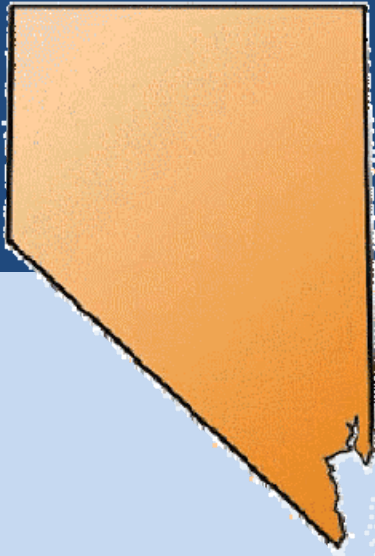


Report on the 76th Regular Session of the Nevada State Legislature

Presented to the
Nevada System of Higher Education
Board of Regents
June 16, 2011





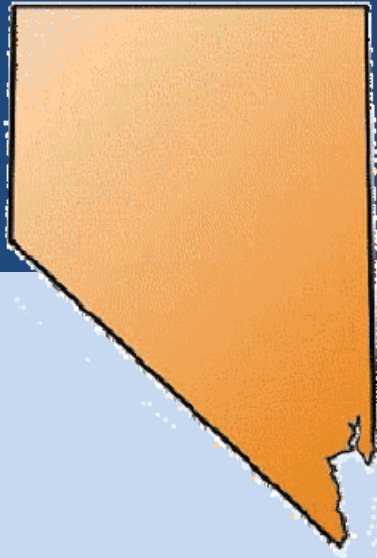
Nevada State Legislature

120 Days

The 76th Regular Session of the Nevada State Legislature convened on February 7, 2011, and adjourned after midnight on June 7, 2011.

Legislative measures enacted during the session impact many areas, including policy and operating budgets.

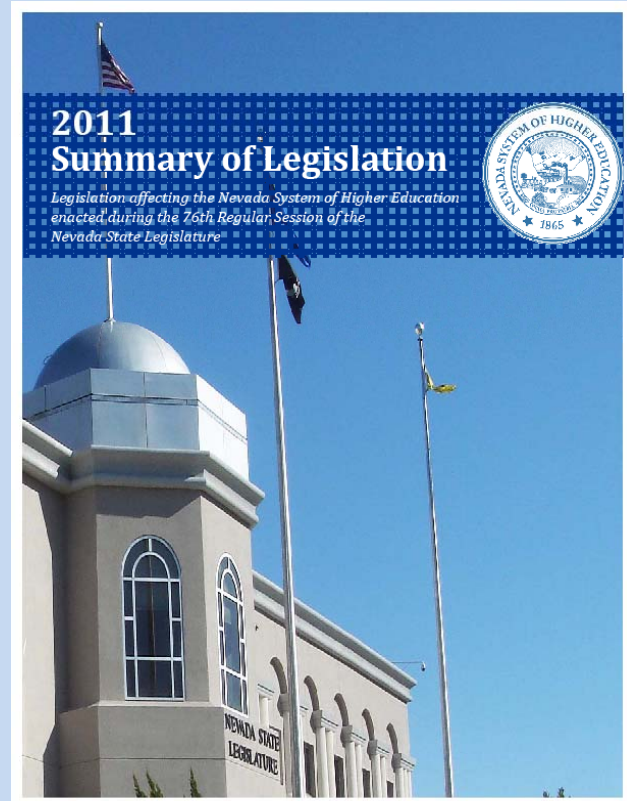


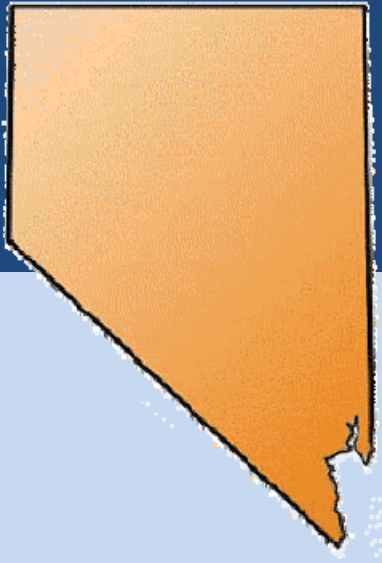


Summary of Legislation

A summary report of enacted legislation impacting higher education.

