

Minutes approved by the Board of Regents at the January 16 & 17, 2025, meeting.

SPECIAL MEETING
BOARD OF REGENTS
NEVADA SYSTEM OF HIGHER EDUCATION

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

Tuesday, October 1, 2024

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. Amy J. Carvalho, Chair
Dr. Jeffrey S. Downs, Vice Chair
Mr. Joseph C. Arrascada
Mr. Patrick J. Boylan
Mrs. Susan Brager
Mr. Byron Brooks
Ms. Heather Brown
Dr. Michelee Cruz-Crawford
Mrs. Carol Del Carlo
Ms. Stephanie Goodman
Mr. Donald Sylvantee McMichael Sr.
Ms. Laura E. Perkins
Dr. Lois Tarkanian

Others Present:

Ms. Patricia Charlton, Interim Chancellor
Dr. Daniel Archer, Vice Chancellor for Academic and Student Affairs
Ms. Elizabeth Callahan, Public Information Officer
Mr. James J. Martines, Vice Chancellor and Chief General Counsel
Mr. Christopher G. Nielsen, Special Counsel to the Board of Regents
Ms. Keri D. Nikolajewski, Chief of Staff to the Board of Regents
Mr. Alejandro Rodriguez, Director of Government Relations
Mr. Chris Viton, Vice Chancellor, Budget and Finance and Chief Financial Officer
Mr. Michael B. Wixom, Special Real Property Counsel
Dr. William L. Kibler, Acting President, CSN
Dr. Amber Donnelly, Interim President, GBC
Dr. DeRionne Pollard, President, NSU

Others Present:

(Continued)

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 chairs in attendance included the following individuals: Ms. Valerie Conner, CSN (*Chair, Council of Faculty Senate Chairs*); and Dr. Jinger Doe, TMCC. Classified council chair in attendance included the following individual: Ms. Stacy Wallace, NSU, ex-officio.

Land Acknowledgment

Before beginning, we take a moment to recognize that here in Nevada we stand on the land of the Wa She Shu – Washoe; Numu – Northern Paiute; Nuwe – Western Shoshone; and Nuwu – Southern Paiute. We take a moment to recognize and honor their stewardship that continues into today. With this recognition, we state an intention to rightfully include their voice and respect them as the 27 sovereign tribal nations of Nevada.

Chair Carvalho called the meeting to order at 9:01 a.m. with all members present. Regent Goodman led the Pledge of Allegiance and Chair Carvalho read the Land Acknowledgement.

1. Information Only – Public Comment

Kent Ervin provided in-person public comment asking the Board to provide oversight and insisting on accountability for all institutions related to Fiscal Exceptions. A detailed analysis is needed to know where the breakdown in cost controls has occurred and what actions need to be taken. The overriding question is where the funds will come from to cover the deficits and how that affects the core academic and instructional programs of each institution.

Scott Kichline provided in-person public comment related to Item 4, 42 Acre Property Generally Located on the Northeast Corner of Tropicana Avenue and Koval Lane in Clark County, Nevada, UNLV, noting that the Clark County Department of Aviation participated in the previous RFP process for the land which is located off the end of two runways, partially within the runway protection zone and of which the department already owns certain air rights. While the Department was not selected, it does feel that their proposal touched on many of the items mentioned in the reference materials and the feedback from the May Board of Regents meeting. The property must be developed in a manner that's compatible with airport operations, the community, and the University's future, and the Department thanks the Board for taking the time and consideration to do this thoughtfully. As a neighbor, community stakeholder, and another large economic engine in Clark County, the Department looks forward to being included in future considerations for this very important and last remaining undeveloped property on the UNLV campus.

Bill Robinson provided in-person public comment related to Items 3, Campus Safety, UNLV, and 6, Fundraising and Endowments, UNLV. He cannot walk across my campus without somebody stopping him to ask why UNLV is not taking care of security and mental health issues. He thanked the Board for keeping it on the agenda and continuing its pressure. UNLV is currently fundraising \$50 million a year with a proposal to raise \$75 million a year, which should be the norm. A capital campaign needs a goal of \$100-125 million.

