellor Melody Rose:

- Kimberly Simmonds (*Simmonds.Kimberly04.22 on file in the Board Office.*)

The following individual provided written public comment concerned that there are not enough Chemistry prerequisite classes for all Clark County students, which is causing young talented minds to seek their education elsewhere:

- Fredrick Bragg Jr. (*BraggJr.Fredrick04.22 on file in the Board Office.*)

The following individual provided written public comment disappointed in the contract buyout and that a long and expensive Chancellor Search will only further drain resources that should help students:

- Alan Cruz (*Cruz.Alan04.22 on file in the Board Office.*)

Nicole Thomas communicated the disappointment and discouragement that students are currently experiencing. She stated that \$610,000 could fund 30 new graduate assistantship lines at \$20,000 each or seven to eight new faculty lines. In addition, that amount could bolster the immigration clinic or provide much-needed building repairs. Students were told stability and representation matters. After years of turmoil and changes in leadership, there was finally an advocate for students here to make changes and support the students. Today's decision is not in the best interest of students. She is incredibly disappointed and disheartened by this collective body.

Caren Yap stated she is heartbroken that the truest advocate is leaving NSHE, and yet again, students will pay the price mentally and monetarily. A Chancellor Search is lengthy, expensive, and tedious. She is about to term out as president, but the next president will learn the same. She thanked Chancellor Rose for her service.

Chloe St. George stated she felt empowered to speak on the departure of Chancellor Rose. The \$610,000 package is an irresponsible use of student fees and taxpayer dollars. The money being offered could be used to fund more professors and teaching staff to impact students directly. She felt the timing of Chancellor Rose's resignation is suspicious. After previous events that have occurred with Regents on this Board, students feel like Chancellor Rose is being forced to leave for her peace of mind and health. Instead of pushing Chancellor Rose out, a special election should be held to replace every person on the Board.

1. Information Only – Public Comment – (Continued)

Warren Hardy favored the separation agreement, so Chancellor Rose is not subjected to anything else by this Board. She will be fine and have success elsewhere. The problem with NSHE is the environment in which those hired are asked to work. He encouraged all those that have worked successfully with Chancellor Rose and NSHE not to give up.

Dr. Amy Pason stated just a month ago, she stood before the Board and underscored the importance of stability in higher education, especially in leadership. She commended Chancellor Rose for her steadfast commitment during tumultuous times. The Chairs continue their unwavering support for Chancellor Rose. They appreciate the professionalism she brought to the position, her vision for NSHE's future, and the critical relationship-building with the institution presidents, legislators, Governor, and faculty and student leaders. The Chairs have always appreciated her commitment to shared governance and willingness to listen. The Chairs do not understand how the Board, with fiduciary responsibility, could not find its way to resolve the conflicts and they can only assume that some could not put the System's interests ahead of their own and thus have lost a great deal of trust with those the Board is entrusted to serve. The Chairs are concerned with the destruction of changing leadership and wonder what it will cause heading into a legislative session. The Chairs hope this Board will commit itself to shared governance and seek input from faculty in the decisions ahead. The faculty's morale and the institutions' survival depend on this. In closing, the Chairs thank Chancellor Rose for what she has done for the institutions, and they support her in this decision.

2. Approved – Separation Agreement – The Board approved a separation agreement between the Board and Dr. Melody Rose, Chancellor, effective April 1, 2022. (*Ref. BOR-2 on file in the Board Office.*)

Mr. William Peterson, P.C., reviewed the key terms of the agreement.

Regent Brooks asked for clarification about where the \$610,000 comes from and the potential impact on student fees, student resources, or anything associated with the student experience. Chief Financial Officer Andrew Clinger responded that the payment would be made from the self-supporting accounts in the System Administration Budget if approved by the Board. The System Administration Budget is comprised of an assessment made by each campus and System Administration's portion of investment income.

Regent Brooks clarified that this payment would not be a fiscal impact on student fees or campus growth. Chief Financial Officer Clinger said there is a \$2.5 million campus assessment, but information on how the campuses pay that assessment is not available today.

Regent Brooks asked Mr. Peterson to review the process of how the Board arrived at today's meeting. Mr. Peterson stated that the Chancellor hired her counsel to assist her in working with the Board in the last six weeks. Her counsel proposed a

2. Approved – Separation Agreement – (Continued)

mediator to facilitate future working relationships. However, the Chief General Counsel had a conflict of interest that disqualified him from that activity, which is why he, Mr. Peterson, was engaged. Mr. Peterson began evaluating the proposal, but during the initial stages, three Regents requested a personnel session pursuant to the Board's *Bylaws*. During the discussions, it became apparent between the attorneys that it was in everyone's best interest for the two parties to go their own way. The Chancellor offered her resignation, which was negotiated between the two parties.

