Nevada System of Higher Education

Legislative Report and Biennial Budget Update

Board of Regents

March 4-5, 2021
Today’s Presentation

• NSHE Advocacy Process
• Budget Priorities
• Major Legislation and BDRs
• Questions
NSHE Advocacy Process

Communications Strategy Outlined Jan. 15:

Board Chair is the official spokesperson for the Board

Board chairman, board staff and NSHE team will coordinate with Regents to testify on specific bills

Board of Regents will receive supporting materials for legislator check-ins
NSHE Advocacy Process

NSHE Positions on Bills:

The Board delegated authority to the Chancellor, in coordination with Board leadership, to take positions on legislation aligned with NSHE’s mission and strategic goals due to time constraints.

Consistent communications with Board leadership and weekly updates to the Board

Coordinated strategy with institutions’ government affairs representatives
2021-23
Budget Priorities
# Total Change in State Funding

<table>
<thead>
<tr>
<th>Operating Budget</th>
<th>Original FY 2021</th>
<th>Revised FY 2021</th>
<th>Governor Recommends FY 2022</th>
<th>% Change Over Original FY 2021</th>
<th>Governor Recommends FY 2023</th>
<th>% Change Over Original FY 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Formula Funded Budgets</td>
<td>$510,608,647</td>
<td>$411,392,285</td>
<td>$477,730,811</td>
<td>-6.4%</td>
<td>$479,790,741</td>
<td>-6.0%</td>
</tr>
<tr>
<td>Professional School Budgets</td>
<td>$108,025,401</td>
<td>$86,791,655</td>
<td>$95,330,803</td>
<td>-11.8%</td>
<td>$95,573,271</td>
<td>-11.5%</td>
</tr>
<tr>
<td>Non-Formula Accounts</td>
<td>$72,907,163</td>
<td>$58,845,698</td>
<td>$64,482,583</td>
<td>-11.6%</td>
<td>$64,605,685</td>
<td>-11.4%</td>
</tr>
<tr>
<td>Grand Total *</td>
<td>$691,541,211</td>
<td>$557,029,638</td>
<td>$637,544,197</td>
<td>-7.8%</td>
<td>$639,969,697</td>
<td>-7.5%</td>
</tr>
</tbody>
</table>

* Does not include UNR Engineering Building Debt Service appropriation of $3,314,250 in Original FY 21 total. No state funds appropriated for Revised FY 21 or FY 22 & FY 23 Gov Rec
### Fiscal Year 2022 & 2023

<table>
<thead>
<tr>
<th>Institution</th>
<th>FY 18 Actual WSCH</th>
<th>FY 20 Actual WSCH</th>
<th>WSCH Change FY 18 vs. FY 20</th>
<th>Caseload @ FY 21 WSCH Rate $164.61</th>
</tr>
</thead>
<tbody>
<tr>
<td>UNLV</td>
<td>1,078,174</td>
<td>1,115,625</td>
<td>37,451</td>
<td>$6,164,743</td>
</tr>
<tr>
<td>UNR</td>
<td>763,270</td>
<td>783,516</td>
<td>20,246</td>
<td>$3,332,678</td>
</tr>
<tr>
<td>CSN</td>
<td>627,075</td>
<td>663,630</td>
<td>36,555</td>
<td>$6,017,236</td>
</tr>
<tr>
<td>GBC</td>
<td>76,324</td>
<td>87,716</td>
<td>11,392</td>
<td>$1,875,237</td>
</tr>
<tr>
<td>TMCC</td>
<td>218,966</td>
<td>227,510</td>
<td>8,544</td>
<td>$1,406,428</td>
</tr>
<tr>
<td>WNC</td>
<td>86,284</td>
<td>87,071</td>
<td>787</td>
<td>$129,466</td>
</tr>
<tr>
<td>NSC</td>
<td>126,472</td>
<td>157,417</td>
<td>30,945</td>
<td>$5,093,155</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,976,565</strong></td>
<td><strong>3,122,483</strong></td>
<td><strong>145,918</strong></td>
<td><strong>$24,018,943</strong></td>
</tr>
</tbody>
</table>
## 2021-23 Executive Budget

<table>
<thead>
<tr>
<th></th>
<th>Governor Recommends FY 2022</th>
<th>Governor Recommends FY 2023</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary Savings</td>
<td>($46,614,427)</td>
<td>($46,492,349)</td>
<td>($93,106,776)</td>
</tr>
<tr>
<td>Operating</td>
<td>($36,465,121)</td>
<td>($36,623,836)</td>
<td>($73,088,957)</td>
</tr>
<tr>
<td>Travel</td>
<td>($1,421,895)</td>
<td>($1,385,258)</td>
<td>($2,807,153)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>($84,501,443)</strong></td>
<td><strong>($84,501,443)</strong></td>
<td><strong>($169,002,886)</strong></td>
</tr>
</tbody>
</table>

