



*Nevada Governor's Office of the Western Regional Education Compact*

*for the*

*Nevada Western Interstate Commission for Higher Education (WICHE)*

Commission Meeting Minutes

August 16, 2016

1:00 p.m.

In Attendance:

Vance Farrow – Executive Commissioner, State of Nevada WICHE

Fred Lokken – Commissioner, State of Nevada WICHE

Vic Redding – Commissioner, State of Nevada WICHE

Jeannine Warner – Director, State of Nevada WICHE

Kim Weisenthal – Accountant Technician, State of Nevada WICHE

Gregg Ott – Deputy Attorney General (DAG), Office of the Attorney General, State of Nevada

Guests:

Brian Mitchell – Director, Governor's Office of Science, Innovation and Technology (OSIT)

1. **Call to order.** The meeting was called to order by Commissioner Farrow at 1:04 p.m. This meeting was posted in accordance with the State of Nevada's Open Meeting Law (OML).
2. **Public Comment.** There was no public comment.
3. **Discussion, recommendations and action regarding the minutes from the July 14, 2016, Nevada WICHE Commission meeting.** The minutes from the July 14, 2016 Commission meeting were not completed at the time. Due to new language in the Open Meeting Law, the minutes will have to be approved prior to August 28, 2016. Ms. Weisenthal will be scheduling a quick conference call for the Commission to approve the minutes of that meeting prior to the deadline date.
4. **Discussion, recommendations and action regarding the Nevada WICHE Commission's delegation of the administration of the Western Regional Education Compact's WICHE Account for Administrative Expenses (BA 101-2995) to the Director of the Governor's Office of Science, Innovation and Technology; and, finalize agency organizational chart (ref: NRS 397.062).**

Director Warner stated, per the Commission's direction on July 14, 2016, meeting, the organizational chart has been updated drawing a line from the Executive Commissioner to the Director of Office of Science, Information and Technology (OSIT) to identify the line of communication between both parties. Secondly, an addendum was requested to describe the relationship in writing, which is in process and will be presented to the Commission at a later meeting. The third item was to transfer the authority of the Western Regional Education Compact (WREC) Administration Budget authority from the Commission to the Director of OSIT at the suggestion of the DAG in the previous meeting.

Commissioner Lokken commented the chart alone has problems and he does not find it useful at all. He is looking forward to the written clarification to delineate the roles and relationships among the entities, especially the Commission's role over its director. Commissioner Farrow stated Commissioner Lokken's suggestion from the last meeting regarding an addendum is being taken seriously and a draft will be presented to all Commissioners.

Director Brian Mitchell clarified to the Commissioners that the Governor wants the Commissioners to handle the programmatic functions of the budget, referring to Budget Account 2681 and where those funding streams go and the different programs and slot. The Director of OSIT shall oversee the Administrative Budget Account 2995 for things such as approvals for purchases or approving vacation time that are handled by the Governor's office rather than the Commission.

Commissioner Redding made a motion to move for approval that the Commission delegate its authority in NRS 397.062 regarding the Administrative Budget Account to the Director of OSIT. Commissioner Lokken seconded for discussion but would like the motion to include recognizing a separate written document that will clarify the relationship between the Commission and its programmatic role and the administrative role, especially as concerning the evaluation of the Commission's director. Commissioner Redding proposed to add continuing the same reporting the Commission has been receiving as an information item. Motion carried.

**5. Discussion, recommendations and action regarding Nevada WICHE's alignment with the Nevada State Governor's Planning Framework for submission with its 2017-2019 Biennial Budget request, and final review and selection of Nevada WICHE's:**

The agency's Mission Statement was previously approved by the Commission on July 14, 2016, meeting.

Commissioner Lokken motioned to change the Vision Statement to read:

To be a continuous resource for educational, health care and economic opportunities in underserved fields while serving as the state's regional liaison for collaborative initiatives in education and healthcare.

Commissioner Farrow seconded, all were in favor. Motion carried.

Commissioner Lokken motioned to change the Purpose Statement to read:

To carry out the goals and objectives as provided for in the WICHE multi-state regional compact and provide incentives to health sector students and practitioners in order to recruit to and retain in the state high-need professional health services in Nevada.

Commissioner Farrow seconded, all were in favor. Motion carried.

Commissioner Lokken moved to approve the strategic priority, core functions, and objections as outlined:

- Strategic Priority:
  - o The Commission selected *Educated and Healthy Citizenry* as their strategic priority.
  
- Core Functions:
  - o *Education and Workforce Development*. The Commission selected “Ensure a highly skilled and diverse workforce”; and, “Increase the number of Nevadans with a postsecondary credential or college degree”.
  - o *Health Services*. The Commission selected “Improve the quality and accessibility of primary medical services”.
  
- Objectives of:
  - o “Ensure a highly skilled and diverse workforce”:
    - Expand the availability of STEM-focused career pathways and training.
    - Increase the number of educational programs that require internship/work experience program completion.
  - o “Increase the number of Nevadans with a postsecondary credential or college degree”:
    - By 2025, 60% of Nevadans aged 25-34 will have attained some form of post-secondary degree, certificate or credential.
  - o “Improve the quality and accessibility of primary medical services”:
    - Increase the number of medical professionals by leveraging educational resources, residencies, and streamlining State licensing.

