

**SPECIAL MEETING**  
**BOARD OF REGENTS**  
**NEVADA SYSTEM OF HIGHER EDUCATION**

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

Friday, October 18, 2019

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:

Dr. Jason Geddes, Chairman  
Dr. Mark W. Doubrava, Vice Chairman  
Dr. Patrick R. Carter  
Ms. Amy J. Carvalho  
Mrs. Carol Del Carlo  
Mr. Trevor Hayes  
Mr. Sam Lieberman  
Mrs. Cathy McAdoo  
Mr. Donald Sylvantee McMichael Sr.  
Mr. John T. Moran  
Mr. Kevin J. Page  
Ms. Laura E. Perkins  
Mr. Rick Trachok

Others Present:

Dr. Thom Reilly, Chancellor  
Mr. Andrew Clinger, Chief Financial Officer  
Mr. Dean J. Gould, Chief of Staff and Special Counsel to the Board  
Mr. Nate Mackinnon, Vice Chancellor, Community Colleges  
Mr. Joe Reynolds, Chief General Counsel  
Mr. Joe Sunbury, Chief Internal Auditor  
Dr. Kumud Acharya, President, DRI  
Ms. Joyce M. Helens, President, GBC  
Mr. Bart J. Patterson, President, NSC  
Dr. Marta Meana, President, UNLV  
Dr. Marc A. Johnson, President, UNR  
Dr. Vincent R. Solis, President, WNC

Faculty senate chairs in attendance were: Dr. Amanda Keen-Zebert, DRI; Mr. George Kleeb,



4. Approved – NSHE Task Force on Performance Pay Administration and Support – (Continued)

faculty representative, one community college business officer representative, one 4-year institution business officer representative, the NSHE Chief Financial Officer and the Vice Chancellor of Academic and Student Affairs. Vice Chairman Doubrava seconded. Motion carried. Regent Page was absent.

5. Approved – Handbook Revision, Compliance Department Charter – The Board approved revisions to various sections of the Compliance Department Charter (Title 4, Chapter 9E) to change the title of “Director of Compliance” to “Compliance Coordinator” and to modify the reporting structure of the position. (Ref. BOR-5 on file in the Board Office.)

Chief General Counsel Joe Reynolds and Chief Internal Auditor Joe Sunbury presented revisions to various sections of the Compliance Department Charter (Title 4, Chapter 9E) to change the title of “Director of Compliance” to “Compliance Coordinator” and to modify the reporting structure of the position.

Regent Hayes was concerned that the Board of Regents is a governing and policy-making Board, not a management Board, and codifying which positions are in the Compliance Department seemed managerial and should be left to the Chancellor. Chairman Geddes stated the reason this is there is because the Internal Audit Department is a separate function that does not go through the Chancellor reporting line. Regent Hayes did not think it allowed the flexibility needed.

Chief Internal Auditor Sunbury stated he would look at ways to combine the Charters for efficiency purposes. Regent Carter said the Audit, Compliance and Title IX Committee would review.

Regent Carter moved approval of revisions to various sections of the Compliance Department Charter (Title 4, Chapter 9E) to change the title of “Director of Compliance” to “Compliance Coordinator” and to modify the reporting structure of the position. Regent Hayes seconded.

Regent McAdoo thanked the previous Director of Compliance for her hard work.

Motion carried. Regent Page was absent.

6. Approved – Handbook Revision, Associated Practice Plans – The Board approved a revision to Board policy (Title 4, Chapter 10, new Section 35) to define and establish policies and procedures for nonprofit health care practice plans associated with NSHE institutions. (Ref. BOR-6 on file in the Board Office.)

6. Approved – Handbook Revision, Associated Practice Plans – (Continued)

Chief General Counsel Reynolds presented a revision to Board policy (Title 4, Chapter 10, new Section 35) to define and establish policies and procedures for nonprofit health care practice plans associated with NSHE institutions.

Regent Carter moved approval of a revision to Board policy (Title 4, Chapter 10, new Section 35) to define and establish policies and procedures for nonprofit health care practice plans associated with NSHE institutions. Regent Trachok seconded.

UNR School of Medicine (UNR Med) Senior Associate Dean of Legal Affairs Matt Milone reported now that there are two practice plans, UNR Med wanted to clarify the rules and relationships between the Board of Regents and the practice plans. This will reflect the relationship that exists and gives clarity to those in the System and the public at large.