Available on the NSHE Web site at
www.nevada.edu

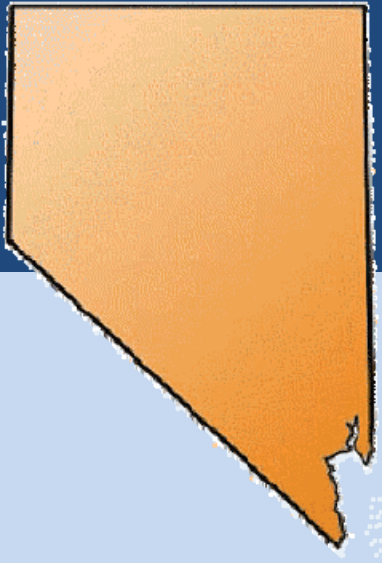




NSHE Specific Measures

AB478 – increases revenue bond capacity for UNR by \$35.7 million

AB449 – creates the Knowledge Fund and establishes a program for the development and commercialization of research and technology at UNR, UNLV and DRI – no dollars appropriated to start-up the Fund

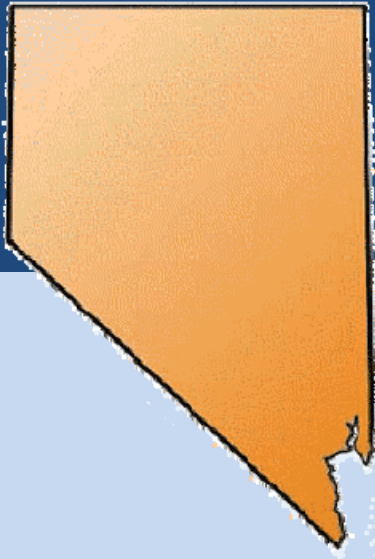


NSHE Specific Measures

AB476 – appropriates \$25,000 for the Trust Fund for Dependent Children and authorizes NSHE to seek additional funds from the state's contingency fund in the event of a projected shortfall

AB570 – revises districts from which members of the Board of Regents are elected

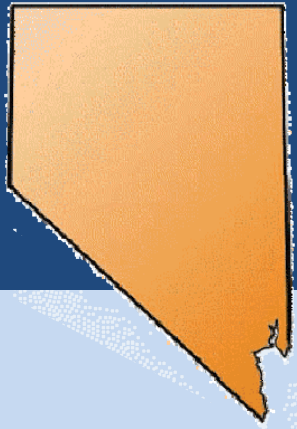
SB449 – authorizes differential program fees and requires tracking of students through employment in Nevada



NSHE Specific Measures

SB374 – Committee to Study the Funding of Higher Education

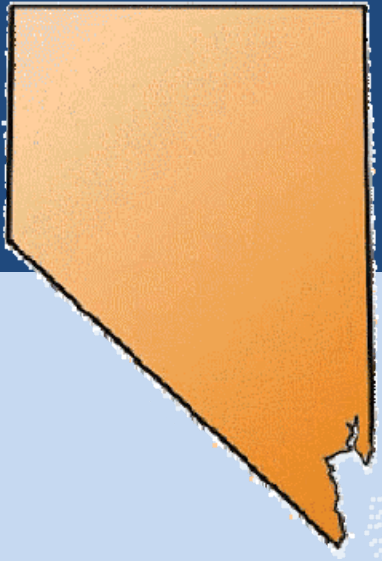
- **12 voting members** – three appointed by the Senate, Assembly, Governor and Board of Regents
- **4 non-voting members** – one person employed by the Budget Division, three NSHE employees
- **Chairmanship** – The chair of the Legislative Commission will designate the chair of the Committee



NSHE Specific Measures

SB374 – Formula Committee Charge

- Review funding methods used in other states
- Consider methods where missions are appropriately considered in funding
- Review the funding of remediation in the context of instructional delivery methods
- Consider the retention of resident registration fees and non-resident tuition outside of the state supported operating budget
- Consider funding based on completed courses rather than course enrollments
- Consider performance funding mechanisms