Commissioner Farrow seconded, all were in favor. Motion carried.

**6. Discussion, recommendations and action regarding the Governor’s Office of the Western Regional Education Compact’s *WICHE Loan & Stipend Fund* (BA 101-2681) for the 2017-2019 Biennial Budget request:**

A discussion to determine the educational level of support for social workers (undergraduate and/or graduate) was tabled for a future meeting.

Proposed budgetary bill draft requests (BDRs) are due 9/1/2016. Commissioner Lokken motioned not to submit any BDRs. Commissioner Farrow noted he had none.

Commissioner Lokken noted that WICHE is an extremely lean organization in a state that is desperately running short of professionals. Philosophically, the programs need more funding, and it is up to the Legislature and the Governor to determine if it can be done. But if the request for funding is not made, it will not be provided at all. Director Warner stated the programs have a fixed General Fund amount to spend in the next biennium, and non-General Fund revenues are projected to go up a little bit. The Commission did request from the Governor's Finance Office (GFO) to modify the revenue stream to potentially keep non-General Fund revenue instead of reverting it every year. Commissioner Farrow stated that is the suggested fix for being able to keep the funds and give the Commission the free latitude to decide what to do with the funds as they come back in. Director Warner said there is support from the GFO, but it remains to be seen if it is actualized. Any major requests to change the budget were submitted in April, and almost all agency requests were denied. It is the hope the GFO will be able to, on WICHE's behalf, provide a new revenue structure for the Commission.

Commissioner Farrow seconded, all were in favor. Motion carried.

**7. Discussion, recommendations, and action regarding proposed modifications to and final approval of the Western Regional Education Compact's *WICHE Account for Administrative Expenses (BA 101-2995)* for the 2017-2019 Biennial Budget request including but not limited to: Funding priorities and proposed modifications to agency administration and services, and proposed budgetary bill draft requests (BDRs) due 9/1/2016.**

Director Warner stated she and Director Mitchell reviewed the line-item budget, addressed any questions he had at that time. She noted the Commission proposed to expand the program fields by one-third in the next biennium and double the number of new students from eighteen (18) to thirty-six (36). As part of the Administration Budget, she wants to make sure the Commission has determined that resources are sufficient to meet administrative needs given there will be an increase in administration of programs such as marketing, outreach, processing paperwork, etc. The budget recommended by staff and Director Mitchell was provided.

Director Warner summarized the primary modifications that were made between the current biennial budget and the 2018-2019 Budget. In particular, one-time moving costs from when the offices transferred to Carson City were redistributed among other ledger accounts. In Category 03, In-State Travel was slightly increased so outreach and marketing can expand into the newly proposed areas. In Category 04, general operating, increases in marketing were, again, allocated in response to the proposed expansion of fields and slots, and marketing as a whole. In Category 04 also included the increase in Regional Compact dues

increases (GL 7300). GL 7430 was website development with the goal to complete the online application project. These funds will also support the ability to provide mobile optimization to make the WICHE website more user-friendly. Finally, GL 8371 funds computers for staff which are due for their five (5) year upgrade.

Commissioner Redding asked if the proposed increases were outside the two-times budget rule, or were the increases within the 2017 rule? Director Warner affirmed all the increases were within the two times rule.

Having no additional questions or comments, Commissioner Lokken motioned to approve the Western Regional Education Compact's WICHE Account for Administrative Expenses (BA 101-2995) for the 2017-2019 Biennial Budget. Commissioner Redding seconded the motion, all were in favor. Motion carried.

(With apologies, Commissioner Redding excused himself from the remaining meeting.)

- 8. Discussion, recommendation, and action regarding a proposed 5% General Fund reduction plan and prioritization of budget cuts as required for the 2017-2019 Biennial Budget request.** The figure of \$113,210 was provided to the Commission as the required proposed budget reduction amount. The figure was approved by the Administrative Services Office. In the last meeting, the Commission approved \$97,200 in possible reductions in the 2681 Programs budget for 1 new veterinary medicine slot in each year of the biennium. An additional amount of \$16,010 needed to be reduced to meet the required budget reduction figure. It was proposed to make reductions primarily in Category 04, general operating. Director Mitchell approved the budget figures and reductions. Commissioner Redding motioned to approve the proposed 5% General Fund reduction to the Administrative Operating Budget Account 2995 in the amount of \$16,010.00. The motion was seconded by Commissioner Lokken, all were in favor. Motion carried.

The Budget Office has also requested the proposed cuts be prioritized in the event a reduced percentage of cuts is necessary. The motion was made by Commissioner Redding to prioritize the cuts as the Administrative Budget first and leaving programs last. The motion also included that if Programs needed to be cut, eliminating one veterinary slot would be acceptable. Commissioner Lokken seconded, all were in favor. Motion carried.

- 9. New business/future agenda items.** WICHE is in the process of scheduling its budget hearing with the State financial offices sometime in September. A presentation will be provided on the decision the Commission has made on its budgets.

Commissioner Lokken was invited to Albuquerque to sit on the Legislative Advisory Committee meeting on the topic of Distant Education Costs.

- 10. Public comment\*.** No public comment was received.
- 11. Adjournment.** Having no further business and receiving no public comment the meeting adjourned.