

EXECUTIVE SUMMARY OF THE REPORT OF THE PRESIDENTIAL REVIEW COMMITTEE

Background and Explanation of the PRC and vertical cut exercise

In the annals of public higher education in the United States, the current budget crisis facing the Nevada System of Higher Education – and UNLV in particular – is unprecedented. Over the past three years, nearly one-third of state general fund support has been cut, while enrollments and demand for services to students have increased. It is in this context of a prolonged, severe budget crisis that the current exercise in vertical cuts – i.e., elimination of entire departments or programs – has become necessary.

Prior to the current round of budget cuts, 130 total positions have been eliminated from the academic faculty and professional staff, through retirements, vacancies or non-reappointments (i.e. layoffs), with another 265 positions being held vacant. Together, these represent a total of 15% of our total state funded positions missing from our classrooms, labs, libraries, and offices. Of the \$15.1 million cut from base expenditures through January 2010, approximately 55% (\$8.4 million) were taken from the academic affairs budget, with \$6.234 million of those cuts coming from instructional areas. This represents about 50% of the total cuts taken since 2007. Another \$2.166 million have been cut from academic administration, Libraries and Information Technology. Reductions have been proportionally deeper for administrative and support areas. On a general fund percentage basis, previous cuts have ranged from highs of 45% for the President's office; to 34% for Finance and Business; and to the lowest – 13% - for Academic Affairs.

The current round of cuts follows a reduction of 6.9% in state funding for UNLV for the remainder of the biennium (i.e., one third of fiscal year 2010 and all of fiscal year 2011), and facing a high likelihood of further cuts to come in the 2011-2013 biennium. For this round of cuts, the president set a goal of \$4 million in reduced spending from academic affairs and a total of \$5.7 million from support areas. (An additional \$1 million is being cut from non-formula appropriates to the Law School, Dental School, Intercollegiate Athletics and other areas.)

The Presidential Review Committee (PRC) results from consultations between President Smatresk and then-Faculty Senate Chair John Filler, undertaken during the 2009-2010 academic year. These consultations drew upon the provisions of the NSHE Code, the UNLV by-laws and the AAUP best practices for how a financial exigency and a program review ought to be conducted. By mutual agreement, UNLV intends to respect tenure rights, meaning that tenured faculty members in terminated programs would be assigned to other positions for which they were qualified, either to fill needed vacancies in other departments or to fulfill needed instructional, administrative or academic support functions. This decision represents a calculation of the best financial, legal, professional and moral interest of the University.

The president authorized the PRC to consider recommendations of cost-saving, reorganization or termination of any academic program and to review proposals for cost savings from other vice-presidential budget areas. Provost Bowers' letter to President Smatresk of March 22 proposed cuts resulting from consultations he had undertaken with academic deans. On March 30, the Provost supplied the PRC with cuts recommended by other vice-presidents. These recommendations informed

the charge to the PRC, which was to make prioritized recommendations for vertical cuts (i.e. program consolidations or eliminations) and other reductions in base budget expenditures that would total at least \$4 million in academic affairs and \$5.7 million in other divisions.

At its March 24 meeting, the Committee considered data on expenditures, enrollments, majors and grant generation for all academic units on campus -- not limited to those on the Provost's original memorandum. It established a revised list of units to consider for recommended action. The PRC chair then wrote to the dean and chair or director of each unit, program or department under consideration for any consolidation to ask for a written response describing the strongest points of that unit, program or department with respect to the 48 indicators. This letter also asked for recommendations of cost-cutting alternatives short of termination and of how the program might increase student demand over the coming years.

The PRC also sought, and received, written input from students enrolled in programs within these units. Members of the university community, including specific faculty members from these units, programs, or departments, and interested parties in the Las Vegas community submitted input in writing.

The PRC received a wide range of data from the EVPP's office and IAP. It considered 5-year reports on enrollments -- of majors, minors and general students during the academic year and during summer term; it considered 5-year reports on sponsored research activity -- grants sought and grant expenditures; it considered national rankings and accreditations for each program; it considered expenditure data on all faculty and staff in each program; and it considered projections of enrollment. Further, the PRC considered proposals from each unit for cutting costs through reorganization or for enhancing enrollment. Some of these proposals are included in the recommendations below.

The PRC then began, on April 8, a series of what became over 14 hours of meetings devoted to hearing from deans, department chairs or program directors, key faculty (identified by the units) -- over 50 individuals total -- to elaborate on the written memoranda, to verify data, and to respond to questions.

Of great import, the PRC asked the Provost's staff and the SVPFB to develop a model for "scoring" -- i.e. assessing the net budget impact -- of the various recommendations being considered. This model made presumptions about student behavior in case a program were to be terminated or consolidated (i.e., would students remain at UNLV in a different program or leave the University). Further, it analyzed the potential behavior of tenured faculty in the specific unit should it be changed, consolidated or terminated. Actuarial tables from PEBP were used to estimate anticipated retirements or departures from the University over the next three years based on aggregate demographic composition of the personnel in the unit. Secondly, estimates were made of potential reassignments by the Provost of tenured faculty to currently budgeted, but unfilled, positions in other areas. In addition, the model assessed revenue that would be lost from grants or from lost student enrollment if a program were to be terminated. Based on these calculations, the PRC considered estimated reductions in base budget expenditures that would be achieved by FY 2013. These estimates provide the basis for the anticipated savings identified in the recommendations below.