Motion carried. Regent Page was absent.

7. Approved – Memorandum of Understanding, Operating Hope – The Board approved a Memorandum of Understanding between the Board of Regents and Operation HOPE to memorialize a new partnership and create opportunities for NSHE institutions to provide no-cost education and coun f4y (i8 l)-.-1 (i)nserieas tocin(r)-11 (e)-10 ((s)-5 ( fr)-1 (i)-6 (n)-4 a(n)-14 (ci)-

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7. Approved – Memorandum of Understanding, Operating Hope – (Continued)

Regent Perkins moved approval of a Memorandum of Understanding between the Board of Regents and Operation HOPE to memorialize a new partnership and create opportunities for NSHE institutions to provide no-cost education and counseling services to increase financial literacy for students and faculty across NSHE campuses. Regent Trachok seconded.

Regent McAdoo stated she is supportive of this initiative but found it concerning that the Memorandum of Understanding was made public before she as a Regent had seen it.

NSC President Bart J. Patterson stated NSC requires financial aid counseling around loans. NSC will coordinate with Operation HOPE.

Vice Chancellor of Community Colleges Nate Mackinnon stated any student receiving federal loans is required to do exit interviews.

Motion carried.

8. Approved – Office of the Chancellor – The Board approved

8. Approved – Office of the Chancellor – (Continued)

Regent McAdoo further suggested that depending on the ballot question outcome, a recommendation regarding holding a national search for the next Chancellor can be brought to the Board of Regents at the December 2020 Board meeting or at a special Board meeting in early 2021.

Regent Trachok shared the concerns raised. The System would be better served to





9. Approved – Investment Committee – (Continued)

Information items

Committee Chair Trachok provided an overview of the NSHE endowment pool for the System. Chief Financial Officer Andrew Clinger provided an overview of the operating pool for the System. Chief Financial Officer Clinger also provided a summary of responses submitted by Cambridge Associates and Russell Investments to questions asked on behalf of the Committee. These responses were included in reference materials for agenda items three and four.

Endowment Pool Performance – Russell Investments – Mr. Matt Beardsley with Russell Investments presented a report on asset allocations and investment returns for the Pooled Endowment Fund as of August 31, 2019. (Refs. INV-3a and INV-3b on file in the Board Office.)

Endowment Pool Performances – Cambridge Associates – Ms. Wendy Walker with Cambridge Associates presented a report on asset allocations and investment returns for the Pooled Endowment Fund as of August 31, 2019. (Ref. INV-4 and Supplemental Material on file in the Board Office.)

Operating Pool Performance Discussion and Recommendations – The Committee took no action on the recommendations provided by Cambridge Associates. (Ref. INV-6 and Supplemental Material on file in the Board Office.)

Handbook Revision, Statement of Investment Objectives and Policies for Endowment Fund – Chief Financial Officer Clinger provided an overview of the proposed revisions within the Statement of Investment Objectives and Policies for the Endowment Fund (Title 4, Chapter 10, Section 5). The Committee took no action and requested the item return to the full Board in December 2019. (Ref. INV-7 on file in the Board Office.)

Dr. John Sagebiel, UNR, spoke about global climate change and the divestment of fossil fuels.

Ms. Sierra Jickling, UNR, thanked the Committee for listening to the students who have spoken to the Committee in the past regarding the divestment of fossil fuels.

New business items

None.

Action items

The Board approved the following recommendations of the Investment Committee:

The minutes from the March 29, 2019, meeting of the Investment Committee. (Ref. INV-2 on file in the Board Office.)

Environmental, Social and Governance Investing – Cambridge Associates – The Committee recommended NSHE staff work with Cambridge Associates and Russell Investments to draft a letter of instruction for investment managers to take into consideration climate-related risks and opportunities when investing NSHE assets. Also, the Committee requested to receive annual reports on these efforts. The Committee instructed NSHE staff to present the draft letter to the full Board at the October 18, 2019, Board of Regents special meeting. The Committee also



10. Approved – NSHE Letter to Outsourced Chief Investment Officers on Climate-Related Risks and Opportunities – *(Continued)*

whether climate-related risks are integrated into the investment process for any actively managed strategies. Regent McAdoo seconded. Motion carried. Regent Page abstained.

11. Information Only – New Business – Chairman Geddes summarized that a discussion on