

# BOARD OF REGENTS BRIEFING PAPER

1. **AGENDA ITEM TITLE:** Institutional and System Administration Plans to Cover Budget Shortfall from COLA Increase

**MEETING DATE:** December 5-6, 2019

## 2. BACKGROUND & POLICY CONTEXT OF ISSUE:

### UNLV

The COLA shortfall combined with unanticipated reductions\* to UNLV's base budget required substantial downward adjustments in planned expenditures, including a reduction in UNLV's student success initiative. UNLV had planned to hire twenty (20) academic advisor positions to move closer to the target ratio. Ten (10) of these planned Academic Advisor positions were placed on hold due to the impact of the COLA shortfall and other unanticipated reductions.

Further savings are being achieved by holding vacant positions open for longer than planned, delaying some planned projects to improve campus facilities, and deferring some operating expenses.

\*Unanticipated changes included: a) reduced amount in formula funding resulting from change in rate used for WSCH; b) reduction of \$1.725M annually in research operations and maintenance funding and c) reduction of \$1.1M annually because \$3.2M associated with CTE expenses were removed from the base budget (reduction was distributed among all of the NSHE institutions based on WSCH)

**Total Savings: \$1,147,603**

### UNR

The University of Nevada, Reno has implemented a plan to address the unfunded COLA liability (64% to 80% shortfall) through a process of holding vacant positions open for one or more months to generate additional vacancy savings. Each appropriation area, college, and major unit was given a pro-rated share of the shortfall (based on state funded salary amounts) and each identified specific plans to temporarily cover this shortfall for FY 20 by generating these incremental vacancy savings. Institution-wide, this impacted 35 Faculty/Professional positions, 11 Classified positions, and anticipated 12 temporary/student worker positions.

**Total Savings: \$883,612**

### NSC

Nevada State College addressed the unfunded COLA shortfall through delaying the hiring of 2 Administrative Faculty and 1 classified staff position for 4 months.

**Total Savings: \$64,699**

### DRI

The Desert Research Institute addressed the COLA shortfall through the use of indirect cost recovery funds. This cost will impact DRI's funding available for proposal development and researcher support.

**Total Savings: \$24,594**

### CSN

The College of Southern Nevada addressed the unfunded COLA shortfall by delaying the hiring of seven administrative faculty positions from between four to ten months. This will generate the additional vacancy savings needed to cover the 64% to 80% shortfall.

**Total Savings \$397,233**

GBC

Great Basin College addressed the unfunded COLA shortfall primarily through a process of holding vacant positions open for one or more months to generate additional vacancy savings. This includes 2 Faculty/Professional positions. Where needed for the Fall 2019 semester, part-time instructors have assisted in covering classes that in the past have been taught by full-time faculty. These position vacancies are being reviewed for possible recruitment for either the Spring 2020 semester or FY2021, and therefore, these positions are one-time solutions to the COLA shortfall.

**Total Savings: \$60,392**

TMCC

TMCC addressed the unfunded COLA shortfall through a variety of operating reductions and staffing vacancies. The Student Services and Diversity division is holding a full-time counseling position vacant for the year. Additionally, in January the College will discontinue a service contract that provided shuttle services for students to RTC bus routes that no longer serve the Dandini Campus including stops at UNR. Travel for senior administrators has been restricted to professional events where the individuals serves as an officer or as a presenter. Annual participation by faculty and administrators in the NISOD conference in Austin will be reduced to a biannual schedule for additional savings. The College anticipates filling the counselor vacancy by the 2020-21 academic year and will evaluate new vacancies for possible permanent reductions.

**Total Savings: \$140,700**

WNC

Western Nevada College addressed the unfunded COLA shortfall primarily through a process of holding two (2) Faculty/Professional positions vacant for one or more months to generate additional vacancy savings. Both positions will be recruited to begin in fall FY21 and are one-time solutions to the COLA shortfall.

**Total Savings: \$52,968**

System Administration

The NSHE System Administration has addressed the COLA shortfall by delaying recruitment of the Budget Director position.

**Total Savings: \$16,184**

SCS

System Computing Services has addressed the COLA shortfall by utilizing vacancy savings from unfilled positions. At the time of this report, SCS has two (2) Classified and eight (8) Professional unfilled positions.

**Total Savings: \$45,663**

**3. SPECIFIC ACTIONS BEING RECOMMENDED OR REQUESTED:**

[Empty box for specific actions]

**4. IMPETUS (WHY NOW?):**

As requested at the June 18, 2019 Board of Regents' Special Meeting

**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 21<sup>st</sup> 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**

[Empty box for supporting text]

