CONTRACT BETWEEN

NEVADA OFFICE OF WESTERN INTERSTATE COMMISSION ON HIGHER EDUCATION

AND

UTAH STATE UNIVERSITY

This CONTRACT ("<u>Contract</u>") is made and entered into as of last date any authorized signatory affixes his/her signature below ("<u>Effective Date</u>") by and between NEVADA OFFICE OF WESTERN INTERSTATE COMMISSION ON HIGHER EDUCATION, created by NRS 397.030 ("<u>Nevada WICHE</u>"), having an office at 2601 Enterprise Road, Reno, Nevada 89512-1666 and UTAH STATE UNIVERSITY, an institution of higher education and an agency of the state of Utah ("USU"), on behalf of its College of Veterinary Medicine, having an office at 5605 Old Main Hill, Logan UT 84322. Nevada WICHE and USU may be referred to herein as "<u>Party</u>" and collectively as the "<u>Parties</u>."

WHEREAS, this Contract is entered into pursuant to Senate Bill 342 of the 82nd session of the Nevada Legislature (2023) ("<u>S.B. 342</u>").

WHEREAS, subsection 1 of section 2 of S.B. 342 makes an appropriation from the Nevada State General Fund to the Interim Finance Committee for allocation to the Nevada WICHE to enter into a contract with USU for a program to provide stipends for the out-of-state portion of tuition for 70 residents of Nevada to earn a degree of Doctor of Veterinary Medicine ("<u>DVM</u>") from the College of Veterinary Medicine at USU. For purposes of NRS Chapter 397, a Nevada resident must have at least 1 year's residence in Nevada immediately before applying for the stipend program.

WHEREAS, subsection 3 of section 2 of S.B. 342, provides the following: "Any remaining balance of the appropriation made by subsection 1 must not be committed for expenditure after June 30, 2025, by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 19, 2025, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the State General Fund on or before September 19, 2025."

WHEREAS, Nevada Legislative Counsel Bureau issued a formal opinion providing the following: "Based on the language and intent of SB 342, any money appropriated by the bill that is allocated by the Interim Finance Committee to the [Nevada] WICHE and that is paid by [Nevada] WICHE to Utah State University pursuant to a contract to carry out the program required by the bill would not be required to revert to the State General Fund if Utah State University did not spend that money before the reversion date set forth in the bill. This conclusion applies only to any requirement set forth in SB 342 for the reversion of money to the State General Fund and we express no opinion concerning the circumstances under which the terms of any contract between the [Nevada] WICHE and Utah State University require Utah State University to repay money to the State of Nevada." See Exhibit A.

WHEREAS, testimony in support of S.B. 342 during the 2023 Nevada legislative session supported the critical need for more licensed veterinarians in the State of Nevada and the intent that Nevada secure "seats" for 70 residents of Nevada to earn a degree of DVM from the College of Veterinary Medicine at USU.

WHEREAS, the USU College of Veterinary Medicine was established in 2022 as a four-year DVM program ("<u>DVM Program</u>"). USU is currently pursuing full accreditation for its DVM Program through the American Veterinary Medical Association Council on Education ("<u>AVMA COE</u>"). USU is initially seeking provisional accreditation through a "Letter of Reasonable Assurance" from AVMA COE by December 1, 2024 thereby permitting USU to recruit and admit students for the fall of 2025. USU may thereafter obtain full accreditation by AVMA COE after the first cohort of students graduates from the DVM Program.

WHEREA, the Executive Director of the State of Nevada Board of Veterinary Medical Examiners has issued a letter stating that "the State of Nevada Veterinary Board will accept provisional accreditation of an educational program for veterinary medicine degree that is provisionally accredited by the Council on Education of the American Veterinary Medical Association (AVMA)." *See* Exhibit B.

The above Recitals and Exhibits A and B attached hereto are incorporated by this reference and expressly made part of this Contract.

NOW, THEREFORE, in consideration of the foregoing and the terms and conditions herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by all parties, Nevada WICHE and USU agree as follows:

- 1. **Effective Date and Term**. This Contract shall be effective from the Effective Date to June 30, 2034 ("<u>Term</u>"), unless sooner terminated or revoked pursuant to the terms herein.
- 2. **Coordination**. The Parties agree that the implementation of the duties and obligations set forth in this Contract requires the coordination and collaboration of each Party. The Parties designate the following individuals as the primary contact points for implementation:

USU- Nevada WICHE-Name: Cathy Kovarik Name: Patty Porter

Title: Director of Admissions, College of Title: Director, Nevada Office of WICHE

Veterinary Medicine Phone: 775-784-3449

Phone: 435-797-1477 Email: nvwiche@nshe.nevada.edu

Email: cathleen.kovarik@usu.edu

The Parties agree to notify the other Party in writing if contact points change during the Term. The Parties agree to meet at least annually (at or around the beginning of each academic year) to coordinate efforts and evaluate the prior year's activities.