2. Information Only – Fiscal Exceptions, CSN, UNLV, and UNR – CSN Interim Vice President for Finance and Administration Rolando Mosqueda, University of Nevada, Las Vegas President Keith E. Whitfield, and University of Nevada, Reno President Brian Sandoval provided updated information regarding account deficit balances previously reported to the Business, Finance and Facilities Committee at its September 5, 2024, meeting as part of the Fourth Quarter Fiscal Year (FY) 2023-2024 Report of Fiscal Exceptions. The update included an overview/background of the program/project funding deficit, a detailed plan for resolving the funding deficit, and a timeline for resolution. Projects reported on included: CSN Dental Faculty Practice; UNLV Athletics and Football Training Facility Project; and UNR Capital Project Accounts-South Campus Garage, Group of Gift Funded Projects; and Group of CIF Funded Projects. *(Ref. BOR-2 and Supplemental Material on file in the Board Office.)*

Chair Carvalho asked whether the CSN Dental Faculty Practice has replaced the dentists who left. Interim Vice President Mosqueda responded the dentists who departed in March have been replaced. He added there was a three- to four-month gap while they were identifying viable candidates which did impact revenues.

In response to a question from Chair Carvalho related to private insurance, Interim Vice President Mosqueda responded the Practice does take private insurance and they are always looking to expand the Practice footprint in the space.

Chair Carvalho asked for an update on possible partnerships or collaborations with the UNLV Dental School. Interim Vice President Mosqueda stated CSN has been in discussion with UNLV related to a potential partnership and the parameters of that partnership. They are currently determining whether there's an opportunity to receive updated equipment that would allow CSN to modernize the Practice. UNLV would then be able to utilize the CSN space for its patients and instructors, and in return, CSN would be able to provide a more updated learning experience for its students. However, that doesn't address the deficit, but they are looking at ways that there may be some collaboration that would generate some additional revenue.

In response to a question from Regent Brooks related to the deficit forecast and carrying the deficit forward, Interim Vice President Mosqueda stated the current deficit is in alignment with what the Practice reported last quarter, and they anticipate it to remain similar for FY 25. He added that CSN will be in a monitoring phase for FY 25, and then they hope to pay down the deficit in FY 26, 27, 28, and 29, by embedding repayment into the budget models.

Regent Brager asked if they had explored grants for the needed medical equipment. CSN Clinical Services Manager Patricia Lee responded they have begun exploring grants related to the dental assisting and hygiene programs. The CSN Dental Faculty Practice does not qualify for grants on its own. When previously used equipment becomes available, they will update their older equipment.

In response to a question from Regent Brager related to how they obtain their clients, Interim Vice President Mosqueda responded they are working with the internal marketing team on a campaign to get the message out that they are accepting patients for quality dental

2. Information Only – Fiscal Exceptions, CSN, UNLV, and UNR – (Continued)

care. The Practice has seen 60 to 75 new patients per week based on the marketing campaign's efforts. CSN Clinical Services Manager Lee added that most of the new patients come from internal marketing. They target those who are good patients who always show up and pay. The Practice is a participating provider on a list of insurances. They also target health fairs and faculty events, so people know that the Practice takes UMR insurance. The Practice tries to balance out the lower reimbursements with the higher ones.

Regent Brown stated she worked closely with recent graduates of the dental hygiene program because they were reporting to her about the lack of opportunity to get their hours which was holding them back from graduating. How can UNLV improve access for the students knowing that Clark County does not have enough dental hygienists? It is disheartening to hear that the students are finding roadblocks. They are part of a cohort and should be graduating together. Interim Vice President Mosqueda stated they do acknowledge and accept that there have been some opportunities to better serve the students. The students have priority in the Practice. When there are hygiene students who need clinical hours in the Practice they are prioritized immediately. The challenge is having the right patient mix for the hygiene students and dental assisting students. As an administration, they realize they must improve that patient mix strategically, by advertising, outreach to community partners, and leveraging contacts in the private sector.

In response to a question from Regent Brown related to patient mix, Interim Vice President Mosqueda responded patient mix refers to the procedures that are being performed. Dental hygiene and dental assisting students need to be exposed to specific procedures to realize their clinical hours.

Regent Arrascada noted the projected deficit and clarified that the deficit will not be increasing. Interim Vice President Mosqueda clarified that the current ending balance in FY 24 was a negative \$976,000, and CSN anticipates, based on current modeling, that the deficit will remain steady in FY 25.

Regent Perkins appreciated that they have controlled the deficit. She asked if they have considered a partnership or collaboration with Cooperative Extension. Interim Vice President Mosqueda responded they had not but that was an opportunity he would personally follow up on.