### 12% Budget Reductions

- **Salary Savings:** ($84,501,443)
- **Operating:** ($84,501,443)
- **Total:** ($169,002,886)
$10.9 million per year in state funding

Nevada State College - $900,000 per year
College of Southern Nevada - $5.8 million per year
Great Basin College - $700,000 per year
Truckee Meadows Community College - $2.25 million per year
Western Nevada College - $300,000 per year
Desert Research Institute - $1 million per year
Governor Guinn Millennium Scholarship - $44 million
Merit-based scholarship created by the Governor Guinn administration in 1999

Silver State Opportunity Grant – $4.4 million per year
Created in 2015 based on a shared responsibility model for awarding grant aid whereby the total cost of attendance (tuition, fees, and living expenses) is shared by partners (the state, feds, family, and the student)

Nevada Promise Scholarship - $7.3 million
Last dollar program created in 2017 whereby students that complete the FAFSA and meet certain requirements receive a scholarship to cover the base registration fee that is not otherwise covered by state and federal aid
Only western state in the 16-member compact whose WICHE program operates outside the higher education system

Operating together allows NSHE to benefit from the latest information available from (regional) WICHE, and allows Nevada's program to respond to unique state workforce needs

As part of NSHE, WICHE can better access and grow relationships with NSHE professionals

Operational efficiencies through shared resources and systems

General Fund savings of $85K over the 2021-23 biennium
One-Shot Funding
$25 million – UNLV Medical Education Building
Faculty and Staff Compensation

Implement NSHE Task Force on Performance Pay Administration and Support recommendations

- Ensure Funding Equity for all NSHE employees
- Fund any future cost of living adjustments (COLA) at 80%
- Funding for future professional COLA be directly appropriated to NSHE
- Add the following language to the Appropriation Act:
  - *It is the intent of the Legislature that the amounts appropriated by this act for the Nevada System of Higher Education may be allocated by the Nevada System of Higher Education to support expenditures related to professional performance pay increases and for salary adjustments for salary compression and inversion for academic and administrative faculty*
- Require all institutions to establish a performance pay pool of at least 1% using existing resources
Faculty and Staff Compensation (cont.)

- Public Employees’ Benefits Program
  - Elimination of Long-Term Disability Insurance
Engineering Academic and Research Building

- Construction and FF&E completion funding for 52,000 sf Engineering Building for research labs, classrooms, fabrication space, student space, faculty research space and other functions.
- Supports education, research and economic development in the Nevada community and engineering/technology industries.
- $3.5M funded to date for planning, design and partial construction (50% state, 50% UNLV).
Welding Lab Addition and Renovation

- Expand current welding shop/classroom space by 4,500sf, nearly doubling the current square footage
- Renovation of the 4,830sf existing welding lab
- Institution/Donor match $600K
- Continuation of project 19-P70, which was swept
- This project is design through construction

2021-23 Governor Recommends CIP
Welding Lab Addition and Renovation

$6,340,320 total ($5,740,320 State, $600,000 GBC)
Marlette Hall Renovation

- WNC seeks to complete the renovation of the Cedar Building’s Marlette Hall, originally constructed in 1998.
- Marlette Hall is currently a large, tiered lecture hall with a seating capacity of 120 in a space of 1,771 square feet. Seating is fixed, with small, attached, fold-up tabletops. The lecture hall was built as a multipurpose room, serving as a larger classroom as well as a place for guest speakers and student groups.
- The lecture hall no longer meets the needs of students and faculty for learning and teaching, and no longer meets the needs of the community for a speaker or event space.

2021-23 Governor Recommends CIP
Marlette Hall Renovation $1,496,771 State
Major Presentations so far

Assembly Committee on Education - Chancellor overview of NSHE

Senate Committee on Education – Chancellor overview of NSHE

Budget/CIP Subcommittee – Public Works Board CIP overview

Budget Subcommittee – GOED budget overview Knowledge/WINN funds

Senate Finance/Ways and Means – $25 million UNLV Med School

Budget Subcommittee – Overview of NSHE budget

Senate Finance/Ways and Means – WICHE budget

Assembly Committee on Education – AB156 National Guard waiver, AB165 Veterans
Important Upcoming Dates

Legislators’ bill introductions deadline (3/15/21)
Budget Subcommittee – Overview of NSHE budget (3/17/21)
Start closing budgets (3/30/21)
First house committee passage (4/09/21)
First house passage (4/20/21)
Major Legislation & BDRS

Governor’s community college governance/workforce development (BDR 1108)

Community college federal definitions (BDR 838)

Silver State Opportunity Grant alternative FAFSA

Residency status for students who receive a high school equivalency (GED)

Expansion of national guard fee waiver (AB156)

Removes the 5-year limitation for honorably discharged veterans (AB165)
Major Legislation & BDRS

Native American tribe waiver (BDR 34-946)
Knowledge Fund reform (AB29)
State financial aid study (SB128)
Concealed firearm permit holders (AB80)
Dual credit permissive in out of state institutions (SB160)
Other BDRs impacting NSHE
Questions

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