



***Nevada Governor's Office of the Western Regional Education Compact
Nevada Western Interstate Commission for Higher Education (Nevada WICHE)***

Commission Meeting Minutes
Tuesday, April 21, 2020
10:00 a.m.-11:00 a.m.

In Attendance:

Fred Lokken: Executive Commissioner, Nevada WICHE
Dr. Gillian Barclay: Nevada WICHE Commissioner
Dr. Thom Reilly: Nevada WICHE Commissioner
David Gardner: Senior Deputy Attorney General, Office of the Attorney General
Jennifer Ouellette: Nevada WICHE Director
Brian Mitchell: Director, Governor's Office of Science, Innovation and Technology (OSIT)

Guests: None

- 1. Call to order.** The meeting was called to order. This meeting was posted in accordance with *Nevada Revised Statute (NRS) 241*, Nevada's Open Meeting Law (OML).
- 2. Public Comment.** There was no public comment.
- 3. Discussion, recommendations, and action, regarding the minutes from the June 19, 2019 and October 23, 2019, Commission meetings.** Director Ouellette stated that only the minutes from the June 19, 2019, meeting were ready. Commissioner Reilly made a motion to accept the June 19, 2019, minutes. Commissioner Barclay seconded the motion. With no further discussion, Commissioner Lokken called for the vote. All voted aye and the motion carried unanimously.
- 4. Committee Appointments.** Commissioner Lokken explained that the number of representatives on the WICHE Legislative Advisory Committee (LAC) had increased from two to four for all the western states. He suggested a balance between political parties and equal representation between Northern and Southern Nevada. He added they would like the representatives to be supportive of WICHE and work together. Assemblywoman Benitez-Thompson and Senator Hardy are the current representatives. Director Ouellette stated she

had spoken with Assemblywoman Benitez-Thompson who recommended Assemblywoman Dr. Robin Titus. Commissioner Reilly made a motion to appoint Dr. Titus to the WICHE Legislative Advisory Council. Commissioner Barclay seconded the motion. With no further discussion, Commissioner Lokken called for the vote. All voted aye and the motion carried.

5. Update and discussion regarding remaining nursing and social work HCAP slots for the 2019-2020 Academic Year. Director Ouellette stated she had wanted to introduce the program's slot matrix, but in the interest of time, she would delay discussion on that item. As an update, funding is still available through the Health Care Access Program (HCAP) for 3 social work slots and 15 nursing slots. She is in contact with Commissioner Barclay to assist in revisions to the nursing applications and circulation of the revised applications to community partners. Director Ouellette also asked to connect with Commissioner Reilly after the meeting for introductions to the right individuals at the UNR and UNLV Schools of Social Work.

6. Strategic Planning Recap. Director Ouellette presented the summary points and recommendations from previous strategic planning sessions held in October and January.

- a) Reduce the number of PSEP veterinary medicine slots and require recipients to specialize in large animals or serve in rural areas
- b) Move all other PSEP fields to the HCAP
- c) Submit legislative changes for the HCAP
- d) Changes to the program name will be required
- e) Structure the program within the Nevada System of Higher Education (NSHE)

Director Ouellette explained her conversation with Regional WICHE regarding the field of veterinary medicine. The Commission cannot require veterinary medicine students to specialize or serve in rural/frontier areas through the PSEP. Workforce data previously reviewed indicate there is an adequate supply of veterinarians in Nevada's urban counties. She recalled the optometry field was phased out of Nevada PSEP once there was a sufficient supply of optometrists and it would not be unusual for Nevada to exit the field of veterinary medicine under similar circumstances.

Commissioner Barclay asked when the last class of veterinary medicine students will graduate. Director Ouellette responded that four new veterinary medicine PSEP students began their studies in Academic Year 2019-2020 and will graduate in 2023. The budget for FY 2021 includes funding for four new veterinary medicine students beginning their studies in Academic Year 2020-2021, however, due to state revenue shortfalls and requested budget reductions, the number of new veterinary medicine students for FY 2021 may be reduced or eliminated. Currently Nevada WICHE is funding 14 veterinary medicine students in total, and each year three to four students will drop off as they graduate saving the program

approximately \$97K to \$129K per year. As more students drop off over the years, that number will get bigger.