With respect to the update provided by UNLV President Whitfield on the deficit account and strategic financial planning for UNLV athletics, Regent Brown asked for further clarification on the eight to ten percent reduction in expenses and how it would impact programs. UNLV Athletic Director Erick Harper stated it would be done on the administrative side by reducing operational expenditures and not filling positions that do not directly impact the student experience. Regent Brown clarified that the non-revenue generating programs would not see a cut.

2. Information Only – Fiscal Exceptions, CSN, UNLV, and UNR – (Continued)

In response to a question from Regent Brown related to the Mountain West pending payments, UNLV Athletic Director Harper responded he is working with UNLV on a structured plan that includes separate funds. One fund will include the buyout that is paid by the institutions leaving the conference and the second includes a poaching and exit fee that is the PAC-12's responsibility. The PAC-12 funds will have litigation involved. The buyout funds will be disbursed to the institutions based on conference time.

Regent Brown asked about the funds from ancillary events such as the National Finals Rodeo (NFR), the Super Bowl, and the USA Men's Basketball. UNLV Athletic Director Harper responded that the NFR funds go directly to the Thomas and Mack Center to cover expenses, and anything left over is placed in reserves. USA Men's Basketball used Mendenhall Center and that is based on a rental agreement. He added that for the Super Bowl, there was an honorarium that his predecessor worked out, so he was not included in that negotiation. UNLV Vice President and Chief Financial Officer Casey Wyman noted he didn't have the answer, but he would follow up directly with the Regents unless he received the answer at this meeting.

Regent Brooks noted that freezing positions are across the state and not just in higher education. It has more to do with the Presidents asking the Board to vote for the COLA increase for faculty members. Regent Brooks acknowledged there are a lot of things happening all at once and requested a more detailed follow-up of the deficit at the December Board meeting.

UNLV President Whitfield clarified that there are two cost centers, Thomas and Mack and the other Athletics, which are managed separately.

Interim Chancellor Charlton noted that as these accounts remain in a deficit status, they will continue to be reported on at Business, Finance and Facilities Committee meetings. Regent Brooks appreciated that but suggested that something this important be reported to the full Board.

In response to Regent Arrascada's question about what the department will do differently to avoid losing money, UNLV Athletic Director Harper stated an estimated payout to UNLV is approximately \$23-26 million. The Department has reduced its budget to be better balanced. The Department has a new CFO with a strong background in analytics. They will play bigger teams which will influence revenues. The goal is to hold expenses and maximize revenues with a surplus every year that will be put toward the deficit.

Chair Carvalho clarified that Thomas and Mack is completely separate from Athletics, so the numbers have nothing to do with what is being talked about today, with UNLV Athletic Director Harper responding that she is correct the budgets are kept separate. UNLV Athletic Director Harper stated that the reserves do not generally go into Athletics, but they do have the ability to utilize those reserves. It is not the desired way, but if they need to in the future there is flexibility.

2. Information Only – Fiscal Exceptions, CSN, UNLV, and UNR – (Continued)

In response to a question from Regent Goodman related to donor cultivation, UNLV Athletic Director Harper noted that Athletics does have some upcoming events at Allegiant Stadium they hope will be beneficial. The cultivation and stewardship of UNLV's donors is ongoing to make sure they feel a part of the Rebel family.

Regent Arrascada asked if the Sam Boyd Stadium upkeep is listed in the report. UNLV Vice President Wyman responded that the \$500,000 is within the deferred maintenance allocation. He added that the Stadium has not been transferred to Clark County yet. It was an information item and will be brought back to the Board in December.

UNLV Vice President Wyman noted he was able to find the response for Regent Brown. The Superbowl generated approximately \$80,000 for UNLV and is disbursed across several areas, such as field access, internships, ticketing, and security aspects. He will provide a transparent detail to the Regents.

Regent Del Carlo requested a complete budget breakdown, line by line, with projections included and different scenarios to decrease the deficit. She also requested a complete breakdown of the costs to use Allegiant Stadium. This was the first time she had heard that if UNLV uses another part of the stadium there is an additional cost. She added that the Board has a fiduciary duty to keep an eye on budgets and she fully supports a quarterly agenda item until the deficit is taken care of.