**6. BULLET POINTS TO SUPPORT REQUEST/RECOMMENDATION:**

\_\_\_\_\_

**7. POTENTIAL ARGUMENTS AGAINST THE REQUEST/RECOMMENDATION:**

\_\_\_\_\_

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

\_\_\_\_\_

**9. RECOMMENDATION FROM THE CHANCELLOR'S OFFICE:**

\_\_\_\_\_

**10. COMPLIANCE WITH BOARD POLICY:**

Consistent With Current Board Policy: Title # \_\_\_\_\_ Chapter # \_\_\_\_\_ Section # \_\_\_\_\_  
 Amends Current Board Policy: Title # \_\_\_\_\_ Chapter # \_\_\_\_\_ Section # \_\_\_\_\_  
 Amends Current Procedures & Guidelines Manual: Chapter # \_\_\_\_\_ Section # \_\_\_\_\_  
 Other: \_\_\_\_\_  
 Fiscal Impact: Yes \_\_\_\_\_ No \_\_\_\_\_  
Explain: \_\_\_\_\_

**UNIVERSITY OF NEVADA, LAS VEGAS**  
**Impact of COLA Reduction from 80% to 64%**

<b>Appropriation</b>	<b>Professional</b>	<b>Classified</b>	<b>Total</b>
UNLV Main	\$ 776,953.00	\$ 150,331.00	\$ 927,284.00
Statewide	\$ 6,368.00	\$ 269.00	\$ 6,637.00
School of Law	\$ 41,496.00	\$ 4,849.00	\$ 46,345.00
School of Dental Medicine	\$ 45,165.00	\$ 19,695.00	\$ 64,860.00
School of Medicine	\$ 81,997.00	\$ 7,582.00	\$ 89,579.00
Business Center South	\$ 3,379.00	\$ 3,121.00	\$ 6,500.00
Athletics	\$ 6,165.00	\$ 233.00	\$ 6,398.00
<b>UNLV Total</b>	<b>\$ 961,523.00</b>	<b>\$ 186,080.00</b>	<b>\$ 1,147,603.00</b>

**Narrative:**

The COLA shortfall combined with unanticipated reductions\* to UNLV's base budget required substantial downward adjustments in planned expenditures, including a reduction in UNLV's student success initiative. UNLV had planned to hire twenty (20) academic advisor positions to move closer to the target ratio. Ten (10) of these planned Academic Advisor positions were placed on hold due to the impact of the COLA shortfall and other unanticipated reductions.

Further savings are being achieved by holding vacant positions open for longer than planned, delaying some planned projects to improve campus facilities, and deferring some operating expenses.

\* Unanticipated changes included: a) reduced amount in formula funding resulting from change in rate used for WSCH; b) reduction of \$1.725M annually in research operations and maintenance funding and c) reduction of \$1.1M annually because \$3.2M associated with CTE expenses was removed from the base budget (reduction was distributed among all of the NSHE institutions based on WSCH)

**UNIVERSITY OF NEVADA, RENO**  
**Impact of COLA Reduction from 80% to 64%**

Unit	UNR	Statewide Program	Agricultural Experiment Station	Cooperative Extension Service	School of Medicine	State Health Laboratory	University Press	Business Center North	Intercollegiate Athletics	Total
UNR01 VP Develop and Alumni Relations	20,967		236							21,203
UNR02 Financial Aid and Scholarships	80									80
UNR05 College of Business	51,601	2,011								53,612
UNR06 School of Journalism	9,743	548								10,290
UNR07 President's Office	17,269									17,269
UNR08 VP Administration and Finance	102,034							7,690		109,724
UNR09 Division of Health Sciences	118	1,501								1,619
UNR10 College of Liberal Arts	109,664									109,664
UNR13 College of Agriculture, Biotechnology and Natural Resources	21,841									21,841
UNR14 Nevada Agricultural Experiment Station			17,285							17,285
UNR15 Nevada Cooperative Extension		433		19,769						20,202
UNR17 School of Medicine	4,943				107,600	5,950				118,493
UNR22 VP Student Services	31,307	2,031								33,339
UNR23 Research and Innovation	13,059	2,651			772					16,481
UNR24 Graduate School	3,415									3,415
UNR25 VP Information Technology	22,232									22,232
UNR26 University Libraries	24,469									24,469
UNR29 College of Engineering	64,018									64,018
UNR30 College of Education	28,973									28,973
UNR31 Intercollegiate Athletics									5,576	5,576
UNR32 Office of The Provost	25,101						1,607			26,708
UNR33 College of Science	109,123	8,885								118,008
UNR35 Extended Studies	2,498									2,498
UNR36 Orvis School of Nursing	11,153									11,153
UNR37 School of Community Health Sciences	19,657									19,657
UNR38 School of Social Work	5,802									5,802
<b>UNR Total</b>	<b>\$ 699,068</b>	<b>\$ 18,059</b>	<b>\$ 17,521</b>	<b>\$ 19,769</b>	<b>\$ 108,372</b>	<b>\$ 5,950</b>	<b>\$ 1,607</b>	<b>\$ 7,690</b>	<b>\$ 5,576</b>	<b>\$ 883,612</b>

**Narrative:**

The University of Nevada Reno has implemented a plan to address the unfunded COLA liability (64% to 80% shortfall) through a process of holding vacant positions open for one or more months to generate additional vacancy savings. Each appropriation area, college, and major unit was given a pro-rated share of the shortfall (based on state funded salary amounts) and each identified specific plans to temporarily cover this shortfall for FY 20 by generating these incremental vacancy savings. Institution-wide, this impacted 35 Faculty/Professional positions, 11 Classified positions, and anticipated 12 temporary/student worker positions.