Commissioner Reilly asked about the time frame to submit legislative proposals and Director Ouellette indicated proposals that have a budgetary impact need to be submitted by September 1. A discussion ensued regarding the process to develop Bill Draft Requests (BDRs). Director Mitchell proposed that WICHE submit a request to the Governor's Office to use an agency BDR. The Governor's Office is aware of the proposed changes and is supportive of the big picture with Nevada WICHE. He noted the Governor's Office has approximately 119 agency BDRs across all state agencies, and Nevada WICHE's request would be one of hundreds included in the budget build request. Director Mitchell suggested a backup option would be to have their appointed legislative advisory committee representatives sponsor the BDR, though he hoped that would not be necessary.

Commissioner Lokken expressed his appreciation for all of the hard work during the strategic planning sessions and commented that this direction change is exciting and long overdue for the agency. Commissioner Lokken wondered what the Commissioner desires for a name change as it relates to moving the PSEP fields to the HCAP. Director Ouellette explained that it makes sense if the PSEP fields are moving to the HCAP, to call the organization HCAP. She noted that *Nevada Revised Statutes (NRS) 397* refers to the agency as WICHE, despite WICHE being the nonprofit organization based out of Boulder, Colorado, that manages the compact across all western states. Exiting the PSEP would only effect the budget. The Commissioners would remain WICHE Commissioners, the state would remain in the WICHE compact and continue to pay WICHE dues. The Nevada Commissioners role in the HCAP may be different depending on the structure of the program that is approved. With no further questions, Commissioner Lokken introduced Item 7.

- 7. Discussion, recommendation, and action regarding veterinary slots for the 2021-2023 biennium.** Commissioner Reilly made a motion to exit out of the field of veterinary medicine for new students in the 2021-2023 biennium (state fiscal years 2022 and 2023). Commissioner Barclay seconded the motion and with no further discussion Commissioner Lokken called for the vote. All voted aye and the motion passed unanimously.
- 8. Discussion, recommendation and action regarding moving all slots outside of veterinary medicine from the PSEP program to the HCAP program for the 2021-2023 biennium.** Commissioner Reilly made a motion to move all slots outside of veterinary medicine from the WICHE Professional Student Exchange Program (PSEP) to the Nevada Health Care Access Program (HCAP) for new students in the 2021-2023 biennium (state fiscal years 2022 and 2023). Commissioner Barclay seconded the motion and with no further discussion, Commissioner Lokken called for the vote. All voted aye and the motion passed unanimously.
- 9. Update on requested budget cut proposals for the current biennium due to the COVID-19 crisis.** Director Ouellette stated the Governor has requested proposals of every state agency representing budget reduction scenarios of 4% in FY 2020 and multiple scenarios of 6%, 10%

and 14% for FY 2021. Nevada WICHE has two budgets, a program budget and an administrative budget. Both are small budgets so reductions of any percentage can have a large impact.

With respect to the program budget, the 2019 Legislature appropriated General Funds of \$77,000 to the program budget to support geriatric training. For FY 2020, Nevada WICHE proposed to cut spending for this purpose by \$38,500. For FY 2021, the director proposed multiple different reduction scenarios to new PSEP students beginning their studies in the 2020-2021 academic year to meet the request by the Governor. It was uncertain at this time which scenario might be approved.

With respect to the administrative budget, the agency proposed to cut costs for a temporary contractor in FY 2020. For FY 2021, the director proposed salary savings associated with keeping the Accountant Technician position vacant but noted the organization is not set up to operate with only one employee. She can continue to function without assistance in the short-term, but it is not a long-term solution and referred to Agenda Item 11 for further discussion. With no further questions or discussions, Commissioner Lokken introduced Agenda Item 10.