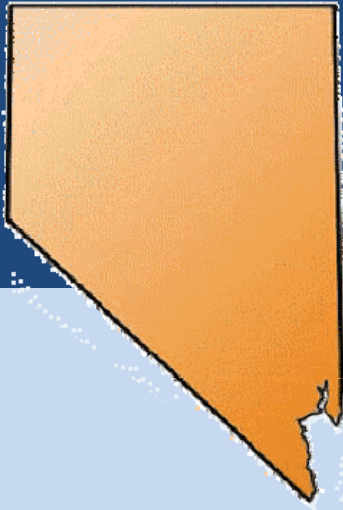
Others Measures

Governor Guinn Millennium Scholarship

SB486 – appropriates \$10 million in one-time funds to support the Millennium Scholarship program as recommended by the Governor

SB96 - encourages recipients of the Millennium Scholarship to volunteer for at least 20 hours of community service each year.



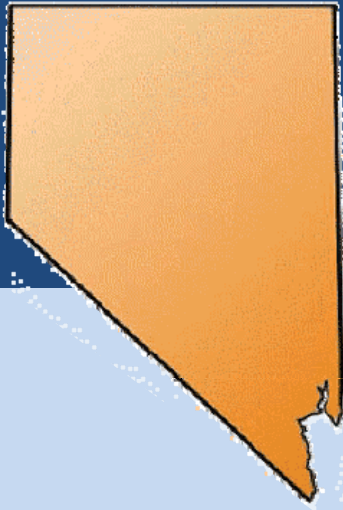


Others Measures

Governor Guinn Memorial Millennium Scholarship

- The memorial scholarship fund will be administered by the State Treasurer
- Recipients of the annual memorial scholarship will be selected by the Board of Trustees of the College Savings Plans
- The annual scholarship award may not exceed **\$4,500**
- **Eligibility criteria:**
 - ✓ A 4th year student with a declared major in education or secondary education;
 - ✓ 3.5 grade point average;
 - ✓ Eligible for the Millennium Scholarship; and
 - ✓ Committed to teaching in Nevada following graduation.



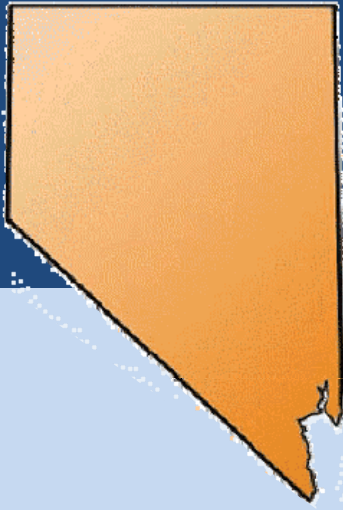


Others Measures

The Open Meeting Law

AB59 -- imposes a civil penalty of \$500 for each member of a public body who attends a meeting where action is knowingly taken in violation of the Open Meeting Law, which is in addition to current provision of state law that provides that such an act is a misdemeanor





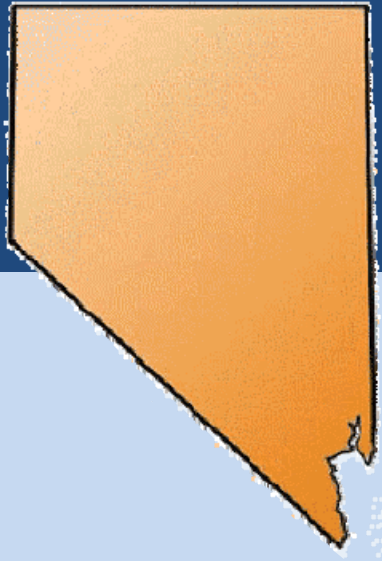
Others Measures

The Open Meeting Law

AB257 – requires a public body to provide periods devoted to public comment, either:

- One period at the beginning of the meeting before any actionable items are heard and one period before adjournment; **OR**
- A period before each actionable item on the agenda, before action is taken



