

BOARD OF REGENTS

BRIEFING PAPER

1. AGENDA ITEM TITLE: NEW PROCEDURES ON EMPLOYEE CONTRACT BUYOUTS

MEETING DATE: Feb.28/Mar.1, 2019

2. BACKGROUND & POLICY CONTEXT OF ISSUE:

At a Special Board Meeting on November 16, 2018, the Board of Regents were informed by the Office of the Chancellor that approximately \$8.8 million had been spent by NSHE and its institutions on employee-related buyouts over the past biennium. The Board directed that the Office of the Chancellor draft new policies and procedures to require increased accountability and transparency regarding these matters to include (1) institution president sign-off, (2) reporting of information to the Office of the Chancellor, and (3) annual reports to the Board. New policies and procedures amending Title 4, Chapter 3, Section 53 of the NSHE Handbook are respectfully proposed for the Board's review and approval.

3. SPECIFIC ACTIONS BEING RECOMMENDED OR REQUESTED:

Approval of new policies and procedures regarding approval, reporting, and transparency of employee contract buyouts.

4. IMPETUS (WHY NOW?):

The Board of Regents gave direction to the Office of the Chancellor at the November 16, 2018, Special Meeting to draft new policies and procedures regarding employee contract buyouts and to present them at a future meeting of the Board.

5. CHECK THE NSHE STRATEGIC PLAN GOAL THAT IS SUPPORTED BY THIS REQUEST:

- Access (Increase participation in post-secondary education)
- Success (Increase student success)
- Close the Achievement Gap (Close the achievement gap among underserved student populations)
- Workforce (Collaboratively address the challenges of the workforce and industry education needs of Nevada)
- Research (Co-develop solutions to the critical issues facing 21st century Nevada and raise the overall research profile)
- Not Applicable to NSHE Strategic Plan Goals

INDICATE HOW THE PROPOSAL SUPPORTS THE SPECIFIC STRATEGIC PLAN GOAL

While not directly applicable to NSHE's enumerated Strategic Plan Goals, this proposal supports greater fiscal responsibility, accountability, and transparency regarding the use of NSHE funds and resources.

6. BULLET POINTS TO SUPPORT REQUEST/RECOMMENDATION:

- It is the right thing to do.
- The Board of Regents directed the Office of the Chancellor to draft new reporting policies and procedures.
- The new policies and protocols will increase accountability and transparency regarding the use of funds for employee contract buyouts.

7. POTENTIAL ARGUMENTS AGAINST THE REQUEST/RECOMMENDATION:

Approving these new policies and procedures creates a new layer of bureaucracy.

8. ALTERNATIVE(S) TO WHAT IS BEING REQUESTED/RECOMMENDED:

Maintain the status quo.

9. RECOMMENDATION FROM THE CHANCELLOR'S OFFICE:

Approve the new policies and procedures.

10. COMPLIANCE WITH BOARD POLICY:

Amends Current Board Policy: Title 4, Chapter 3, Section 53
 Amends Current Procedures & Guidelines Manual: Chapter # _____ Section # _____
 Other: _____
 Fiscal Impact: Yes _____ No **X**
Explain: _____

POLICY PROPOSAL - HANDBOOK
TITLE 4, CHAPTER 3, NEW SECTION 53
Reporting Employee Contract Buyouts

Additions appear in *boldface italics*; deletions are [~~stricken~~ and bracketed]

Section 53. Reporting Employee Contract Buyouts.

Any employee contract buyout that occurs in whole or part as a result of a notice of non-reappointment or notice of termination pursuant to NSHE Code Title 2, Section 5.8 or 5.9 or in lieu of such notice must be approved in writing by the institution President and reported by the institution's General Counsel to the NSHE Chief General Counsel within five (5) business days of the President's approval. The report shall occur on a form prescribed by the Chief General Counsel that includes the name and title of the employee, the institution, the relevant dates, the amount of the buyout, and a justification for the buyout. The Chancellor shall prepare a public annual report to the Board regarding the number and amounts of any buyouts by institution, as well as those for the System Office, for the year.