10. Legislative Counsel Bureau Audit Findings and Recommendations. Director Ouellette explained the organization has been undergoing a legislative audit by the Legislative Counsel Bureau (LCB) Audit Division spanning state fiscal years (FY) 2018 and 2019. The key findings of the audit indicate that critical program functions were either not performed at all, or were performed inaccurately and inconsistently. She stated that in a two-person organization, any turnover or personnel issues such as those experienced can have a significant detrimental impact to operations. A lot of cleanup work is necessary, and she is reviewing every single open account for errors or missing documentation. She noted the Commission has already taken a big step in reducing administrative burdens and simplifying the program going forward by eliminating the loan component for the HCAP and reducing interest rates for the PSEP. She has submitted a response to the LCB Audit Committee and is developing a plan of corrective action. Commissioner Barclay wondered if Director Ouellette had the capacity to continue operating as a single person agency considering the audit issues, the proposed legislative changes, and all of the cleanup work in addition to the daily programmatic functions. Director Ouellette responded that in the present state of disarray, it is overwhelming, but she hopes it is temporary. The program is in good shape looking forward, it is the cleanup work from open and dated student accounts in the past that will be the biggest challenge. Many open accounts are dated by five or ten years; some by multiple decades. The director stated she had hired a temporary contractor to assist in cleaning up old files and flagging those that needed her attention. The current realities of the pandemic had put a halt to that assistance. She will continue working on cleaning up dated student files without any extra help, but it will take more time than initially estimated. In the long term, the day-to-day operation of this program does need to change. Commissioner Reilly asked if moving to NSHE would be beneficial. Director Ouellette stated that being part of a larger organization with access to administrative assistance and shared resources would be extremely beneficial.

Commissioner Lokken stated he believes the Commission can make a good argument to keep the vacant position open. Director Mitchell was optimistic that offering up salary savings will not compromise the position in the long run. At the start of the pandemic, the Governor

initiated a hiring freeze, so even if the director had started the process of filling the vacant Accountant Technician position, she would have been unable to complete it.

Director Mitchell asked what the long-term workload would be for the agency once the current organizational problems are resolved. Director Ouellette stated she is working on improving automation for routine program functions. She thought that with increased administrative support and automation, and simplification of program operations, her workload would decrease significantly. Commissioner Lokken noted that community partnerships have been lost over the years, and as more of her time is freed up, she will be able to identify, build and maintain relationships throughout Nevada to strengthen the program. Commissioner Barclay expressed an interest in pursuing grant funding to replace student-derived revenues.

Commissioner Reilly asked if there was a motion for this agenda item. Director Ouellette noted the audit was made public in February and could not be discussed in a public meeting until it was approved by the Legislative Commission's Audit Subcommittee. This item was informational and no motion is necessary. Commissioner Lokken looked forward to putting this organization on stronger footing going forward.

- 11. Discussion, recommendations, and action regarding name change and organizational structure for the 2021-2023 biennium.** Director Ouellette requested to move this agenda item to the next meeting in the interest of time. Commissioner Reilly asked what the director was looking for in feedback and a discussion ensued concerning previous conversations during the strategic planning sessions to move Nevada WICHE back to the Nevada System of Higher Education (NSHE). Director Ouellette asked what does the Commission want the program to look like going forward, i.e., once the organization is running smoothly, administrative burdens associated with the loan component are removed, and resources are leveraged by operating within NSHE - the program may not require the same level of staffing. Commissioner Reilly committed to following up with the Chancellor's Cabinet. Commissioner Barclay inquired as to the organizational structure when Nevada WICHE was part of NSHE previously. Commissioner Lokken responded that Nevada WICHE was attached to the Vice Chancellor of Finance. Prior to that, Nevada WICHE was a fully independent agency. Every other western states includes their WICHE program in the office of higher education and NSHE is a natural fit.

Director Mitchell suggested consideration of the Nevada State Office of Rural Health within the UNR School of Medicine as there seemed to be overlap and similarities between the office and Nevada WICHE. Commissioner Reilly did not see the overlap and expressed concern that such a move would form a bias against Southern Nevada; while the Office of Rural Health is a statewide agency it is located within the UNR School of Medicine. NSHE would be a better fit. Commissioner Lokken asked Commissioner Reilly to report back on his findings at a later date. In closing, Director Ouellette asked each member to email her with any suggestions.

- 12. Public Comment.** There was no public comment.

- 13. Adjournment.** With no further business, the meeting was adjourned.