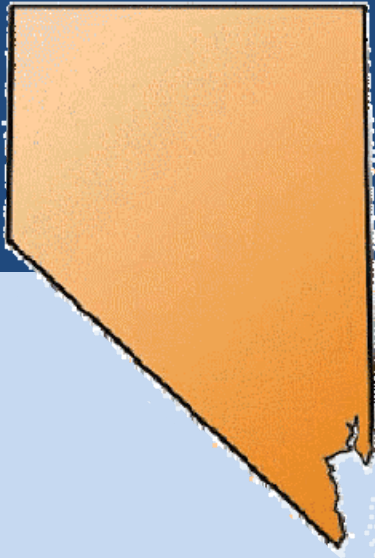


Others Measures

State Board of Education

SB197 restructures the State Board of Education to include elected and appointed members, in addition to four non-voting members including one member who is appointed by the Governor who represents the Nevada System of Higher Education, nominated by the Board of Regents

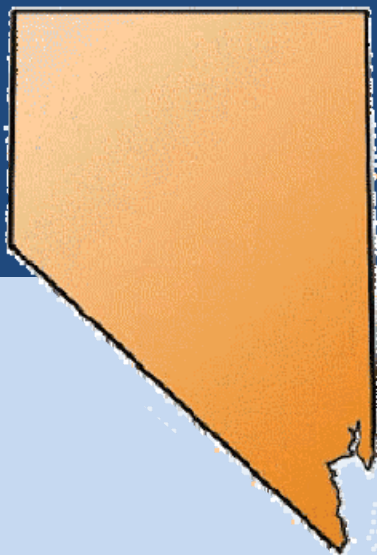




What didn't pass?

- **AB128** – prohibiting smoking on NSHE properties
- **AB241** – NSHE Stabilization Fund
- **SB231** – authorizing concealed weapons on NSHE campuses
- **SB434** – removing NSHE from under the State Public Works Board, carry-forward of unexpended state funds
- **SB451** – authorizing NSHE to retain certain fee revenues
- **SB501** – creating an event facilities district (UNLV stadium)





NSHE Operating Budget

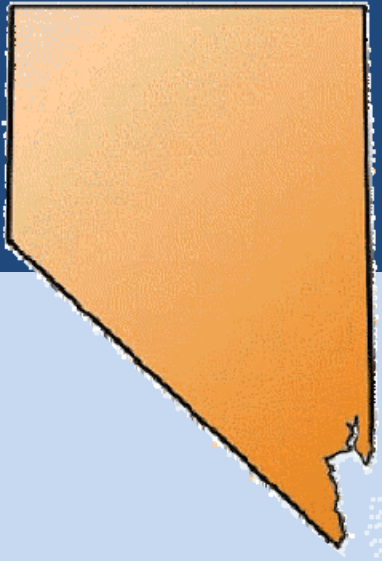
Where we started

Executive Budget Recommendation

(in millions)

	FY2011 Budgeted	FY2012 Exec Budget Rec	FY 2013 Exec Budget Rec
General Fund/ Local Support	\$557.9	\$466.4	\$395.5
\$ Change from FY2011	--	- \$91.5	- \$162.4
% Change from FY2011	--	-16.4%	-29.1%

29.1 percent decrease in General Fund support was recommended in the Executive Budget for the Nevada System of Higher Education

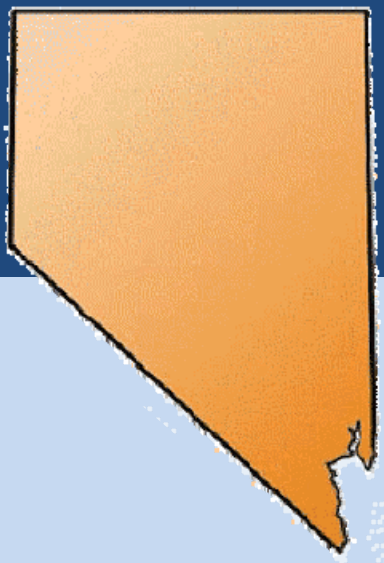


NSHE Operating Budget

Restoration of Funding

4-Point Plan

- 1. Smoothing** (equalizing cuts between fiscal years)
- 2. Student Fee Increases**
- 3. NSHE Budget Reductions**
- 4. Additional General Fund Support**