**NEVADA STATE COLLEGE**  
**Impact of COLA Reduction from 80% to 64%**

Position Type	Position Title	Total Savings
Administrative Faculty	Procurement/Pcard Program Specialist (Professional Position)	21,252
Administrative Faculty	Assistant Controller	26,352
Classified Staff	Accounting Assistant 3	17,095
<b>Total Savings From Delayed Hire</b>		<b>64,699</b>
<b>COLA Shortfall</b>		<b>62,503</b>

Nevada State College addressed the unfunded COLA shortfall through delaying the hiring of 2 Administrative Faculty and 1 classified staff position for 4 months.

**DESERT RESEARCH INSTITUTE**  
**Impact of COLA Reduction from 80% to 64%**

	Professional	Classified	Total
<b>DRI Main</b>	\$ 15,747.00	\$ 8,847.00	\$ 24,594.00
			\$ -
<b>DRI Total</b>	<b>\$ 15,747.00</b>	<b>\$ 8,847.00</b>	<b>\$ 24,594.00</b>

**Narrative:**

The Desert Research Institute addressed the COLA shortfall through the use of indirect cost recovery funds. This cost will impact DRI's funding available for proposal development and researcher support.

**COLLEGE OF SOUTHERN NEVADA**  
**Impact of COLA Reduction from 80% to 64%**

	Professional	Classified	Total
<b>CSN Main</b>	\$ 397,233	\$ -	\$ 397,233
<b>CSN Total</b>	<b>\$ 397,233</b>	<b>\$ -</b>	<b>\$ 397,233</b>

**Narrative:**

The College of Southern Nevada addressed the unfunded COLA shortfall by delaying the hiring of seven administrative faculty positions from between four to ten months. This will generate the additional vacancy savings needed to cover the 64% to 80% shortfall.



**GREAT BASIN COLLEGE**  
**Impact of COLA Reduction from 80% to 64%**

Unit	GBC	Total
GBC01 - Vice President for Business Affairs, Winnemucca Center	9,353	9,353
GBC06 - Dean of Arts and Science	51,039	51,039
		-
<b>GBC Total</b>	<b>\$ 60,392</b>	<b>\$ 60,392</b>

**Narrative:**

Great Basin College addressed the unfunded COLA shortfall primarily through a process of holding vacant positions open for one or more months to generate additional vacancy savings. This includes 2 Faculty/Professional positions, 0 Classified positions, and 0 temporary/student worker positions. Where needed for the Fall 2019 semester, part-time instructors have assisted in covering classes that in the past have been taught by full-time faculty. These position vacancies are being reviewed for possible recruitment for either the Spring 2020 semester or FY2021, and therefore, these positions are one-time solutions to the COLA shortfall.

**TRUCKEE MEADOWS COMMUNITY COLLEGE**  
**Impact of COLA Reduction from 80% to 64%**

Unit	TMCC	Total
TMCC01 - Vice President of Student Services and Diversity	63,700	63,700
TMCC02 - President	40,000	40,000
TMCC04 - Vice President of Finance and Administrative Services	37,000	37,000
		-
<b>TMCC Total</b>	<b>\$ 140,700</b>	<b>\$ 140,700</b>

**Narrative:**

TMCC addressed the unfunded COLA shortfall through a variety of operating reductions and staffing vacancies. The Student Services and Diversity division is holding a full-time counseling position vacant for the year. Additionally, in January the College will discontinue a service contract that provided shuttle services for students to RTC bus routes that no longer serve the Dandini Campus including stops at UNR. Travel for senior administrators has been restricted to professional events where the individuals serves as an officer or as a presenter. Annual participation by faculty and administrators in the NISOD conference in Austin will be reduced to a biannual schedule for additional savings. The College anticipates filling the counselor vacancy by the 2020-21 academic year and will evaluate new vacancies for possible permanent reductions.

**WESTERN NEVADA COLLEGE**  
**Impact of COLA Reduction from 80% to 64%**

**WNC**

WNC01 - Professional & Applied Technology

WNC05 - Liberal Arts

Professional	Classified	Total
26,484		26,484
26,484		
\$ 52,968		\$ 52,968

**WNC TOTAL**

**Narrative:**

Western Nevada College addressed the unfunded COLA shortfall primarily through a process of holding two (2) Faculty/Professional positions vacant for one or more months to generate additional vacancy savings. Both positions will be recruited to begin in fall FY21 and are one-time solutions to the COLA shortfall.

**SYSTEM COMPUTING SERVICES**  
**Impact of COLA Reduction from 80% to 64%**

	Professional	Classified	Total
<b>SCS Main</b>	\$ 40,977.00	\$ 4,686.00	\$ 45,663.00
<b>SCS Total</b>	<b>\$ 40,977.00</b>	<b>\$ 4,686.00</b>	<b>\$ 45,663.00</b>

**Narrative:**

System Computing Services has addressed the COLA shortfall by utilizing vacancy savings from unfilled positions. At the time of this report, SCS has two (2) Classified and eight (8) Professional unfilled positions.