

SPECIAL MEETING
BOARD OF REGENTS
NEVADA SYSTEM OF HIGHER EDUCATION

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

Friday, August 26, 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
Ms. Amy J. Carvalho, Vice Chair
Mr. Joseph C. Arrascada
Mr. Patrick J. Boylan
Mr. Byron Brooks
Mrs. Carol Del Carlo
Dr. Patrick R. Carter
Dr. Mark W. Doubrava
Dr. Jason Geddes
Mr. Donald Sylvantee McMichael Sr.
Ms. Laura E. Perkins
Dr. Lois Tarkanian

Members Absent:

Mr. John T. Moran

Others Present:

Mr. Dale A.R. Erquiaga, Acting Chancellor
Ms. Crystal Abba, Executive Vice Chancellor and Chief of Staff
Mr. Andrew Clinger, Chief Financial Officer
Ms. Renee Davis, Interim Vice Chancellor, Academic and Student Affairs
Mr. Robert G. Kilroy, Chief of Staff and Special Counsel to the Board
Mr. James J. Martines, Chief General Counsel
Ms. Keri Nikolajewski, Deputy Chief of Staff to the Board
Ms. Tina Russom, Deputy General Counsel
Mr. Michael B. Wixom, Special Counsel
Dr. Federico Zaragoza, President, CSN
Dr. Kumud Acharya, President, DRI
Ms. Joyce M. Helens, President, GBC
Dr. DeRionne Pollard, President, NSC
Dr. Karin M. Hilgersom, President, TMCC

Others Present: *(Continued)*
Dr. Keith E. Whitfield, President, UNLV
Dr. J. Kyle Dalpe, Interim President, WNC

Faculty senate chairs in attendance were: Dr. Brittany Kruger, DRI; Dr. Christine Beaudry, NSC; Mr. Ed Boog, SA; Dr. Amy Cavanaugh, TMCC; and Dr. Eric Marchand, UNR. Student body presidents in attendance were: Mr. Issac Hernandez, CSUN President, UNLV; Ms. Nicole Thomas, GPSA President, UNLV; Ms. Dionne Stanfill, ASUN President, UNR (*Chair, Nevada Student Alliance*); and Mr. Matthew Hawn, GSA President, UNR.

Chair McAdoo called the meeting to order at 9:00 a.m. with all members present except Regents Moran and Tarkanian. Regent Geddes led the Pledge of Allegiance and Chair McAdoo provided the Land Acknowledgement.

1. Information Only – Public Comment

Santarpia McNeill provided in person and written public comment stating she is a 22-year CSN administrative faculty member and is being harassed by her acting supervisor with the hopes that she will resign. She has followed the chain of command and required procedures and is requesting assistance. (*McNeill.Santarpia08.26.22 on file in the Board Office.*)

Dr. Kent Ervin stated it is sad that the highest enhancement priority is to restore the budget cuts from the 2021 Legislative Session after the state received \$2.7 billion in federal funds, \$1 billion of which was authorized for covering lost revenue due to the pandemic. There are many very worthy priorities far down the list. He added that strong advocacy is needed to restore health and disability benefits to pre-pandemic levels for professional and classified employees. Finally, he urged the Presidents to help finalize the three faculty collective bargaining unit agreements that expired last June.

Diane Hill provided written public comment about the lack of direction and accountability at CSN over the last six years. The President and Vice Presidents have neglected their duties and failed to serve the college, employees, and students. The 2022 graduation ceremony was disorganized, with the audience and students leaving before the ceremony concluded. (*Hill.Diane08.26.22 on file in the Board Office.*)

Kandice Doerring provided written public comment concerned that administrative faculty salary schedules were not being implemented at UNR. Current faculty salaries have not been adjusted, and new hires are denied posted salaries due to internal equality. Merit needs to be reviewed each year, and the cost of living should be guaranteed yearly. (*Doerring.Kandice08.26.22 on file in the Board Office.*)

Gloria Sharlein provided written public comment in favor of raising the incoming base salary and increasing the wages of all current employees. Current employees are leaving for higher-paying jobs. Employees need a competitive career salary. (*Sharlein.Gloria08.26.22 on file in the Board Office.*)

2. Approved – Minutes – The Board approved the following meeting minutes:
 - April 22, 2022, Board of Regents special meeting (*Ref. BOR-2a on file in the Board Office.*)
 - May 25, 2022, Board of Regents special meeting (*Ref. BOR-2b on file in the Board Office.*)
 - June 29, 2022, ad hoc Chief of Staff and Special Counsel to the Board Search Committee meeting (*Ref. BOR-2c on file in the Board Office.*)

Regent Geddes moved approval of the meeting minutes. Regent Del Carlo seconded. Motion carried. Regents Moran and Tarkanian were absent.