Principles by which the PRC undertook its work

1. All deliberations were based upon the full range of indicators; no one aspect, such as program enrollment or costs, was determinative. The PRC members readily agreed that all programs considered demonstrated significant merits in terms of instructional and research quality, and no one doubted the validity or merit of the disciplines. The decisions made were guided primarily by a concern to preserve those programs considered essential to the curricular and research mission of the University and to reduce or eliminate duplications.
2. Those programs which, according to the scoring model, demonstrated a positive net return to the university (i.e., anticipated revenue from enrollment and sponsored research exceeded anticipated expenditure over the next three years) were not recommended for termination. However, this is not to say that the PRC recommended termination or consolidation for all programs whose costs exceed revenues.
3. The PRC understood its primary charge to seek “vertical cuts,” that is program consolidations or eliminations, as the necessary outcome of an academic planning process. Although there are many aspects of a large organization like UNLV which might appear *prima facie* to be readily cut to achieve savings, the PRC did not pursue ideas for ad hoc horizontal across-the-board cuts, as this was not the charge.
4. The PRC fully considered all options, including those put forth by the colleges, departments or programs under consideration. Some of these alternatives have been adopted in the final recommendations below.
5. The PRC sought, and achieved, consensus on our final recommendations. Individual committee members whose own college or program was being considered were asked to provide information in that part of the discussion but agreed not to participate in any votes on that particular recommendation.
6. The PRC members, after extensive due diligence, are convinced that these recommendations for programs to be terminated or reorganized are part of what the NSHE Code requires, for “bona fide reasons pertaining to the mission” of UNLV and as “a consequence of the academic planning process as established in writing.”

PRC RECOMMENDATIONS

Estimated savings (FY 13)

FIRST-TIER RECOMMENDATIONS

Departmental/Program Elimination and Adjustments

| | |
|--|------------------------------------|
| Discontinue Ed Leadership Dept | \$ 1,529,000 |
| Discontinue Sports Ed Leadership Dept | \$645, 000 |
| Discontinue Recreation Sports Management** | \$633,000 |
| ** Relocate Pro Golf Management Program | |
| Discontinue Informatics Program | \$472,000 |
| Discontinue Marriage & Family Therapy Dept | \$360,000 |
| Discontinue Teaching-Learning Center | \$353,000 |
| Discontinue Urban Horticulture | 0 (saves anticipated future costs) |

Position Eliminations/Suspensions

| | |
|--|---------------------------------------|
| Hold vacant 3 Vice-Provost Lines | \$540,000 (not base budget reduction) |
| <i>Total estimated net savings of first-tier</i> | <i>\$4,532,000</i> |

SECOND-TIER RECOMMENDATIONS

Departmental/Program Elimination and Adjustments

| | |
|--|------------------------------------|
| Relocate Construction Management to Civil Eng. | \$21,000 |
| Make Gerontology a fully self-funded program | 0 (saves anticipated future costs) |
| Relocate Senior Theater to Ed Outreach | \$100,000 |

Position Eliminations/Suspensions

| | |
|--|------------------|
| Reduce Academic Success Center staff | \$104,000 |
| Landscape Architecture: Eliminate vacant positions | \$180,000 |
| <i>Total estimated savings of second-tier</i> | <i>\$315,000</i> |

POTENTIAL SAVINGS PROPOSED BY COLLEGES/DEPARTMENTS (AMOUNTS ARE SELF-REPORTED)

Position Eliminations/Suspensions

| | |
|--------------------------------------|-----------|
| College of Education | |
| Eliminate Associate/Assistant Deans | \$230,000 |
| Geosciences: | |
| Downgrade anticipated pro-staff VSIP | \$30,000 |
| Reduce PTI budget | \$30,000 |
| Women's Studies: | |
| Eliminate PTI, expand "big" sections | \$72,000 |

Departmental/Program Elimination and Adjustments

| | |
|--|-----------|
| Hotel College, reorganize into two departments | \$108,000 |
| COE NCATE accreditation withdrawal | \$45,000 |

Enhanced Revenue from Enrollment

| | |
|---|------------------|
| Geosciences: | |
| Increase Exxon-Mobile scholar enrollment | \$140,000 |
| Clinical Lab Science: Relocate to Life Sciences | \$60,000 |
| <i>Self-reported savings/additional revenue</i> | <i>\$715,000</i> |

RECOMMENDATIONS FOR LONGER-TERM REVENUE ENHANCEMENT (SUBJECT TO BOARD APPROVAL)

Differential Tuition

College of Engineering
School of Nursing (based on 12-month fees)
School of Architecture
Department of Physical Therapy

PROVOST'S RECOMMENDATIONS NOT ENDORSED

Discontinue Clinical Lab Science Program
Discontinue English Language Center
Discontinue Entertainment Engineering Program
Discontinue Management Information Systems Department
Discontinue Women's Studies Department
Discontinue Urban Affairs academic advising center
Restore School of Nursing to 2-semester schedule
Combine Journalism/Media Studies and Communications Studies