NSHE Operating Budget

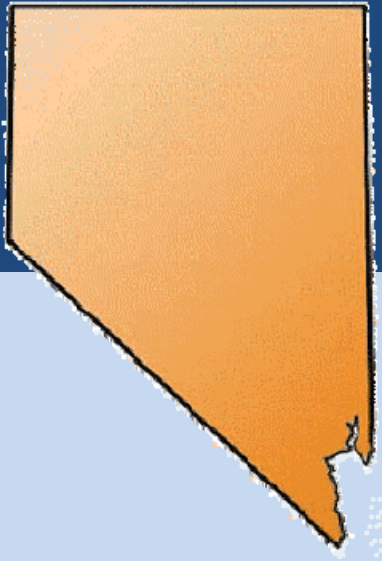
Where we ended

Legislature Approved Budget

(in millions)

	FY2011 Budgeted	FY2012 Leg Approved	FY 2013 Leg Approved
General Fund	\$557.9	\$472.4	\$472.4
\$ Change from FY2011	--	- \$85.5	- \$85.5
% Change from FY2011	--	-15.3%	-15.3%

15.3 percent reduction in state support as a result
of the implementation of the 4-Point Plan

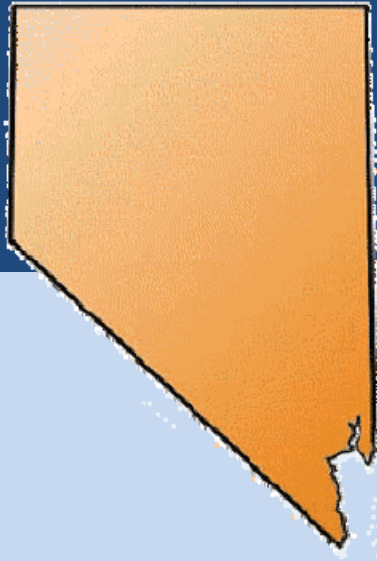


NSHE Operating Budget

Property Tax Proposal

The Governor's budget recommendation included \$120 million over the biennium in property tax funds to support UNR and UNLV. Ultimately, this recommendation was not adopted by the Legislature and the funding was provided from the state General Fund instead.





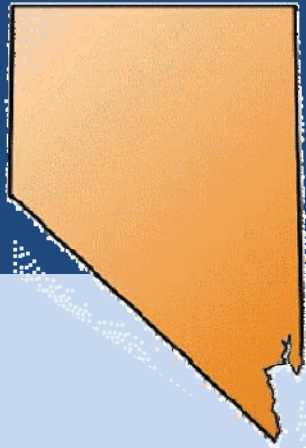
NSHE Operating Budget

Equity Funding

CSN and TMCC each received additional funds for equity

- CSN \$750,000 in both FY2012 and FY2013
- TMCC \$336,417 in both FY2012 and FY2013



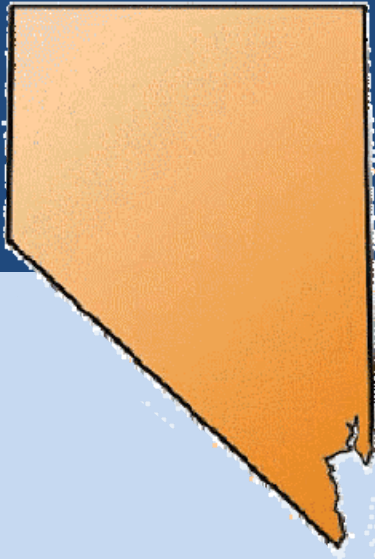


NSHE Operating Budget

Consolidation of Budget Accounts

The 25 NSHE budget accounts were consolidated into 15 accounts

Consolidation of Accounts	Accounts Remaining
Each university and related accounts were consolidated into one institutional account	2
Community College accounts unchanged	4
Desert Research Institute account unchanged	1
State College account unchanged	1
Professional School accounts unchanged and the Health Lab was consolidated with the Medical School	3
System Administration and University Press consolidated	1
Perkins Loan, Special Projects and SCS accounts unchanged	3



NSHE Operating Budget

Salary Reductions and Benefit Changes

SB505

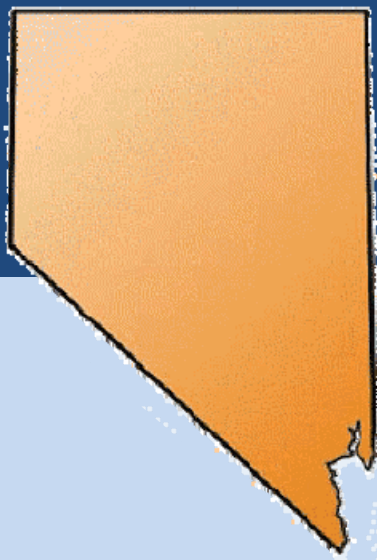
- Reduces salaries for public employees by 2.5 percent; and
- Requires six days of unpaid furlough each year – equivalent to a 2.3 percent salary reduction with retirement hold harmless