Following the update provided by UNR President Sandoval, and in response to a request from Regent Brown to have the \$27.5 million in debt broken down, UNR Vice President of Administration and Finance Andrew Clinger stated the total ties back to the September Business, Finance and Facilities Committee report. The South Campus Parking Garage and Chilled Water and Data Connection total approximately \$3.6 million; the HECC/SHECC and Capital Improvement Fee Funded Projects total approximately \$14.2 million; and the Gift Funded Projects total approximately \$9 million. All the sections together are how UNR comes to \$27.5 million.

3. Information Only – Campus Safety, UNLV – University of Nevada, Las Vegas President Keith E. Whitfield led a discussion related to UNLV campus safety improvements and investments in the public safety of students, faculty, and staff, and other matters related thereto. *(Ref. BOR-3 on file in the Board Office.)*

Regent Brooks asked how many instances had been documented or investigated on campus related to anti-Semitism in the past year. Interim Director of UPD Southern Command Arnold Vasquez did not have specific data related to the question but he stated he would research and bring the information back to the Board. He was aware of one incident that happened in a lecture hall related to the First Amendment that was reported in the Clery Report. He was unsure whether it directly related to anti-Semitism. Regent Brooks clarified that the incident in question was about an Israeli professor who was providing a lecture that had to do with astrophysics and that that lecture was disrupted by student

3. Information Only – Campus Safety, UNLV – (Continued)

activists. The lecture ended but he was unsure whether the lecturer decided that it would end or if UPD decided that it would be best to end the lecture. The lecturer's perspective was that he was asked to end the lecture and then was escorted to his vehicle for his safety. Interim Director Vasquez stated in that particular incident, UPD contacted the parties associated with the lecture and the decision to end the lecture was at the host level. Once the decision was made, the UPD facilitated the ending of the lecture and fulfilled requests to escort the professor to his vehicle.

Regent Brooks stated the Board had passed the IHRA anti-Semitism definition as well as a revision and asked UNLV President Whitfield what UNLV is doing to understand and utilize that definition. UNLV President Whitfield explained that UNLV had created a bias reporting system to enhance its ability to have a place for students and faculty to report instances. UNLV has also created the Jewish Task Force made up of faculty, students, and community members to take a look at University policies and educational opportunities to create a more inclusive environment.

Regent Brooks stated it was his opinion that there are shortcomings in terms of students and their ability to identify where they're supposed to go to report an incident and then what the University's follow-up looks like. He stated there had been campus incidents over the last year such as rallies in which protestors were chanting harmful slogans and asked whether the administration considered it anti-Semitic.

UNLV President Whitfield asked to go back to the first point and stated that he believed the bias reporting system did provide a place for students to report the incidents that are happening. To the second point, he believed that the slogan being chanted is to be included in the IHRA definition.

Special Counsel Nielsen reminded the Board that the agenda item relates to campus safety.

Regent Brooks believed that incidents that occurred last year would fall under the umbrella of campus safety for all students, particularly Jewish students. He believed an easy-to-identify slogan calling for terrorist attacks against Jews would fall under campus safety and asked the UNLV administration if they would recognize the term as such. UNLV President Whitfield believed that over time, UNLV had been thinking more deeply, with Regent Brooks leading the charge, to better understand what some of the chants mean. Campuses across the country are struggling with trying to figure out where that fine line is between free speech and hate speech. While UNLV cannot go back and undo things that have been done, it is trying to make sure that if students feel unsafe, they have a place to report the incidents.

Chief General Counsel Martines reminded the Board that the agenda item specifically relates to campus safety improvements and investments in public safety. So, while the questions may be relevant, it is important to remember that the relevancy is going to be tied to the improvements or investments that UNLV has made such as the reporting system.

3. Information Only – Campus Safety, UNLV – (Continued)

Regent Brooks stated he was having a hard time understanding where questions that have to do with student safety would not fall under the umbrella of an agenda item on campus safety. It was his understanding that the agenda item was written broadly enough that the Regents could discuss things happening on the campus over the last year. Chief General Counsel Martines responded the agenda item was noticed to have a discussion related to campus safety improvements and investments in the public safety of students, faculty, and staff. While the conversation may be relevant, he recommended that it be directed toward the investments that the campus has made to address those types of concerns.

Regent Brooks asked if the UNLV administration viewed the chanting of a call for Intifada as an uprising of violence on campus and if so, what type of improved safety mechanisms would it call for. UNLV President Whitfield stated that UNLV has invested in its infrastructure with the bias reporting system to provide a way for students who hear those chants to report the incident.

