

# UCCSN Board of Regents' Meeting Minutes December 20-21, 1990

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BOARD OF REGENTS

UNIVERSITY OF NEVADA SYSTEM

December 20, 1990

The Board of Regents met on the above date in the Student Union,  
ASUN Auditorium, University of Nevada, Reno.

Members present: Mrs. Dorothy S. Gallagher, Chairman

Mrs. Shelley Berkley

Dr. Jill Derby

Dr. James Eardley

Mr. Daniel J. Klaich

Members absent: Mr. Joseph M. Foley

Dr. Lonnie Hammargren

Mrs. Carolyn M. Sparks

Mrs. June Whitley

Others present: Mr. Mark H Dawson, Chancellor

Vice Chancellor Ronald Sparks

General Counsel Donald Klasic

President Joseph Crowley, UNR

President Robert Maxson, UNLV

President James Taranik, DRI

President Anthony Calabro, WNCC

President Paul Meacham, CCSN

President Ronald Remington, NNCC

President John Gwaltney, TMCC

Ms. Mary Lou Moser, Secretary

Also present were Faculty Senate Chairmen Paula Funkhouser, TMCC;

Richard Brown, UNR; Alan Balboni, CCSN; and Isabelle Emerson,

UNLV; and ASUN President, Jason Geddes, UNR.

Chairman Gallagher called the meeting to order at 1:35 P.M.,

stating the purpose of the meeting was to discuss the UNS 1991-

93 Biennial Budget Request and the Governor's tentative budget

recommendations. She related that the Governor's Budget Office

has reviewed all State agency budgets and has asked each of the

agencies to present budgets with a 5% and a 10% cut. Mrs.

Gallagher stated these cuts would be extremely difficult for UNS because of the growth the system is experiencing. However, she added that if UNS does not make that decision, the Governor's Office will use a negative figure in the revenue section of the budget and UNS will have to make the cuts anyway.

Vice Chancellor Sparks distributed the Governor's Tentative Recommendations, filed as Ref. A, with the permanent minutes. Each of the recommendations was thoroughly discussed. Of note, the Governor is not recommending a cost-of-living increase for professionals as was requested, and at the present time there are no pay raises recommended for any State employees. UNS has requested 100% funding of the support services formula in the Base Budget amounting to \$20 million; the recommendation is at 21% or \$4 million.

Mrs. Berkley questioned the reason for recommendation No. 11 - not funding the operating equity adjustment in instruction function for UNLV, CCCC, TMCC and WNCC. It was explained that the Budget Office felt that an equity adjustment in this area would be a continual problem. In the past, Institutions have used savings in other areas to strengthen this area which has caused the inequity, and this practice is likely to continue. Mrs. Berkley was assured that there have been long discussions with

the Budget Office over this issue.

Mr. Sparks explained that items 12 and 13 remove flexibility for the Institutions in that the Budget Office has recommended 1% to 2% of professional and 3% of classified salaries as salary savings. In the past, the Presidents have been able to use these salary savings to fund needed growth areas. Salary savings are those monies not used due to turnover; hiring at a lower salary; resignations, etc. In 1989, it was about 1% of the budgeted instructional salaries and this amount was used in support services. For 1991, 1% of professional salaries will amount to about \$1 million and 1% of classified salaries will amount to \$500,000 per year. President Maxson stated that UNLV was allotted about \$300,000 for part-time instructors last year, but spent \$2 million to teach the students enrolled. The salary savings made up a great deal of this amount. These savings are used as contingency funds. Taking the salary savings away gives the Campus no flexibility and also takes away the incentive to save. Mrs. Berkley added that this is only a good business practice, and with the flexibility gone, it will actually cost the State more in the long run.

It was pointed out that the smaller Colleges are really stressed under this reduction. President Calabro stated it meant WNCC

must save \$71,000 from his Campus budget.

UNS has recommended scholarships be based on the percentage growth in faculty plus a percentage increase in fees (No. 14), and while some funds have been allocated, it is considerably lower than the request. Mrs. Berkley pointed out the current inequities between UNLV and UNR and voiced strongly that it should be adjusted as requested by UNS. Mr. Klaich stated that it was most disturbing with the very meager recommendations forthcoming from the State, to see Regents take a north/south attitude and it was his hope that they would not "rip apart" the system from within during this Legislative Session. He recognized that there were very serious complaints, which UNS has addressed, but unless full funding is recommended, these complaints should be made to the Governor and the Budget Office.