AB553 – eliminates the retiree health insurance subsidy for employees hired after January 1, 2012

BOARD ACTION REQUESTED

Board action is requested to determine the appropriate policy for temporarily reducing salaries and implementing unpaid furlough days in FY2012 and FY2013.



NSHE Operating Budget

Recommended Surcharge

13%
increase in
FY2012 for
undergraduate
students –
no additional
increase in
FY2013

**with a 15%
set aside for
financial aid**

5%
increase in
FY2012 and
again in
FY2013 for
graduate
students

Fee increases for the professional schools are determined separately.

BOARD ACTION REQUESTED

Board approval is requested for revisions to the *Procedures and Guidelines Manual*, Chapter 7, Section 1, providing for a 13 percent surcharge in 2011-12 for undergraduates and a 5 percent surcharge in both 2011-12 and 2012-13 for graduate students with a 15 percent set aside for student financial aid. (See attachment)

PROPOSED REVISIONS – *P&G MANUAL*

CHAPTER 7, SECTION 1

Tuition and Fees

Additions appear in *boldface italics*; deletions are [~~stricken~~ and bracketed]

¹ Section 1. Registration Fees and Non-Resident Tuition Rates

Registration Fees

	2009-10	2010-11	2011-12	2012-13
Registration Fees, Universities (undergraduate)	\$136.00/ per credit	\$142.75/ per credit	\$156.75/ per credit	\$156.75/ per credit
Registration Fees, Universities (graduate)	\$217.75/ per credit	\$239.50/ per credit	\$239.50/ per credit	\$239.50/ per credit
Registration Fees, NSC (undergraduate)	\$98.25/ per credit	\$103.25/ per credit	\$113.25/ per credit	\$113.25/ per credit
Registration Fees, NSC (graduate)	\$160.25/ per credit	\$176.25/ per credit	\$176.25/ per credit	\$176.25/ per credit
Registration Fees, GBC, CSN, WNC (upper-division)	\$98.25/ per credit	\$103.25/ per credit	\$113.25/ per credit	\$113.25/ per credit
Registration Fees, Community Colleges	\$60.00/ per credit	\$63.00/ per credit	\$69.25/ per credit	\$69.25/ per credit

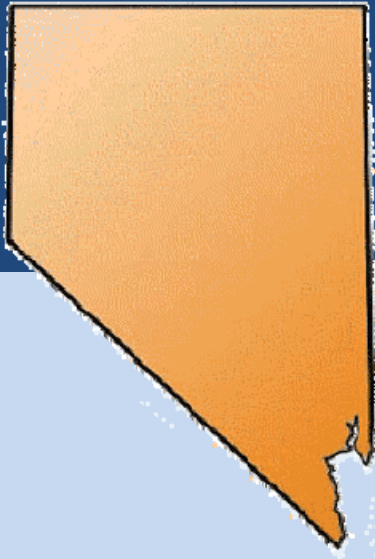
In addition to the registration fees, the following surcharges are in effect for academic years [~~2009-10 and 2010-11~~] ***2011-12 and 2012-13*** for undergraduate students only:

Student Surcharges*

	[2009-10] <i>2011-12</i>	[2010-11] <i>2012-13</i>
Registration Fees, Universities (undergraduate)	[\$6.50] <i>\$20.50</i> per credit	[\$14.00] <i>\$20.50</i> per credit
<i>Registration Fees, Universities (graduate)</i>	<i>\$12.00 per credit</i>	<i>\$24.50 per credit</i>
Registration Fees, NSC (undergraduate)	[\$4.50] <i>\$14.75</i> per credit	[\$10.00] <i>\$14.75</i> per credit
Registration Fees, GBC, CSN, WNC (upper divisions)	[\$4.50] <i>\$14.75</i> per credit [(eff. Spring 2010)]	[\$10.00] <i>\$14.75</i> per credit
Registration Fees, Community Colleges	[\$3.00] <i>\$9.00</i> per credit [(eff. Spring 2010)]	[\$6.25] <i>\$9.00</i> per credit