Regent Brooks asked UNLV President Whitfield to provide the distinction between what a rally of individuals calling for the globalization of Intifada looked like a year ago and what it looks like today.

Special Counsel Nielsen clarified the question as to what types of investments or improvements UNLV has made in the past year that will address certain incidents.

UNLV President Whitfield stated that UNLV has invested money in making sure that there are people available to process the cases so that anyone who's found guilty of violating protections under NSHE policy would then have a way to adjudicate those cases.

Regent Brooks voiced his frustration that it sounded like nothing would be different at UNLV other than a new reporting process. UNLV President Whitfield responded that UNLV has taken two steps: the new reporting system and the Jewish task force, to improve.

The meeting recessed at 11:19 a.m. and reconvened at 11:27 a.m. with all members present except Regents Brager and Brooks.

4. Information Only – 42 Acre Property Generally Located on the Northeast Corner of Tropicana Avenue and Koval Lane in Clark County, Nevada, UNLV – University of Nevada, Las Vegas President Keith E. Whitfield, Vice President of Business Affairs and Chief Financial Officer Casey Wyman, and Associate Vice President of Planning, Construction and Real Estate David Frommer presented an update on the 42-acre parcel owned by the Board of Regents generally located at the northeast corner of Tropicana Avenue and Koval Lane in Clark County, Nevada (APNs 162-21-703-001 and -002, 162-21-802-001 thru -005, and 162-21-810-005), including several strategic options for the future use of the 42-acre property including, without limitation, partial development for academic partnerships, mixed-use development for revenue generation, a comprehensive RFP for the entire property, and a flexible phased development approach. *(Ref. BOR-4 and Supplemental Material on file in the Board Office.)*

4. Information Only – 42 Acre Property Generally Located on the Northeast Corner of Tropicana Avenue and Koval Lane in Clark County, Nevada, UNLV – (Continued)

Regent Brager entered the meeting.

Regent Brown appreciated that UNLV came back with multiple options. She liked the academic partnership so it could be used for academic purposes for students.

In response to a question from Regent Brown related to two land parcels noted in the 2015 Strategic Plan and whether UNLV owns them, UNLV Associate Vice President Frommer stated the parcels in question are owned by Clark County and managed by the Clark County Department of Aviation. The land is currently being planned as a detention basin for flood control.

Regent Brooks entered the meeting.

Regent Goodman noted she had requested the proposals and the media plan, and she did not see that in the reference materials. UNLV Associate Vice President Frommer stated he was not aware of the request, but the information is readily available to share. Regent Goodman asked how many submitted RFPs, with UNLV Associate Vice President Frommer responding he believed there were four with the Clark County Department of Aviation and G2-42 LLC making the shortlist.

Regent Goodman stated she was disappointed that UNLV was not more prepared and transparent. UNLV Associate Vice President Frommer appreciated the comments.

Regent Del Carlo stated that UNLV is landlocked with record enrollment this semester. She agreed that the property must be kept for academic reasons. She added that the Board needs more information. The property is an important asset for UNLV. UNLV Associate Vice President Frommer appreciated the feedback.

Regent Brooks left the meeting.

In response to a question from Regent Brager related to the RFPs, UNLV Associate Vice President Frommer believed UNLV would want to look at RFPs that provide a degree of flexibility to see what the market has to offer. Regent Brager wanted to see partnerships that benefit students, the economy, and the UNLV campus.

Regent Brooks entered the meeting.

Regent Arrascada asked if the property was paid for, with UNLV Associate Vice President Frommer responding there is still outstanding financing. The property was recently appraised for approximately \$126 million. The property has been used for some community engagement events bringing in revenue and could be used in the future without any long-term commitments. In response to a question from Regent Arrascada asking how many other undeveloped 42-acre properties are there, UNLV Associate Vice President Frommer responded that there are none within one mile and there are some industrial lands within five miles.

4. Information Only – 42 Acre Property Generally Located on the Northeast Corner of Tropicana Avenue and Koval Lane in Clark County, Nevada, UNLV – (Continued)

Regent Brooks stated that UNLV needs better communication and to be held accountable for information being delivered in a timely manner so that the Board can have its conversations and then vote on agenda items. He would like to hear from UNLV President Whitfield about agenda items coming forward to the Board so there is a clear understanding of where the institution would like to go.