3. Information Only – Board Chair’s Report – Chair Cathy McAdoo reported she attended the State Public Works Board meeting and appreciated the presentation from Chief Financial Officer Clinger and the Presidents. Chair McAdoo welcomed Robert G. Kilroy, Chief of Staff and Special Counsel to the Board of Regents, and Dale A.R. Erquiaga, Acting Chancellor.
4. Information Only – Chancellor’s Report – Acting Chancellor Dale A.R. Erquiaga reported he is two months into the job and feels that the System Administration Office is settling. He extended thanks to the staff at System Administration, System Computing Services, and the Presidents. He noted that there would be a Regents Alert later in the day regarding student loan forgiveness and the impact that it might have on former NSHE students.
5. Approved – 2023-25 Biennial NSHE State Operating Budget Request – The Board approved the 2023-25 Biennial Budget Request with the addition of Items for Special Consideration: UNR Cooperative Extension-Additional 4-H facility as #10, and Sierra Nevada University (SNU) weighted student credit hours (WSCH) from FY 22 as #11. (*Refs. BOR-5a and BOR-5b on file in the Board Office.*)

Acting Chancellor Dale A.R. Erquiaga, Chief Financial Officer Andrew Clinger, and the institution presidents presented NSHE’s 2023-25 biennial state operating budget request for the 2023 Legislative Session, including information on the base, maintenance, and enhancement budget requests. The state operating budget request is due to the Governor’s Finance Office by September 1, 2022.

Regent Geddes clarified that it is a distribution formula, not a funding formula. However, he added the impacts on TMCC, UNR, and CSN look devastating. Chief Financial Officer Clinger agrees that it is a distribution formula except for the caseload growth. It is the one area that typically sees increases in funding, but this is a decrease. In the items for special consideration, there is a request that would stabilize the institutions that may see reductions.

Regent Tarkanian entered the meeting.

Regent Geddes asked what would happen once the \$46.5 million ARP funding is gone. Chief Financial Officer Clinger responded the Governor’s Office has allowed NSHE to restore the funds with General Funds. Therefore, the base number in FY 24 is backfilling the \$46.5 million in federal funds lost.

5. Approved – 2023-25 Biennial NSHE State Operating Budget Request – (Continued)

In response to a question from Regent Del Carlo related to the DRI Formula, Chief Financial Officer Clinger believed it went into place in 2014. DRI President Acharya clarified it was enacted in 2013 and implemented in 2015.

Regent Geddes asked why there is a significant enhancement increase now for the UNLVKSOM when the class size does not expand until the next biennium. UNLVKSOM Dean Marc Kahn stated according to the accrediting bodies, they are not allowed to increase the class size beyond 10 percent without approval. When the SOM moves into the Medical Education Building, they would like to increase the class size by 10 percent without violating accreditation standards. Then the SOM will wait to ask for a 15 percent increase at an accreditation visit in 2025 or 2026. The SOM is requesting the money now to have the appropriate number of faculty in place to increase the class size.

In response to a question from Regent Geddes about the difference in UNR and UNLV's cost per student, Dean Kahn responded that UNLV has more residency programs and requires specialty and subspecialty faculty. UNLV has a higher cost-per-student ratio but a lower cost-per-trainee ratio.

Chair McAdoo requested clarification if it was a 10 percent increase each year without accreditation approval, with Dean Kahn responding it is 10 percent total. Then a revisit from the accrediting body is required.

Regent Brooks asked how the graduate student stipends could be further increased. UNLV President Keith E. Whitfield stated this is a reasonable increase in tough economic times. He agrees Nevada is behind in graduate student funding. If there are suggestions from the Board on a more significant increase, the universities will support it. Regent Brooks asked if there could be an ongoing conversation about where there is movement from NSHE or the campuses.

In response to a question from Regent Arrascada related to other agencies that use NevadaNet, Chief Financial Officer Clinger responded Rural Health, Prisons, Parole and Probation, and the Nevada Legislature have all used it at times.

Regent Perkins asked where continuing education and non-credit classes fit in the course taxonomy. Chief Financial Officer Clinger stated that NSHE only receives state funding for credit-bearing courses. The institutions charge a fee for the non-credit-bearing courses that are intended to cover the costs of the class. In his discussions with Acting Chancellor Erquiaga, they agreed that it is time to review the funding formula, which could be reviewed through the process.

Regent McMichael moved approval of the 2023-25 Biennial Budget Request. Regent Geddes seconded.

Regent Del Carlo also agreed that it is time to review the funding formula and requested additional information from the institutions on self-supporting courses.

5. Approved – 2023-25 Biennial NSHE State Operating Budget Request – (Continued)

In response to a question from Regent Carter regarding funding to close the gap at SNU, Chief Financial Officer Clinger stated that on page 45 of *BOR-5b*, there is a list of all the items that the institutions asked for that are not currently included in the budget and will not be submitted to the Governor's Finance Office. Regent Carter asked if he could choose items from the list to add. Chief Financial Officer Clinger stated the Board could add items, but he asked for them to be ranked.

