

**Nevada Office of the Western Interstate Commission for Higher Education  
(Nevada WICHE Commission) Minutes**

Nevada System of Higher Education  
System Administration Building  
2601 Enterprise Road  
Reno, NV 89512  
Room 114

Video or Telephone Conference Connection from the Meeting Site to:

Zoom  
Telephone: 1-669-9009128  
Meeting ID: 928 0895 2358  
Passcode: 003143

Friday, December 8, 2023, 3:00 pm

**Members Present:**

Mr. Fred Lokken, Executive Commissioner  
Ms. Cathy Dinauer, Commissioner  
Mr. Dale Erquiaga, Commissioner

**Others Present:**

Ms. Patty Porter, Director, Nevada Office of WICHE  
Ms. Carrie Parker, Deputy General Counsel, NSHE  
Dr. Daniel Archer, Vice Chancellor, Academic and Student Affairs,  
NSHE  
Mr. Rhett Vertrees, Assistant Chief Financial Officer, NSHE  
Ms. Donna Healy, Executive Assistant, Academic and Student Affairs  
Ms. Sheila Bray, Community Partnerships Coordinator for Clark County,  
Extension, University of Nevada, Reno

Executive Commissioner Fred Lokken called the meeting to order at 3:00 pm.

**1. Information Only – Public Comment**

There was no public comment.

- Carrie Parker, Deputy General Counsel, noted that since the Las Vegas System Administration office is closed, the meeting telephone number has been made available to members of the public.
- Deputy General Counsel Parker also noted that the Nevada Attorney General's Office was consulted regarding law enforcement requirement of the secondary meeting site building being closed and the inability to post a sign at the building. With the provision of a telephone number available to public the Nevada Attorney General's Office, she did not see a violation of Nevada's Open Meeting law.

## **2. Approved – Minutes**

The Nevada WICHE Commission approved the minutes from its October 19, 2023 meeting. (*Ref. 2-WICHE Commission Meeting Minutes, October 19, 2023*)

Commissioner Dinauer moved approval of the October 19, 2023 meeting minutes. Commissioner Erquiaga seconded. Motion carried unanimously.

## **3. Commissioner Updates**

The WICHE Commissioners provided the following updates on their activities as commissioners:

- Executive Commissioner Lokken noted that conversations are ongoing regarding the upcoming meetings.
- The May 6-7, 2024 [Commission](#) meeting will be held in Las Vegas, NV.
  - The focus will be on workforce in higher education with a focus on Nevada programs.
    - Please contact Director Porter with any ideas.
  - There may be a bus tour of Red Rock or there may be an opportunity to visit the Las Vegas strip.
  - At the recent commission meeting in Riverside, discussion regarding Pacific islander members heavy use of [Western Undergraduate Exchange](#) (WUE), relative to the Pacific islander members' needs and challenges; there is some interest in gaming industry courses that have the potential to boost their economies.
  - We will continue to provide updates regarding artificial intelligence (AI).
- Commissioner Dinauer expressed her appreciation for being able to attend the meeting in Riverside; her committee, policy research, focused on workforce shortages.
- Commissioner Erquiaga echoed that appreciation and noted that, in advance of the annual budget request, conversation should occur regarding [Nevada's Health Profession Education Program](#) (HPEP) and possible funding requests to other agencies.
  - A multi-session conversation regarding financial aid policy in the state could occur; the Nevada Office of WICHE is a tiny part of the state's financial aid hodgepodge and it could be a lot larger if folks understood the mechanism and it how it works with other professions such as workforce development boards.
- Commissioner Erquiaga shared that he recently heard from the national head of chief state school officers, a former colleague, who just returned from the territories.
  - Commissioner Erquiaga stated that he feels that it might be good time to initiate conversation regarding the K-12 level and noted that he will facilitate those connections.
- Executive Commissioner Lokken discussed participating in a WICHE funding conversation regarding K-12 with the WICHE President and focus on topics such as dual credit.
- Executive Commissioner Lokken noted that he is advocating at the executive level with regional WICHE President for the creation of special fund which would be managed by regional WICHE, related to technology and higher education workforce.
  - Regional WICHE would challenge the states to contribute, possibly a million dollars, to accelerate the creation and activation of programs in the west to lead in the skillsets needed by professionals to maintain the rapidly transforming technology structure.
  - The funding would be distributed to campuses to develop relevant programs, enabling us to build our workforce instead of obtaining it from elsewhere.
  - This model would give us leadership in the west.