In response to a question from Chair Carvalho asking if there are easements and height restrictions on the property, UNLV Associate Vice President Frommer responded there are easements on the property. UNLV has a title report from when it acquired the property.

There are height restrictions related to Clark County zoning and comprehensive planning. Since the property is close to the airport a FAA 7460-1 study would need to be done. In prior studies, the east side of the property closest to the runway protection zone has greater height restrictions, and if you move west height becomes more permissible.

Regent Brown requested that when the Board receives maps, street names be listed for situational awareness.

Chair Carvalho reiterated that it is extremely important to bring the Board anticipated plans for the parcels and allow the Board to give its continued feedback on anticipated uses.

The meeting recessed at 12:13 p.m. and reconvened at 12:27 p.m. with all members present except Regent Perkins.

5. Information Only – Gateway Property, UNLV – University of Nevada, Las Vegas President Keith E. Whitfield, Vice President of Business Affairs and Chief Financial Officer Casey Wyman, and Associate Vice President of Planning, Construction and Real Estate David Frommer provided an update on the status and impacts of the Gateway Property including the issuance of a formal written Notice of Default to ML 4700, LLC and other matters related thereto. *(Ref. BOR-5 on file in the Board Office.)*

Regent Brown stated this item is tied to the April 23, 2024, agenda item for the 42 acres, given that the master lessee is the same company that proposed a 99-year lease to the 42 acres. The supplemental material from May 5, 2024, states the payment that was due by the 5th had not been paid and they explained that they had a sublease change. The payment was made on May 14, 2024, but there was still a deficit. If UNLV knew there was a delinquency, why wasn't it shared on May 23, 2024, or if UNLV didn't know there was a delinquency why is that? UNLV Vice President Wyman stated that while the items have some connective tissues, the processes were independent and separate on purpose. UNLV tries very hard to keep all processes independent. Late payments are something that happens within business operations. The late payment was communicated, and they came back with a plan. UNLV asked if there was anything they needed to be concerned about, but nothing was brought forward in a formal capacity. UNLV felt confident moving into its secondary conversation concerning a different topic item. Although connective tissue

5. Information Only – Gateway Property, UNLV – (Continued)

was there, it wasn't something that UNLV felt was relevant, and based on due diligence and repayment processes, red flags were not raised. UNLV's Fiscal Exception report is a great example of a lot of business processes having timing issues.

Regent Brown understood that there are two separate items within the institution, but she believed the bigger question was about accountability. Is UNLV making smart choices with the entities it decides to work with? She is disappointed because there were only 47 days between the presentation and the default. What would have happened if the Board had said yes? UNLV Vice President Wyman stated that lessee voiced a desire to break ties with the university and therefore it was an easy answer for UNLV. UNLV worked with Special Real Property Counsel Michael B. Wixom who supported them through the process. He coordinated every document with the other counsel to ensure compliance and made a recommendation to move forward.

Regent Brown asked to expand on what this means for the overarching financial impact for the university. The revenue projections extend the timeline for the property's internal loan from 32 to 59 years. She did not want future generations to pay for today's bad decisions and asked how they could get back on a positive trajectory. UNLV Vice President Wyman stated that because it was an internal loan, the negative balance was at the account level. UNLV used its investment income to purchase the asset. Then to make it right UNLV would do internal accounting fluctuations. That is UNLV's preliminary understanding of how the assets will transfer. Many things go into commercial and residential real estate financial planning. Once the receivership ends and UNLV retains full control of the asset, they can look to modify business operations to develop a new financial plan to repay that project account.

Regent Brown appreciated the thoughtfulness. She wanted everything to be a value add for the UNLV community. She asked that UNLV move quickly to pay back the balance as scheduled because then that money could be used for additional investments. Today's whole meeting is on how budgets are misaligned.

Chair Carvalho asked for the vacancy rates when the master lessee went into default and what is it now. UNLV Associate Vice President Frommer responded the current residential vacancy rate is around 8 to 10 percent, and there are currently three or four commercial vacancies.

In response to a question from Chair Carvalho about the decrease in revenue related to the master lease, UNLV Associate Vice President Frommer stated there was an effort to reposition that asset to a higher revenue-generating model, which was favorable to UNLV, but ultimately it did not materialize.

Regent Brooks left the meeting.