Regent Brooks asked if the process the Board followed was open to the public. Mr. Peterson stated the negotiations representing the two sides are not open to the public. However, today's meeting is open to the public, and if a personnel session had been held, it would have been open to the public. Mr. Peterson clarified that three Regents requested a personnel session and that session, according to the Open Meeting Law, would have been open to the public.

Regent Brooks believed it was appropriate to know the leadership structure from today's meeting forward if this agreement passes. Chair McAdoo stated that a list of officers in charge is created and placed on file per the *Handbook*. That list in order is Crystal Abba, Andrew Clinger, and Joe Reynolds. If the Chancellor is on annual leave, leadership goes to the first person in line. The Chancellor is currently on predetermined annual leave, which placed Crystal Abba as the current officer in charge.

In response to a question from Regent Moran related to those that requested the personnel session, Interim Chief of Staff Nikolajewski responded Regents Arrascada, Brooks, and Boylan requested a personnel session.

Regent Moran understood that Chancellor Rose had the right to a one-year review and asked if that review was completed. When the Chancellor filed her complaint, Mr. Peterson recollected that the review was in progress. Chair McAdoo stated the evaluation process had started. Some interviews were conducted when Chief General Counsel Reynolds called to say a complaint had been filed and to stop the evaluation process immediately. Regent Moran did not understand why the review was not conducted. The *Bylaws* state the Chair will complete an annual review. His constituents have asked if there was an opportunity to sit with the Chancellor and talk constructively about what could have been done better. Chair McAdoo reiterated that the Chancellor was given the opportunity for a one-year review however she filed the complaint, and Chief General Counsel Reynolds provided direction to stop the review.

Mr. Peterson did not understand the relevancy of the questions. The evaluation process was interrupted by the filing of the complaint. Regent Moran stated everything a Regent asks is relevant.

2. Approved – Separation Agreement – (Continued)

Regent Moran asked if a specific Bylaw requires the current Chair to do the review and who was the Chair at that time.

Vice Chair Carter raised a point of order, noting that this discussion was outside the parameters of the agenda item.

Regent Moran asked again if there is a specific Bylaw that states when the review was supposed to take place and who was supposed to conduct the review. Chair McAdoo responded the Bylaws state an annual review will take place. The Chancellor started with NSHE on September 1, 2020, with a yearly review to happen in September 2021. Chair McAdoo stated she was the Chair in September 2021, and it was her responsibility. All the interviews were scheduled and began on October 4, 2021, when Chief General Counsel Reynolds advised her of the complaint and recommended that the process stop immediately.

The meeting recessed at 2:40 p.m. and reconvened at 2:41 p.m. with all members present.

Regent Moran stated this is a sad day for him and others in the state. He wholeheartedly supports Chancellor Rose, and he has enjoyed working with her and getting to know her and her family. He believed the Committee and the Board made a strategic hire when they hired Chancellor Rose. Through very extraordinary times, the Chancellor has received the support of the Governor and his office, the business community, her cabinet, presidents, students, faculty, and other stakeholders. The Chancellor worked extremely hard and has served in the position with dignity and professionalism. Her decisions and strategies have been thought-provoking, determined, and well-reasoned. He stated it would be hard to support any action that does not result in the Chancellor remaining in her position and continuing her mission through her contract. Regent Moran is mindful of what the Chancellor feels is best for her and her family, so he will support her decision. However, he thinks that the action and result are unnecessary, fiscally irresponsible, drastic, and hurried. The work by the Chancellor and her Cabinet has been transformative, innovative, and was paving the way for Nevada's march to the forefront of higher education. The Chancellor's departure from the position is untimely and will not serve the best interests of NSHE, the institutions, employees, and students. The Regents have failed the NSHE and the state.

Considering today's action, Regent Moran pondered who would enter a search to become the next NSHE Chancellor.

In response to a question from Regent Boylan related to why the personnel session was not held, Mr. Peterson responded that based on the discussions, the parties believed that it was in their best interests to separate.

Regent Boylan stated he was not in support of the \$610,000 payout to Chancellor Rose.

2. Approved – Separation Agreement – (Continued)

Regent Carvalho asked if the Chancellor's vacation was scheduled in advance why there was a rush to hold his meeting. Chair McAdoo stated she was unaware that the Chancellor was on vacation.

Regent Carvalho stated this is a sad day for the NSHE. NSHE is losing yet another Chancellor. It feels wrong that this separation agreement is on the heels of the conclusion of the Chancellor's complaint. She is hopeful that the Board can work together collaboratively and improve in the future. The Board was reminded that it represents all the constituents, but she is not confident that this fits their wishes. She believes the constituents do not want to see the Chancellor's exit from leadership. She understood that Chancellor Rose had already agreed to the separation agreement terms, and she was also aware that most of the Regents would support this agreement. Chancellor Rose has positively impacted NSHE and Nevada, and she wishes her the best in her next chapter.