3. Payment and Stipend Fund.

a. <u>Payment</u>. Nevada WICHE agrees to pay a lump sum of eight million dollars (\$8,000,000.00) ("<u>Payment</u>") to USU prior to June 30, 2025. The Payment shall be made

payable to "Utah State University" and delivered by a means to be agreed upon by the Parties (whether electronic funds transfer, check, etc.).

b. <u>Stipend Fund</u>. USU agrees to deposit the Payment in an interest accruing fund which will be managed in keeping with USU's financial and investment policies and procedures (the "<u>Stipend Fund</u>"). The Stipend Fund will be used by USU to pay for the difference between in-state tuition and out-of-state tuition for Nevada-resident students who are (i) admitted to the DVM Program by USU <u>and</u> (ii) selected by Nevada WICHE in keeping with the terms of this Contract (hereinafter "<u>Stipend Recipient(s)</u>") (see Section 4 for DVM Program Admissions and Section 5 for the selection of Stipend Recipients). This financial benefit will be available to each Stipend Recipient for a total of eight fall and spring semesters between the Effective Date and June 30, 2034 (note that tuition for the Semester No. 7 will be the same for in-state and out-of-state students). USU accepts the Payment as a complete substitute for the difference between out-of-state tuition and in-state tuition for seventy (70) Stipend Recipients (total 280 academic years or 560 fall and spring semesters) regardless of any tuition or clinical cost overruns that may arise, unforeseen costs, tuition increases, or other factors that may arise during the Term.

4. **DVM Program Admissions**.

a. <u>DVM Program</u>. The DVM Program will include nine semesters, with three semesters of programming during the fourth clinical year as illustrated below:

	Summer	Fall	Spring
Year 1	NA	Semester No. 1	Semester No. 2
Year 2	NA	Semester No. 3	Semester No. 4
Year 3	NA	Semester No. 5	Semester No. 6
Year 4	Semester No. 7	Semester No. 8	Semester No. 9

The Parties understand and USU agrees that there will be no differential between in-state and out-of-state tuition for Semester No. 7.

- b. <u>Sole Discretion</u>. The Parties agree that USU has sole and exclusive discretion as to the admissions of students into the DVM Program.
- c. <u>Notification of Admitted Nevada Residents</u>. USU will notify Nevada WICHE of all students admitted to the DVM Program who claim Nevada residency ("<u>Admitted Nevada Students</u>") from the Effective Date until October 1, 2030. USU anticipates that such notification will be provided within a reasonable time of the application deadline for a given DVM Program class (*e.g.*, Class of 2030, etc.). Typically, an initial ranked list of Admitted Nevada Students will be provided to Nevada WICHE; however, notification will be ongoing as applicants claiming Nevada residency may move from a waitlist to "admitted" during USU's admissions process. Admitted Nevada Students will be informed by USU to contact the Nevada WICHE for more information about Stipend awards and the associated process.
- d. <u>No Contingency</u>. The Parties agree and understand that any offer of admissions to the DVM Program from USU to an applicant claiming Nevada residency will NOT be contingent upon said applicant being selected by Nevada WICHE to receive a Stipend.

5. Stipend Recipients.

a. <u>Selection</u>. Nevada WICHE will administer a process for validating Nevada residency of Admitted Nevada Students and for selecting Stipend Recipients. Each

Stipend Recipient will be required to enter into a contract with Nevada WICHE, which will outline the obligations between Nevada WICHE and the Stipend Recipient, the terms of which shall be solely between the Stipend Recipient and Nevada WICHE. The Parties agree that selection of Stipend Recipients is at the sole discretion of Nevada WICHE and that USU will have no input other than providing Nevada WICHE with a ranked list of admitted Nevada resident applicants. Nevada WICHE agrees to administer the selection process in a reasonably timely manner.