5. Information Only – Gateway Property, UNLV – (Continued)

Chair Carvalho asked if UNLV could speak to whether a third party vetted the income stream. UNLV Associate Vice President Frommer stated the property valuation is done with an income replacement value and comparable approach to see whether they do or don't align. The price UNLV paid was slightly below the appraised value. So based on the income and the revenue, the purchase was justified. He believed cash flow was the basis for the default and not the property valuation.

Regent Brooks entered the meeting.

Chair Carvalho asked what UNLV's plan was moving forward. UNLV Associate Vice President Frommer responded they are targeting exiting receivership on November 1, 2024. They've received reports of operations, occupancy, and deferred maintenance to be dealt with. The intent is to transition operations to UNLV. UNLV does manage some commercial property, but they have commercial property management and leasing subcontractors. Because of current student housing agreements, UNLV must keep this as non-university housing. He was certain UNLV would retain a residential property manager who would report to UNLV in terms of the finances and the ability of the property to sustain itself, but UNLV would not be directly involved in leasing to occupants.

Regent Del Carlo did not think this was a part of UNLV's core mission. She suggested that UNLV sell it and not carry the burden. UNLV Associate Vice President Frommer stated it was one option. UNLV has kept the condominium structure in place for that purpose. UNLV would not sell the university-occupied space on levels two and three where the School of Public Health and graduate colleges are. The question is whether the property makes sense to have in UNLV's inventory long term.

Regent Goodman asked if there is an opportunity to pull the residential into current student housing because of the proximity to UNLV. UNLV Associate Vice President Frommer stated it is a possibility and has been a topic of discussion.

Regent Brager asked if tenants were paying rent during the default and it was not given to UNLV. UNLV Associate Vice President Frommer stated there were approximately two months that rent was collected by tenants and it was not paid to the university, hence the default. That is when the receivership was appointed. As a part of that legal action, there was a judgment written that gave the university the right to collect that back rent. Regent Brager clarified the tenants were paying. UNLV Associate Vice President Frommer responded yes, the tenants were paying but the master lessee was not paying UNLV.

Regent Brager didn't think it sounded safe for the students to be in a multi-use situation. UNLV Associate Vice President Frommer stated it is operated like any other apartment complex in the area, with one advantage that police headquarters is in the building so UNLV would have jurisdiction.

5. Information Only – Gateway Property, UNLV – *(Continued)*

Regent Brooks stated he was having a hard time getting away from the fact that UNLV was doing business with the same people for the 42 acres and Gateway. He wondered if this was because the two entities at the institution weren't talking to one another. The Board has an expectation of clear communication and if the institution is having a hard time with internal communication, then there are some real issues. He asked if the institution is short on resources in terms of what it can do now that it is in default. UNLV Associate Vice President Frommer noted that the master lease was compliant through the end of April. Items that need to be recovered include June and July rent and a portion of the \$85,000 of shared lease expense.

Regent Brooks believed there needed to be more diligence with how P3 partnerships look.

Special Real Property Counsel Wixom pointed out there is a stipulated judgment and a confession of judgment for the tenant for \$971,000.

In response to a question from Regent Del Carlo asking what a confession of judgment meant, Special Real Property Counsel Wixom responded it means the tenant acknowledged that they owed that amount of rent and agreed to pay it.

Chair Carvalho believed that with all of the information that was in front of the Board, they made the most informed decision. Things happened that weren't anticipated. She hoped UNLV can move forward with this as an asset. However, she strongly encouraged UNLV to act quickly on any default and inform the Board as quickly as possible.

6. Information Only – Fundraising and Endowments, UNLV – University of Nevada, Las Vegas President Keith E. Whitfield, and Vice President of Philanthropy and Alumni Engagement Ricky McCurry presented information on philanthropic fundraising and UNLV endowments including historic trends and plans for the next comprehensive fundraising campaign. *(Ref. BOR-6 and Supplemental Material on file in the Board Office.)*

Regent Brown noted that UNLV pointed out the medical school gift in 2017, but she asked when the Engineering College gift came in. Vice President McCurry stated they have raised and continue to raise money for the Engineering College but believed it started around 2018.

In response to a question from Regent Brown related to the service and recognition column in the reference material, Vice President McCurry stated it recognizes professional services that the IRS standards do not recognize. He provided an example of their relationship with Switch that gives access to their computing facilities equating to approximately \$10 million.