## **4. Director Update**

Director Porter shared the following:

- The proposed Nevada Administrative Code (NAC) regulations adopted by Nevada WICHE Commission on October 19, 2023, were submitted to Nevada Legislative Counsel Bureau (LCB) Legal Division on December 5, 2023.
  - The regulations are under review and we anticipate submission for codification to the Nevada Legislative Commission in February, 2024.
- Update on the selection of 2023-2024 Nevada Office of WICHE stipend grant recipients:
  - Professional Student Exchange Program (PSEP)
    - Total projected slots approved for 2023-2024 are 38, with 37 slots filled.
    - Total PSEP stipend grant stipends expensed is \$683,250.
      - 4 (3 new, 1 continued) Occupational Therapy, 8 (8 continued only) Physical Therapy, 11 (9 new, 1 continued) Physician Assistant, 4 (3 new, 1 continued) Veterinary Medicine, and 10 (1 new, 9 continued) Accelerated 3 yr. Pharmacy.
    - The unfilled slot is for one continuing Physical Therapy participant who was projected to complete in 2023-2024 but completed in 2022-2023.
      - We are holding off filling that slot due to \$9,224.22 from 2021-2022 that needs to be returned to state when it closes fiscal year 2024.
  - Health Profession Education Program (HPEP)
    - The total projected number of slots approved is 49 with 32 slots filled.
    - The total HPEP stipend grant stipends expensed is \$222,100.
    - Slots needed to fill include:
      - 3 Master of Social Work slots, 2 Advanced Practice Nursing slots and 12 RN to BSN slots.
        - Of the 12 RN to BSN slots filled 4, have been identified and we are currently working with pilot schools on identifying additional applicants.
        - If we are unable to fill slots will come back to the Commission to receive approval to open them to additional NSHE institutions.
      - UNR HPEP recipients include: 9 Advanced Practice Nursing, 5 Gerontology Nurse Practitioner, and 1 Master of Social Work.
      - UNLV HPEP recipients include: 6 Advanced Practice Nursing and 8 Master of Social Work.
      - Out of State Online programs include: 3 Advanced Practice Nursing (Norwich University, Frontier Nursing University, and the University of South Alabama).
- Update on the Nevada Office of WICHE Support Position:
  - Funding is not available in 2024-2025 to upgrade the Accountant Technician I position to Management Analyst I.
  - Director Porter is working with NSHE Human Resources to acquire the Accountant Technician I list from state and repost positions.
  - The challenge with the Accountant Technician 1 position is the requirement of six college credits in beginning accounting courses, such as business accounting, which are not offered locally.
  - Executive Commissioner Lokken noted that there is wonderful certificate program at TMCC; it would make sense as a requirement for the position.

## Discussion

- Commissioner Dinauer asked if the RN to BSN program participants are required to progress to a nurse practitioner program.
  - Director Porter noted that the current requirement is RN to BSN, with the goal to encourage progression.
- Executive Commissioner Lokken asked if the amount of spring HPEP slots will rival the number the PSEP slots.

- Director Porter stated that numbers are getting closer to each other; this year there is a slight decrease in PSEP and a little increase in HPEP, within the existing budget.
- Executive Commissioner Lokken noted that PSEP has been successful, but it is becoming a victim of its own success.
  - A consultant's report is available which makes some recommendations and indicates that technology has been left out.
  - HPEP programs are more valuable to the critical needs of the state and may providing more opportunities for the Pacific Islander students.
  - There is more interest in online professional programs.
  - Director Porter noted that related discussion can take place at upcoming an WICHE Commission meeting and a strategy session in January.
    - PSEP was meant to be for states that did not already have professional programs.
- Executive Commissioner Lokken noted that funding for a position was provided through the project for veterinarians.
  - Carrie Parker, Deputy General Counsel, noted that funding is an appropriation for SB342, which says that the money appropriated may only be allocated upon submittal by the Nevada Office of WICHE upon having a signed contract.
  - Director Porter shared that salaries are paid out of administrative accounts and loans / stipends are in another account; the funds cannot be co-mingled.

**5. Update on the Nevada Office of WICHE 2022-23 Financial Statement Submitted to the State of Nevada Controller's Office**

- Rhett Vertrees, NSHE Assistant Chief Financial Officer, discussed the 2022-23 Nevada Office of WICHE, financial statement, which was submitted to the State of Nevada Controller's Office and approved on November 1, 2023.
  - He noted that, due to the administrative agreement between the State of Nevada and NSHE, he is not independent of WICHE and that he did not audit or review the financial information.
- The state was provided with the reconciled loan receivables numbers and financial statements; those numbers have been reconciled to the ECSI records and should be in good shape.
- As discussed with the state, the financial statements are prepared on a cash basis; they are not a full accrual accounting.
- The loans need to be identified and and tied back to the budget figure and to actual figures from the prior year.
- The total loan receivables number was \$926K.
  - This may be more than was expected.
  - There was an adjustment write-off several years ago which included the whole payoff amount as a reduction in loans receivable, including the full payment amount and excluding the penalties and fees, which resulted in a discrepancy of about \$329K.

