

SPECIAL MEETING
BOARD OF REGENTS
NEVADA SYSTEM OF HIGHER EDUCATION

Thursday, July 23, 2020

This meeting was held via videoconference and teleconference pursuant to Section 1 of the Declaration of Emergency Directive 006 ("Directive 006), and extended by Directive 016, 018, 21 and 026, issued by the State of Nevada Executive Department. There were no physical locations for this meeting.

Members Present:

- Dr. Mark W. Doubrava, Chair
- Mrs. Carol Del Carlo, Vice Chair
- Dr. Patrick R. Carter
- Ms. Amy J. Carvalho
- Dr. Jason Geddes
- Mr. Trevor Hayes
- Ms. Lisa C. Levine
- 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
- Dr. Federico Zaragoza, President, CSN
- Dr. Kumud Acharya, President, DRI
- Ms. Joyce M. Helens, President, GBC
- Mr. Bart J. Patterson, President, NSC
- Dr. Karin M. Hilgersom, President, TMCC
- Dr. Marta Meana, President, UNLV
- Dr. Vincent R. Solis, President, WNC

Faculty senate chairs in attendance were: Dr. Maria Schellhase, CSN; Dr. Eric Wilcox, DRI; Mr. Brian Zeiszler, GBC; Dr. Laura Naumann, NSC; Ms. YeVonne Allen, TMCC; Dr. Vicki Rosser, UNLV; Dr. Amy Pason, UNR; and Dr. Robert Morin, WNC. Student body presidents in attendance were: Ms. Karli McFarling-Kelly, ASCSN President, CSN; Ms. Suman Randhawa, NSSA President, NSC; Mr. Sidath Kapukotuwa, GPSA Vice President, UNLV; and Mr. Will Carrasco, GSA President, UNR.

Chair (D) (F) (B) (M) (D) (S) (C) (A) (I) (L) (H) (C) (G) (I) (B) (C) (M) (W) (E) (T) (S) (E) (S) (O) (W) (C) (T) (D) (C) (-2) (S) (A) (W) (3) (S) (A) (M) (1) (2) (C) (I) (D) (H)

MA P (obe)4 (W)6(s)Tj0ndTd(7) 9- 2.-8ly,ea -oh-1 ch38 -1.15 TdTj2.434 0(f)Tj0ndTd M P3 (, Guppo(i)-2

Board of Regents' Special Meeting

3. Approved – Appointment, UNLV President –

Vice Chair Del Carlo thanked Dr. Meana for all she has done for UNLV. Dr. Whitfield is lucky to have her as a resource.

Regent Levine stated so many people, including herself, are excited to have Dr. Whitfield's leadership on campus.

Chancellor Reilly stated this is the search firm's second successful search for NSHE. He said it had been a pleasure working with Dr. Meana.

Motion carried via a roll call vote. Chair Doubrava, Vice Chair Del Carlo, and Regents Carter, Carvalho, Geddes, Hayes, Levine, McAdoo, McMichael, Page, Perkins, and Trachok voted yes. Regent Moran was absent.

Chancellor Reilly presented the terms of the contract.

Regent Perkins moved approval of Dr. Keith E. Whitfield's proposed salary and contract terms. Regent Page seconded. Motion carried via a roll call vote. Chair Doubrava, Vice Chair Del Carlo, and Regents Carter, Carvalho, Geddes, Hayes, Levine, McAdoo, McMichael, Page, Perkins, and Trachok voted yes. Regent Moran was absent.

Dr. Whitfield stated it is truly an honor. He has great respect for UNLV. Dr. Whitfield thanked Dr. Meana for all she has done. He also thanked the Committee and Committee Chair Hayes. Dr. Whitfield stated the search firm aggressively sought him out for this opportunity. He said he would make sure that the Regents continue to see the stewardship that led this University to greatness.

4. Information Only – FY 2021 NSHE Operating Budget Update – Chancellor Thom Reilly discussed the impact of COVID-19 on FY21 NSHE operating budgets and actions taken to date, including the hiring freeze, spending restrictions, and budget reduction scenarios presented to the Legislature during the Special Session on July 8 and 9, 2020.

Chancellor Reilly reported there would be a special Board meeting in August to discuss the budget reductions. NSHE, in conjunction with the Presidents, faculty, students, and staff, prepared a 16 percent budget reduction across NSHE that included shared sacrifice from all the institutions, employees, and students. The Legislature added another \$25 million reduction to NSHE, bringing the total to \$170.8 million or 19.8 percent. Initially, there was a proposal that would have taken an additional decrease of \$50 million in the NSHE Performance Pool on top of the Governor's original plan. The proposal would have disproportionately reduced the formula funded accounts. This would have resulted in an additional 9.8 percent reduction in the formula funded accounts on top of the

4. Information Only – FY 2021 NSHE Operating Budget Update –

already Board approved 16 percent reduction. The proposal would also have given the Board no flexibility in how to implement the reductions. NSHE has been able to reduce the cuts given and provide flexibility to spread the reduction to non-formula accounts.

NSHE has secured authorization to allow the Board to temporarily waive or modify eligibility requirements to receive the Millennium Scholarship. The Nevada Promise Scholarship was protected from any reductions. The Legislature reduced the number of furlough days for state employees to six. Absent from a Declaration of Financial Exigency, the Board may not legally reduce faculty salaries unless the Legislature reduces state employee salaries in equal measure. By direction of Chair Doubrava, a future agenda item is anticipated to address furlough implementation and faculty notification procedures for any exempt positions. Merit pay increases for state employees were restored. Other notable decisions include capital improvement reductions and canceled projects to include the UNLV Engineering Building. Some members of the Legislature expressed concerns about NSHE hiding accounts because \$50 million was used from the market fluctuation account as a stop-gap to prevent layoffs. This is unequivocally far from the truth since all accounts are routinely reported to the Legislature through the fiscal staff. Before the special session, NSHE was complimented on its transparency. The rainy-day fund is invested in equities, bonds, and cash with the earnings distributed to the NSHE campuses based on each balance. The account is unique as the funds are not designated for a specific project or program as are most other accounts. NSHE put forth the \$50 million as one of the reductions to avoid impacts on the students and faculty. NSHE has also attempted to keep an operating reserve.

One recommendation is to take \$15 million out of the operating reserve and spread the remainder across the institutions. Chancellor Reilly believed this was important to know because it will take the fund down below 5 percent. The Legislature is aware of the impacts of the additional budget reductions. NSHE widely distributed a white paper on the effects of further reductions. Chancellor Reilly stated concerns on how this will affect WNC and GBC. Recommendations and a plan for moving forward will be brought to the Board in August. On the last day of the special session, the Legislature used \$25 million from NSHE to cover budget shortfalls caused by the pandemic and allocated \$50 million from the federal COVID relief fund for K through 12.

Chancellor Reilly thanked faculty and student leaders for their articulate and passionate testimony.

Chair Doubrava stated he was concerned and disappointed with some things he heard during the special session.

Regent Page stated there are areas of efficiencies that can be reviewed for cost savings.

6. Approved – _____ Revision Fees and Tuition –

Regent Carvalho clarified whether this fee stays with the institution, with Chief Financial Officer Clinger responding yes.

Motion carried via a roll call vote. Chair Doubrava,
Vice Chair Del Carlo, and Regents Carvalho,
Geddes, Hayes, Hill, Johnson, Kline, Lippert, Long, Quinn, Ruffolo, S. Taylor, and
Wright voted yes. (13-0-0)