****15 percent of the funds generated from student surcharges will be allocated to student financial aid subject to the Board's Student Access policy, Title 4, Chapter 18, Section 10.***

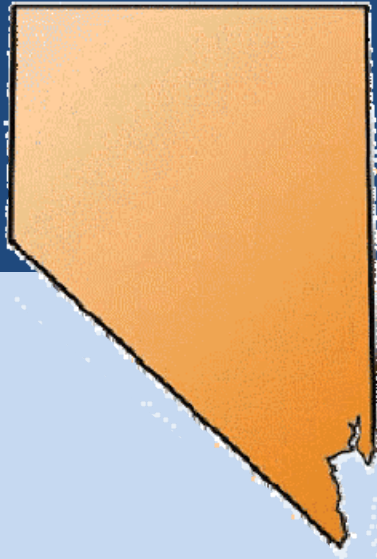
¹ Beginning Fall 2009 a technology fee of \$7.00 per credit hour will be charged at UNR and UNLV and \$5.50 at NSC, CSN, GBC, TMCC and WNC.



NSHE Operating Budget

Payroll Shift Authorized

The Appropriations Act (AB580) authorizes NSHE to pay the salaries of professional employees on the first day of the month immediately following the month in which the salary was earned and to pay salaries for professional and classified employee from money appropriated for the fiscal year in which the payments are made.



NSHE Operating Budget

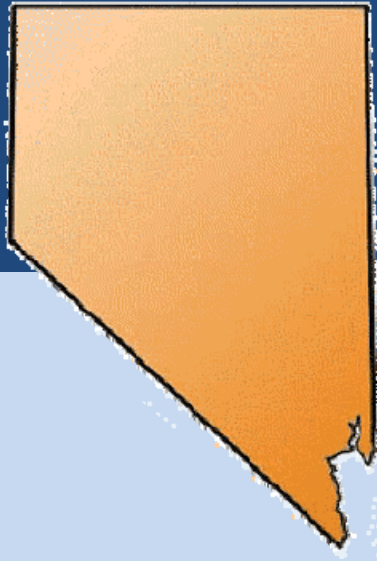
One-Time Bridge Funding in FY12

In recognition of each institution's inability to make all cuts immediately due to notice periods, curricular review processes or the phasing out of programs - the institutions are requesting the authority to use one-time bridge funding in FY2012 only.



BOARD ACTION REQUESTED

Board approval is requested for a temporary suspension of the provisions of *Title 4, Chapter 10, Section 11* concerning the permissible use of capital improvement funds for the purpose of bridge funding in Fiscal Year 2012 only. For FY2012 only, capital improvement funds may be expended on maintenance items and lease costs that would otherwise be paid from the State Supported Operating Budget without prior Board approval for such individual expenditures.



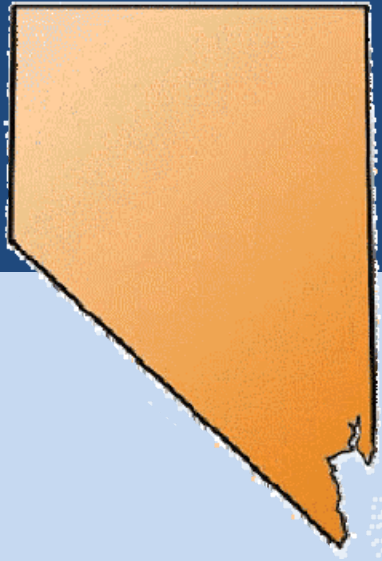
NSHE Operating Budget

Transfer of Funds

AB580 -- Appropriated funds may be transferred among the various budgets of the Nevada System of Higher Education with the approval of the Interim Finance Committee upon the recommendation of the Governor.

BOARD ACTION REQUESTED

UNR requests approval to transfer **\$4,539,082** in appropriated state funds from UNR's main budget account to the University of Nevada School of Medicine budget account in order to offset budget reductions in FY2012.



Capital Improvements

HECC/SHECC

SB504

\$15 million for deferred
maintenance