**Discussion**

- Executive Commissioner Lokken and Director Porter expressed thanks to Assistant CFO Vertrees for his time, for bringing stability and transparency to the Commission.
- They also expressed thanks to the NSHE finance staff for their support, and to former NSHE CFO, Andrew Clinger.
- Assistant CFO Vertrees noted that the finance team has been working with Director Porter and that all the records were in really good order.

## **6. Update on Contract Negotiations with Utah State University (USU) to Implement SB342**

Carrie Parker, Deputy General Counsel, stated that they are not as far along in the process as they hoped to be by this meeting, but this is an unprecedented bill.

- All the funding is to be provided up front (\$8M) before any services are delivered, which is a very unusual contract.
  - Normally you would pay some down and pay as you go.
  - Director Porter and Deputy General Counsel Parker informed USU Counsel that the contract must come back to the Commission for directives and approval.
- We believe we have a meeting of the minds.
  - We need to get the language down to where it needs to be, keeping in mind that this is a contract that will last ten years and staffing at NV WICHE and USU may change; we need to tie it up very tightly for the contingency.
- Things we have gone back and forth when considering possible scenarios such as what happens if there is a termination of the contract, but there are still students who are stipend recipients who want to complete their programs.
- We want to protect the students and we need to know where that money will reside.
  - After some consideration it was determined that NV WICHE cannot hold the money and that it needs to stay with USU.
  - Other items to figure out include what the accounting will look like, and fulfilling the agreement with NV WICHE program as well as academic progress with USU.
- We contemplated providing the Commission with a draft contract but knowing that it has not been approved by USU administration and possible changes might still be coming, plus having as agenda item subject to Open Meeting law, it would be scrutinized thus the draft is not present today.
  - The desire was to give the Commission time to digest the draft contract, thus the reason why one was not provided for approval at this meeting.
- We will not make the deadline for the February 8, 2024, Interim Finance Committee (IFC) meeting; to submit for that meeting, it would have had to be fully executed by both parties and submitted to the Governor's Finance Office first by December 20, 2023.
  - Senator Goicoechea was informed of this information.
- At the last WICHE meeting, three benchmarks were discussed.
  - The first benchmark is for USU to receive the letter of reasonable assurance by December 2024 from the accrediting body.
  - The letter is intended to allow USU to be able to advertise, recruit, and accept students.
- Upon consultation with finance experts, the idea to release funds when the letter is received in December 2024 will not work out since the approval of funds on April 10, 2024 by IFC would cross two fiscal years.
- Ideally, the contract will be provided to the Commission at least two weeks prior to the WICHE Commission meeting.
  - To remain in compliance with the Open Meeting Law, individual attorney/client conversations would be held with Commissioners prior to a Commission meeting to allow time for review.
- Executive Commissioner Lokken noted that, pending an agreement, he does not have a problem with this happening in the current fiscal year.
- Deputy General Counsel Parker stated one of the options discussed and agreed upon with USU is for NV WICHE to be able to "roll over" and award vacant slots to qualified NV students.

- Another issue was regarding support for Nevada students; USU has indicated that they will agree to use reasonable efforts to arrange the “7<sup>th</sup> semester” clinical rotations in Nevada which is the summer before the fourth year.
- Recruitment was another one of the issues; NV WICHE will not be recruiting students for the program, but USU will coordinate with Nevada higher education institutions for recruiting.
- Possible termination options (prior to the involvement of any students) were discussed:
  - One way for the agreement to terminate (prior to funding) would be an agreement between USU and NV WICHE to (without cause) go their separate ways.
  - If the IFC does not appropriate the \$8M, the contract could be terminated or re-negotiated.
  - If a letter of reasonable assurance is not provided by USU by December 1, 2024, NV WICHE will have the option to terminate the agreement.
    - Since that would happen prior to the beginning of the legislative session, NV WICHE would have the option to go back to the legislature and ask them to reevaluate this deal.
- Possible termination options (involving students) were also discussed:
  - There needs to be consideration regarding students who are in the pipeline for veterinary programs.
    - Language is being developed on how to track the funds for students in good academic standing who have indicated that they want to complete the program, regardless of any program termination.
    - In that scenario, NV WICHE would receive the portion remaining of the original \$8M and needs to be able to designate funds to those students who wish to remain in the program.
- Executive Commissioner Lokken noted that regarding the December 2024 deadline, moving forward depends on the nature of the letter of reasonable assurance that is received.
  - The University of Arizona received a letter that identified what needed to be done, and they were unable to do those things right away.
  - If issues that can be addressed are in the letter, we may not want to terminate the contract.
  - Director Porter noted that if the letter of reasonable assurance is not obtained, USU will have to wait a full year to reapply.
- Deputy General Counsel Parker explained that if there is a mutual agreement by either party to terminate the contract, USU has agreed to give back the balance of the “Nevada Stipend Fund” with one-half of the interest (less any committed funds for students who wanted to complete program) to the State of Nevada general fund (not the NV WICHE fund).
  - For clarification USU will put the \$8 million dollars from Nevada in an index fund designated the “Nevada Stipend Fund” and tracked.
  - The fund will be conservatively held.
- Deputy General Counsel Parker then explained termination without cause, which means the other side did not do anything wrong, but one side wants out.
  - If USU terminates without cause the balance of stipend fund which would include interest would go to NV WICHE less any committed funds for students who wanted to stay.