- b. <u>Notification of Stipend Recipients</u>. Nevada WICHE will notify USU in writing of all: (i) newly selected Stipend Recipients within a reasonable time of their initial execution of the contract required by Nevada WICHE; and (ii) Stipend Recipients who have breached or terminated their contract with Nevada WICHE prior to the beginning of each applicable fall semester.
- c. <u>Stipend Fund Withdrawals</u>. Tuition will be assessed at the beginning of each semester. USU will withdraw the difference between in-state tuition and out-of-state tuition from the Stipend Fund for each Stipend Recipient identified by Nevada WICHE at the beginning of each fall and spring semester, at a time at or around the date tuition is due for the upcoming fall or spring semester. The specific amount withdrawn at the beginning of each fall and spring semester will depend on the then actual tuition, which is expected to gradually increase each year during the Term. USU agrees that Stipend Recipients will not be billed tuition in excess of instate tuition.
- d. <u>Annual Number of Stipend Recipients</u>. The Parties recognize that the number of Stipend Recipients may vary from year-to-year. Although the selection of Stipend Recipients is at the discretion of Nevada WICHE, the initial NUMBER of Stipend Recipients for a given class will be agreed upon by the Parties, with the mutual objective of reaching the target of seventy (70) Stipend Recipients selected by October 1, 2030.
- e. <u>Withdrawal or Ineligibility</u>. The Parties agree that if a Stipend Recipient (i) withdraws from or is otherwise unable to complete the DVM Program, or (ii) breaches or terminates their contract with Nevada WICHE, then Nevada WICHE will have the option of awarding any funds that would have been otherwise directed to that Stipend Recipient to another Stipend Recipient. This option may be exercised at the discretion of Nevada WICHE in any upcoming fall or spring semester for any Stipend Recipient. Nevada WICHE will notify USU in writing of any Stipend Recipients who breach or terminate their contract with Nevada WICHE. USU will notify Nevada WICHE of any Stipend Recipients who withdraw or are otherwise unable to complete the DVM Program.
- f. Annual Report on Stipends. At or around the end of each spring semester, USU will provide Nevada WICHE a report detailing: (i) the current balance of the Stipend Fund; (ii) a schedule that includes the current and projected in-state and out-of-state tuition for the DVM Program; and (iii) the names, academic standing, and financial benefits received by each Stipend Recipient. Nevada WICHE acknowledges that information required by (iii) shall be treated as Student Confidential Information, as defined in Section 14.

6. Support for Nevada Students.

a. <u>Clinical Rotations</u>. USU agrees to use reasonable efforts to arrange clinical rotations in Nevada during the fourth year for Stipend Recipients.

b. <u>Recruiting</u>. USU agrees to coordinate with Nevada higher education institutions (e.g., University of Nevada Reno and University of Nevada Las Vegas) regarding the recruitment of Nevada-resident students to the DVM Program. USU will provide Nevada WICHE with an annual report regarding such efforts. This report will be delivered on or around the beginning of each academic year.

7. Accreditation.

- a. <u>Annual Reporting</u>. Up and until USU achieves full accreditation for the DVM Program, USU agrees to provide Nevada WICHE with an annual report of DVM Program accreditation status. This report will be delivered on or around the beginning of each academic year.
- b. <u>Timeline Deviation</u>. If at any time, accreditation deviates from the planned timeline (steps needed for a "Letter of Reasonable Assurance" by December 1, 2024 and full accreditation by December 1, 2029), USU agrees to coordinate with Nevada WICHE regarding contingency planning. Nevada WICHE agrees to maintain confidentiality of any confidential accreditation information USU shares with Nevada WICHE so long as USU notifies Nevada WICHE in writing that such information is confidential, unless such accreditation information is made public by AVMA COE or USU.

8. **Termination.**

- a. <u>Termination prior to Final Appropriation of Funds</u>. This Contract may be terminated without cause by either Party prior to the final appropriation of funds from the Nevada Legislature Interim Finance Committee by providing written notice to the other Party. Such a termination shall be effective thirty (30) days after such notice is received by the other Party.
- b. <u>Termination based on Lesser Appropriation</u>. This Contract may be terminated without cause by either Party if the Nevada Legislature Interim Finance Committee provides less than eight million dollars (\$8,000,000.00) by providing written notice to the other Party. Such a termination shall be effective thirty (30) days after such notice is received by the other Party.
- c. <u>Termination for failure to receive a Letter of Reasonable Assurance by December 1, 2024</u>. Because a letter of reasonable assurance is required to recruit and admit students, USU agrees that if USU does not receive a letter of reasonable assurance by **December 1, 2024**, then Nevada WICHE, in its sole discretion, may provide notice of termination; whereupon USU will, within sixty (60) days of notice of termination, return to Nevada WICHE the balance of the Stipend Fund including interest earned by USU from the investment of the Stipend Fund as of the effective date of termination. Such a termination shall be effective sixty (60) days after such notice is received by USU.
- d. <u>Effect of Termination for Stipend Recipients.</u> If this Contract is terminated under any of Sections 8(f), 8(g), 8(h), or 8(i) and the DVM Program persists at USU after such termination, then all students who are, as of the date of any termination: (i) Stipend Recipients, (ii) in good standing in the DVM Program, and (iii) in compliance with their respective contracts with Nevada WICHE shall be provided with the option to complete the DVM Program and to continue to receive the in-state tuition benefits associated with Stipend Recipients, as if this Contract had not been terminated. Under such circumstances of termination, USU shall retain

Committed Funds (as defined herein) post termination to effectuate this mutual resolve of the Parties.