Regent Arrascada asked if the Chancellor's letter of resignation was submitted unprovoked. Mr. Peterson stated the Chancellor had signed the agreement, and she does have seven days to change her mind.

Regent Boylan moved approval of a separation agreement between the Board and Dr. Melody Rose, Chancellor, effective April 1, 2022. Regent Arrascada seconded.

In her five-plus years on the Board, Regent Del Carlo stated that today she is ashamed to be a Regent. This agenda item is a travesty and a total failure of the Board's leadership. NSHE conducted a national search, paid handsomely for a search consultant, and unanimously selected its new Chancellor amidst a worldwide pandemic. The Chancellor came into a new position when she could not bring people together and have meetings. None of this deterred the work of the Chancellor, and she hit the deck running. The Chancellor worked on relationships with community members. She immediately put together a 19-member task force to craft and guide policy and procedures for the Board. The Chancellor held a retreat for the cabinet and conducted a climate survey to give her an assessment and establish a baseline so goals and continuous improvement could guide her. She conducted regular appraisals as outlined in the Code. Over the last 19 months, her work has been impressive, including seven task forces, notably one dealing with the mental health of NSHE students. This year she was met with opposition for forming a strategic task force committee. She was questioned on costs associated with hiring outside consultants, which the previous administration had also hired. She led a delegation, including three students, to the ACCT National Legislative Summit in Washington, DC. The meetings with Nevada's elected officials were a resounding success. The Chancellor received many accolades from federal delegates, and all saw a clear impact of bringing students to the event.

Regent Del Carlo stated that Regents are here for the students. This is about helping the students receive education and training to be productive wage-earning members of society. How is this motion helping the students? NSHE has thousands of employees,

2. Approved – Separation Agreement – (Continued)

including faculty and staff, and the message being sent is that the Board could not work out its differences. The Board's action is causing nothing but disruption. What happens to the cabinet, staff, and presidents that supported the Chancellor's work. Do any of the Regents have any idea how much anxiety is related to the Board's dysfunction? The Board has failed the Chancellor. There have been five different Chancellors since 2016, so the problem must lie with the Board. The Chancellor is an employee and never had an evaluation. Have either of the Chairs sat down with the Chancellor and provided any feedback. Regent Del Carlo stated she would not support the motion and asked that the lawyers bring in a mediator or psychologist to resolve the issues. The students, faculty, and staff are watching. Regent Del Carlo publicly apologized to Chancellor Rose.

Motion carried via a roll call vote. Chair McAdoo, Vice Chair Carter, and Regents Arrascada, Boylan, Brooks, Doubrava, Geddes, Moran, and Perkins voted yes. Regents Carvalho, Del Carlo, McMichael, and Tarkanian voted no.

3. Information Only – New Business

Vice Chair Carter requested an update on the Chief of Staff and Special Counsel to the Board search at the next meeting.

Regent Geddes requested an update on the interim or acting Chancellor position at the next meeting.

Regent Moran stated he requested an item be placed on the next agenda to get further direction from the Board on the ad hoc Chief of Staff and Special Counsel to the Board of Regents search since the parameters set by the Board had not been met.

Regent Del Carlo requested a review of all committees and the addition of a governance committee.

Regent Perkins requested a review of the selection process for high-profile hires.

4. Information Only – Public Comment

Nicole Thomas voiced her frustration with the process because the NSHE has gone through so many Chancellors just during her time as a student. She is dismayed by the process and the results.

Warren Hardy was shocked that it did not take any amount of time for the Board to violate the spirit of the separation agreement. He was concerned that the Chancellor felt the need to hire legal representation and seek a separation. He agreed with Regent Moran about who will take this position. He respectfully asked who beyond a bare majority of this Board believes that Chancellor Rose was not doing a good job and should not have been allowed to continue.

4. Information Only – Public Comment – (Continued)

Zachary Johnigan stated that the only people in charge of voting were the Board of Regents during the entire process, but the people affected will be the students. Student feedback concerning the leader of NSHE was not solicited. There are ramifications for this decision. An organization without stable leadership will not achieve any significant set goal. The Chancellor started the strategic plan initiative. He asked how that effort will be continued with the resignation. The Chancellor is a part of several task forces and committees focused on student success and how will those move forward. Even though the Chancellor voluntarily submitted her resignation, it was not entirely her choice. It was the choice of the Board and how she was treated, which in his opinion, was unfair.