- If NV WICHE terminates without cause the balance of the stipend fund still goes back to NV WICHE but NV WICHE does not get committed funds to the students who want to stay, or the interest accrued.
- Deputy General Counsel Parker explained termination procedures related to the benchmarks.
  - If full accreditation is not achieved by December 2029, students would be in the pipeline, NV WICHE will receive the balance of the stipend fund (with some interest), but not the committed funds for the students who want to stay.
  - If we do not achieve the 70 Nevada residents benchmark, NV WICHE can terminate the contract; the money remaining with interest would be returned to the State of Nevada, less the committed funds for the students who want to stay.
  - If there is any other kind of breach leading to termination for cause, unrelated to the benchmarks, the same logic as previously discussed will apply.

## Discussion

- Executive Commissioner Lokken stated that all of the points regarding termination are all legitimate and rhetorically asked how many Nevada student candidates would be needed in order to achieve the 70 required students; he noted that we have work to do.
  - Deputy General Counsel Parker noted that as an observer and not making a legal comment, it is encouraging to hear about the number of HPEP and PSEP slots being awarded to Nevada residents who are attending non-NSHE institutions.
  - Director Porter explained that the challenge is that USU cannot recruit until it gets the letter of reasonable assurance.
    - The [American Veterinary Medical Association](#) (AVMA) Council on Education meets in March 2024, and then September 2024, after which they will have 30 days to notify the institution.
      - USU may not obtain their letter until November 2024.
      - Executive Commissioner Lokken noted that in regard to the 70 students, there is not a yearly quota in the bill.
- Deputy General Counsel Parker noted that there have been discussions with USU's legal counsel regarding:
  - Choice of law and venue; as a compromise, the topic will be left silent in the contract.
  - Also, there will be no 3<sup>rd</sup> party beneficiary in the contract, precluding student lawsuits; it is just between NV WICHE and USU.
- Appreciation and thanks for a job well done by Deputy General Counsel Parker and Director Porter was expressed by Commissioner Erquiaga and Executive Commissioner Lokken.
- Commissioner Dinauer asked if we need action on the agenda item. Deputy General Counsel Parker indicated that there was no need for action unless desired by the Commissioners and expressed thanks to her counterpart at USU, Ryan Brady.
- Sheila Bray, Community Partnerships Coordinator for Clark County, Extension, University of Nevada, Reno, inquired about the timeline and final contract presentation to the Commission.
  - Deputy General Counsel Parker confirmed that the plan is to submit the item to IFC in April 10 and that the Governor's Finance Office (GFO) deadline is February 21, 2024.

- The goal is to have an agreement that USU administrators have agreed to and ready by the end of January as an action item on the January public Nevada WICHE Commission meeting agenda.
- Ms. Bray expressed her thanks to all for their work on this process.
- Deputy General Counsel Parker thanked Ms. Bray for her input throughout the process and invited her to show support during the IFC and GFO meeting processes.
- Executive Commissioner Lokken agreed with the timeline and reiterated that the draft contract will be included on the next meeting agenda as an action item (part of the public record) once it is posted.
- The Commissioners agreed upon meeting on Thursday, January 25 for the next NV WICHE meeting at 3pm and Thursday, February 1 at 1pm for the strategy session for the upcoming biennial budget.
- Director Porter expressed gratitude to the Executive Assistant of Academic and Student Affairs, Ms. Donna Healy, for assistance in securing rooms for NV WICHE.

**7. Commission Delegation to Director**

- Director Porter read and explained the agenda item to the Commissioners.
- Executive Commissioner Lokken noted that this has been the past-practice for NV WICHE and that in the event of any program participant decisions in disagreement with the Director’s decision, the Commission will act as an appeal body.

Commissioner Erquiaga moved approval of delegating to the Director of Nevada Office of WICHE the authority to act on their behalf regarding reduction of a stipend recipient’s service obligation, decreasing the amount owed under the loan for time participant practiced the profession, reducing the period of required practice, exempting or extending period for participant to complete required practice, and awarding credit on loan for professional services provided without compensation. Commissioner Dinauer seconded. Motion carried unanimously.

**8. New Business.**

- There was no new business.

**9. Public Comment.**

- There was no public comment.

Meeting adjourned at 4:27 pm

Prepared and submitted by:

Patty A. Porter

Director, Nevada Office of WICHE