It was agreed that the only way to work out the inequities was to have fully funded formulas and moving forward in the lock-step situation UNS finds itself does perpetuate them. Dr. Derby stated she was discouraged about ever getting formulas fully funded, and questioned whether UNS should begin to think about other measures to address inequities. The history of the present formulas was reviewed, wherein all Institutions participated with the Legislative Interim Committee when the formulas

were developed. All Institutions made compromises during the process and agreed that the end result was the best possible solution for funding at that time.

Dr. Derby questioned what would happen if the Regents did not agree with the recommendations. It was explained that the Governor makes his recommendations to the Legislature and historically the Legislature has made some changes, but not a great deal. Mr. Sparks related that the Governor's tentative recommendation is for approximately a 6.2% increase over the present 1990 budget. A 5% cut would bring UNS to just above current allotments, but does not take into account any future growth. A 10% cut would amount to \$7.5 million less than current for the first year of the biennium.

Mrs. Gallagher stated that the Regents need to take a very, very active role in selling the UNS needs to the public and to Legislators. Many of the Legislators ran their campaigns on "no new taxes", and while individually they support education, collectively they do not want to increase taxes.

It was pointed out that none of the UNS priority items have been budgeted. The Budget Office has related that over 50% of the State funds are going into growth; that a 1% salary increase for

State employees costs \$11 million.

Mrs. Berkley stated her perception of the Regents' role was to say "no" to cuts, that any cuts would impair the ability to properly prepare students; that UNS is being penalized for its success; and that the Regents must defend the original budget.

Mrs. Gallagher stated that it was not a matter of the Regents "giving in"; that the electorate must be made aware of the needs and the electorate must pressure Legislators to take action.

Mr. Klaich agreed with Mrs. Berkley, stated UNS has significantly forged successful partnerships in education; that UNS has made a significant change in the "brain drain" from the State; that UNS has increased tuition and made significant inroads in "helping itself", and with all this, these recommendations do not meet UNS even half-way. He reminded the Board that whatever UNS does, does not impact the Governor. He stated that if this State wants to lock 5% or 10% out of the UNS budget, then the people responsible should have to cap enrollments for UNS and tell the people the State cannot educate them. He stated he would not vote for any cuts.

Mrs. Berkley suggested a letter be sent to the Governor saying the Regents could not cut their budget and to explain that en-

rollment caps would be necessary. President Crowley stated he felt the Governor does want to promote higher education, and suggested several alternatives the Board might consider:

1) Saying "thanks" for the opportunity to reduce the budget, but the Board does not wish to do so. The Budget Office will make the cuts and the success in overriding the recommendation would amount to about 1 or 1 1/2%.

2) Enrollment caps, which would affect the Institutions differently. UNLV would be more affected than UNR because of the faster growth rate. The budget was prepared on quality education and UNS owes it to those currently enrolled to continue that quality.

3) Cut the budget in some other way, which is very dangerous to do because there is not enough to make those cuts in a systematic, sensible way.

The above suggestions were thoroughly discussed. Enrollment caps would have to be worked out so that all Institutions sacrificed equally, which can be done, but which is very painful. The Regents asked for Presidents to comment. President Remington stated that, in his opinion caps could be ironed out and urged



Regents not to reduce the amount spent per student which would cause a reduction in quality education. President Gwaltney agreed with enrollment caps, but stressed equality in that capping. President Calabro agreed that taking on more and more students and programs must end. President Maxson and Crowley agreed with caps, but cautioned that whatever solution is made, UNS must be ready to live with the consequences. Dr. Richard Brown, Faculty Senate Chairman, UNR, speaking on behalf of the other Chairmen, stated they were distressed over the possibilities, but felt that capping enrollments was the only solution at this time. Mr. Jason Geddes, ASUN President, stated he felt the Governor was saying educational quality will have to take a cut, that the Governor and public should be reminded that students were given a 15% increase in tuition last year and they are doing their part in supporting education.

Mr. Klaich moved to send a letter to the Governor declining to make cuts to the budgets and stating that tentative recommendations are inadequate to meet quality education; that there is a real possibility that if 5% and 10% cuts are made it would require enrollment caps for all Institutions. Dr. Eardley seconded. Motion carried.

Note: The letter sent to the Governor is filed as Ref. B with

the permanent minutes. Filed as Ref. C with the permanent minutes is a statement received from Regent Carolyn Sparks giving her views on the budget recommendations.

The meeting adjourned at 3:45 P.M.

Mary Lou Moser

Secretary

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