Regent Carter offered a friendly amendment to add Items for Special Consideration, Sierra Nevada University (SNU) weighted student credit hours (WSCH) from FY 22, and UNR Cooperative Extension-Additional 4-H facility.

Regent Geddes agreed the items should be added at the end of the list.

Regents McMichael and Geddes accepted the friendly amendment to add the above items to the special consideration list.

Chief Financial Officer Clinger clarified the friendly amendment: List Sierra Nevada University (SNU) weighted student credit hours (WSCH) from FY 22 as #10 and UNR Cooperative Extension-Additional 4-H facility as #11.

Regent Carter requested: List UNR Cooperative Extension-Additional 4-H facility as #10 and Sierra Nevada University (SNU) weighted student credit hours (WSCH) from FY 22 as #11.

Regents McMichael and Geddes accepted the friendly amendment reordering the above items to the special consideration list.

Regent Arrascada believed that both additions bear the same weight and should be listed at 10a and 10b. Chief Financial Officer Clinger appreciated the comment, but the Governor's Office will not accept it that way.

Chief Financial Officer Clinger stated the current estimate for the SNU WSCH will be provided on September 1, 2022, but adjustments may be made when the numbers are validated.

Motion carried. Regent Moran was absent.

Regent Brooks left the meeting.

6. Information Only – System Administration Budgets Update – Chief Financial Officer Andrew Clinger provided an update on the NSHE System Administration budgets, including the state and non-state support for the Chancellor’s Office, Board of Regents, and Internal Audit. *(Ref. BOR-6 on file in the Board Office.)*

Regent Brooks entered the meeting.

In response to a question from Regent Geddes about campus assessments tied to the Higher Education Price Index (HEPI), Chief Financial Officer Clinger responded that HEPI grew 56 percent between 2004-2021. Therefore, if NSHE had followed HEPI, the 2.5 percent would be a much larger number. Chief Financial Officer Clinger stated he and the Business Officers would continue their conversations about the campus assessments. Regent Geddes noted the Board has discussed for over a decade that the System Office is understaffed and the state has no interest in helping, but if the assessment is tied to an index, it may help the office grow and give the support that is needed. Chief Financial Officer Clinger stated the campus assessment is based on the institution’s self-supporting revenues, but he was happy to look at alternatives.

Regent Carter asked why there was a substantial decrease in general operations for the Finance and Legal Affairs Departments. Chief Financial Officer Clinger stated that a portion of the Grant Thornton audit fee was shifted to the SCS budget. Legal Affairs is specifically related to reductions in outside counsel fees.

Regent Boylan stated he had suggestions for NSHE to save money and asked when it would be most appropriate to bring them up. Chief of Staff and Special Counsel to the Board Robert G. Kilroy responded that Regent Boylan was free to express comments that relate to the item. However, if he has additional action items regarding the item, it would be his recommendation to bring them forward during New Business.

Acting Chancellor Erquiaga thanked Chief Financial Officer Clinger for the presentation. In December 2022 and January 2023, there will be a presentation on what is expected at the Legislature. The System has a prioritized Budget Request and staff can now craft a narrative that looks toward what will be accomplished for the students and state.

7. Information Only – New Business

Regent Boylan requested: 1) a discussion regarding NSHE new hires; 2) a discussion regarding funding for employee and student needs and how the System can assist with funding; 3) a discussion on regent travel; and 4) a discussion on establishing a veterinary school.

Regent Del Carlo requested: 1) a comprehensive review of the non-credit classes and their impacts on the institutions and what the policy is to educate the Board; and 2) a review and presentation on System Administration staff shortages and funding.

Regent Brooks requested: 1) the establishment of a committee to improve and update Board policy; and 2) an update on graduate student stipends for UNLV and UNR.

7. Information Only – New Business

Regent Boylan was concerned that the Board could not discuss New Business or Public Comment. Chief of Staff and Special Counsel Kilroy stated both New Business and Public Comment are subject to Open Meeting Law protocols set forth by the Nevada Legislature.

Regent Del Carlo pointed out that the Open Meeting Law Manual is in the library section of BoardPaq.

8. Information Only – Public Comment

UNLV GPSA President Nicole Thomas invited the Board to UNLV's Welcome Day Celebration, which is full of student activities. She also thanked the Board for considering graduate student stipends in such a serious manner.

Regent Tarkanian left the meeting.

Dr. Kent Ervin stated that graduate student stipends are essential for everyone at the institutions. He also thanked the Board for its detailed budget considerations. In addition, the Nevada Faculty Alliance will be at the Legislature to work together on items of interest and NSHE goals.

The meeting adjourned at 10:51 a.m.

Prepared by:

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

Submitted for approval by:

Robert G. Kilroy
Chief of Staff & Special Counsel
to the Board of Regents

Approved by the Board of Regents at its October 14, 2022, meeting.