Regent Brown stated she had looked at the presented budget and fundraising totals and she did not feel it was the most transparent way to articulate the numbers. Secondly, she noted that a simple Google search showed an increase in fundraising from 2019 to 2021 by 13.2 percent across the nation. She wondered what happened with UNLV and asked if UNLV

6. Information Only – Fundraising and Endowments, UNLV – (Continued)

was not telling its story well, if there was bad planning, or if staff was not appropriately trained to make the ask. Vice President McCurry stated that during the pandemic some institutions were able to maintain and even increase their fundraising totals, but some did not. A lot is dependent on the maturity of the actual fundraising program. During the pandemic, UNLV had open fundraising positions which impacted fundraising. Fundraising success boils down to the success of the individual fundraisers, their experience, and training. Many of UNLV's fundraisers were new to fundraising. UNLV has started recruiting people who have had experience outside of UNLV and who are more senior in their fundraising experience, whereas in 2021 UNLV had some younger inexperienced fundraisers. All of that contributes to the institution's ultimate fundraising success. So while the pandemic is a part of it, there certainly are other aspects that play into fundraising. Finally, UNLV has not had a major fundraising campaign in 12 years. The biggest problem with the fact that UNLV hasn't done a campaign in over 12 years is that all of the momentum that was developed during that campaign is lost.

Regent Brown voiced her concern with the data that was chosen to be presented and the guessing of dates and rounding of figures. She was not confident with UNLV's plans if she could not get accurate historical data.

Regent Del Carlo noted that she was sent a different slide that included a column for cash and new commitments and asked why that was left off in this report. Vice President McCurry was unsure what report she received but the Foundation reports cash gifts as well as pledges. He certainly could provide a breakdown of the actual cash that came in for each one of those years.

In response to a question from Regent Del Carlo related to why the UNLV Foundation did not have its annual dinner this year, Vice President McCurry responded the actual dinner is designed to break even. The Foundation Board has begun to talk about how it can transition the event into a philanthropic activity. Regent Del Carlo did not understand why they even had the dinner if they were not using it as a major fundraiser.

Regent Del Carlo clarified that the Foundation wants to raise \$750 million to \$1 billion with Vice President McCurry responding yes, over 10 years. She did not see how they could raise that kind of money. Vice President McCurry stated that when the consultants completed the capacity analysis, they determined that the Foundation's database had a net worth of over \$3 billion. The onus is then on UNLV to work with those individuals to move them to a point where they want to commit to the institution. The Foundation understands it will be an uphill battle, but they also know that with that kind of potential, there is great potential to hit the target.

In response to a question from Regent Del Carlo related to the alumni association membership, Vice President McCurry noted that the association voted in 2018 to do away with dues. Anyone who graduates from UNLV becomes a member of the alumni association.

6. Information Only – Fundraising and Endowments, UNLV – (Continued)

Regent Goodman stated she wanted to see UNLV succeed and offered her help. They must brainstorm to figure out ways to increase the overall numbers. Vice President McCurry appreciated the offer and encouraged and invited all Regents to help in the process.

Regent Brager thanked Vice President McCurry for answering all the questions. She offered that Nevada was unique in that it was more closed down than any other state and that could be why the numbers were so low.

Chair Carvalho encouraged the Foundation to develop relationships with the Regents. She added that during this meeting, they have spent a tremendous amount of time on areas of improvement for UNLV. She was disheartened that today is the day the Board is hearing about a capital campaign. She offered her support and hoped the Foundation was successful.

UNLV President Whitfield stated that UNLV appreciates the support and critiques. He encouraged the Board to provide UNLV with the areas where they are missing the mark. He noted they will be looking at ways to increase the amount of communication to do a better job.

7. Information Only – New Business

Regent Brown requested a report on what specific donation campaigns were run around upgrading campus safety protocols, including how much donors gave and the delta of the campaign goal to close it out; a follow-up on the capital campaign including a tentative start date; a report on the UNLV Research Foundation including a history of why it was formed, its purpose today and a five-year plan; and an update on the 4th floor of Black Fire to ensure Boyd Gaming is happy with its relationship and that the staff has a plan to make it a value add for UNLV students.

Regent McMichael requested an end to the First Amendment when it relates to free speech on a campus.

8. Information Only – Public Comment

Donald S. McMichael provided public comment requesting System Counsel explain by the end of the meeting what the term “legally non-binding” means in reference to the IHRA statement.

Chief General Counsel Martines responded that Counsel does not engage in conversation during public comment.

The meeting adjourned at 2:03 p.m.

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