Hieu Le stated that each Regent shows their true colors to those in their districts by each vote they make. Education is built on community, and students are built on the decisions made by the Board.

Mary Beth Sewald wholeheartedly agreed that this was an embarrassment and travesty. A top priority for the entire business community is ensuring that the public education system prepares students for successful and sustainable careers. Likewise, all Nevadans should be confident that higher education leaders are focused on student success which is essential to economic growth. Unfortunately, the dynamics playing out among Board members undermine the System's mission. Another quality higher education leader has been forced to leave the System prematurely, becoming an unfortunate disruptive pattern. Chancellor Rose had impressive credentials when she was selected and hired only 18 months ago. The Chancellor had a strong vision and how it connected to a growing and qualified workforce. Unfortunately, the Board's actions are damaging the reputation of the entire state in the eyes of many, including businesses in need of a stable and cooperative higher education partner. It is her belief that today's vote strongly reinforces why the state legislature, and the voters of Nevada must pass significant higher education governance reform for the sake of students, the economy, and all Nevadans.

Lisa Levine stated the Board had wasted millions of public tax dollars in exchange for a non-disclosure agreement, which they also tried to get her to sign. Attorney General Aaron Ford should call for a full investigation into the Board of Regents. How many qualified and respected leaders will the Board undermine, and how many more women need to come forward before Nevada's leaders act. How much more taxpayer dollars will be wasted before there is change. NSHE is broken, and this body cannot be trusted. Nevada's road to recovery runs through education, so there is a lot at stake. It is without question that the Board of Regents is the greatest example of government waste and public corruption in the state, and it is time for the community to come together and fix this System.

Peter Grema asked if any of the Board's decisions considered students at all. Students are dismayed by the chaos and instability of the Board of Regents. The Regents must consider their actions, think about students, and make ethical decisions. He stated he received a good education but is disheartened watching this process play out.

4. Information Only – Public Comment – (Continued)

Caren Yap stated one of the most significant things that Chancellor Rose did was chair the Sexual Misconduct Task Force. She hopes that the next Chancellor will continue the task force's work because it is meaningful and can create change for the students.

Maureen Schafer stated her comments were no longer directed to the members of the Board who have proven their inability to govern responsibly and hold themselves accountable to their roles and responsibilities. Instead, she addressed the greater community and stated the Board of Regents continues to fail in their governance obligations and asked the community to look to themselves to step in for a positive change. The state business community represents the sources that fund a sizable portion of the NSHE budget and continually shares that struggling institutions and the lack of community workforce development programs within NSHE are impacting business operations. The Board structure and its corrupt culture that Nevada has put in charge of running higher education investment are creating dismal annual returns. Nevada needs your forceful voices in this change process. To the philanthropic community, you have done so much for so long in a state with limited resources. She leads an organization building a medical education building. Ironically, some of the names on the outside and inside the building were unceremoniously pushed out of their institutions within NSHE by the Board of Regents.

Paul Moradkan finished Maureen Schafer's prepared remarks. To the Foundation and philanthropic community, we need your voice in the change process. To higher education donors, you are welcome to use your organization to work with higher education from the outside to make sure you achieve your goals in transparent, accountable, and effective ways while benefiting students, faculty, and institutional leadership. To the Nevada Legislators, you are no strangers to the antics of the Board of Regents. You held fast in the passage of meaningful higher education reform last session, but much more is needed. The reaffirmation of the existing statute so UNLV and DRI would be allowed to pursue federal research grants, like UNR, has taken up so much value legislative time. Nevada should be in friendly competition with fellow western states on such issues. We need your continued partnership in the change process and have many ideas on how to achieve it. Lastly, to students and families, you deserve more and are always the ones left to pick up the pieces of a broken system. The students are correct. NSHE has rarely been about the students. It is about adults and their non-educational agendas. Students, we need your advocacy, voices, and leadership going forward.

Chair McAdoo stated that Vice Chancellor for Academic and Student Affairs and Community Colleges Crystal Abba would assume the title of Officer in Charge. At the same time, she, as Chair, will embark on a process of soliciting input from major constituencies of NSHE regarding suggestions for the appointment of an acting or interim Chancellor. Ms. Abba has served NSHE for 20 years in various positions, including Associate Vice Chancellor and Director of Public Policy. In this new role, she will continue to work collaboratively with the Board and institutional leaders to advance the goals of NSHE and ensure a successful path forward. The Board of Regents will continue its work governing the NSHE and supporting the institutions as they focus on serving and graduating NSHE students.

The meeting adjourned at 3:33 p.m.

Prepared by:

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Submitted for approval by:

Keri D. Nikolajewski
Interim Chief of Staff
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Approved by the Board of Regents at its June 9-10, 2022, meeting.