- e. <u>Committed Funds Defined.</u> "<u>Committed Funds</u>" means the funds needed by USU to cover the difference between in-state and out-of-state tuition for all DVM Program students for the remainder of their participation in the DVM Program (up to eight fall and spring semesters) who are, as of the date of any termination: (i) Stipend Recipients, (ii) in good standing in the DVM Program, and (iii) in compliance with their respective contracts with Nevada WICHE. Committed Funds will be calculated and agreed upon by the Parties in the event of notice of termination being sent by either Party under any of Sections 8(f), 8(g), 8(h), or 8(i).
- f. <u>Mutual Termination</u>. This Contract may be terminated by mutual written agreement of the Parties. Such termination shall be effective upon the agreed upon date of termination. Unless otherwise agreed upon by the Parties, upon such a mutual termination, the balance of the Stipend Fund as of the effective date of termination *less* any Committed Funds and one-half (1/2) the interest earned by USU from the investment of the Stipend Fund as of the date of termination will be returned to Nevada WICHE.
- g. <u>Termination without cause</u>. Unless otherwise provided above, either Party may terminate this Contract without cause upon providing the other Party with written notice. Termination will be effective one (1) year after such written notice is received by the other Party.
- i. <u>Termination by USU</u>. If USU terminates this Contract under this clause, then upon the effective date of termination USU shall return to Nevada WICHE the balance of the Stipend Fund including the interest earned by USU from the investment of the Stipend Fund as of the effective date of termination *less* any Committed Funds.
- ii. <u>Termination by Nevada WICHE</u>. If Nevada WICHE terminates this Contract under this clause, then upon the effective date of termination USU shall return to Nevada WICHE the balance of the Stipend Fund as of the effective date of termination *less* any Committed Funds and interest earned by USU from investment of the Stipend Fund.
 - h. Termination for Failure to Achieve a Benchmark.
- i. <u>Full Accreditation by December 1, 2029</u>. USU agrees that if it does not achieve full accreditation by **December 1, 2029**, then Nevada WICHE, in its sole discretion, may provide notice of termination; whereupon USU will, within sixty (60) days of notice of termination, return to Nevada WICHE the balance of the Stipend Fund including the interest earned by USU from the investment of the Stipend Fund as of the effective date of termination *less* any Committed Funds. Such a termination shall be effective sixty (60) days after such notice is received by USU.
- ii. 70 Nevada Residents Fully Admitted and Enrolled by October 1, 2030. USU agrees that if less than seventy (70) Nevada residents are admitted to and enrolled in the DVM Program by October 1, 2030, then Nevada WICHE, in its sole discretion, may provide notice of termination; whereupon USU will, within sixty (60) days of notice of termination, return to Nevada WICHE the balance of the Stipend Fund including the interest earned by USU from the investment of the Stipend Fund as of the effective date of termination *less* any Committed Funds. Such a termination shall be effective sixty (60) days after such notice is received by USU.

- i. <u>Termination for Cause.</u> Either Party may terminate this Contract by giving written notice to the other Party if said other Party is in material breach of any provision of the Contract. Termination will be effective sixty (60) days after such written notice is received by the other Party, unless said other Party cures the default/breach identified in the notice within the sixty-day period.
- i. Reimbursement After Termination by USU for Cause. If this Contract is terminated by USU for the material breach of Nevada WICHE, then USU will, within sixty (60) days of notice of termination, return to Nevada WICHE the balance of the Stipend Fund as of the effective date of termination *less* any Committed Funds and interest earned by USU from the investment of the Stipend Fund.
- ii. Reimbursement After Termination by Nevada WICHE for Cause. If this Contract is terminated by Nevada WICHE for the material breach of USU, then USU will, within sixty (60) days of notice of termination, return to Nevada WICHE the balance of the Stipend Fund including the interest earned by USU from the investment of the Stipend Fund as of the effective date of termination *less* any Committed Funds.
- j. <u>Return of Funds</u>. Any return of funds associated with termination under this Section 8 shall be made payable to the State of Nevada and delivered by a means agreed upon by the Parties (whether electronic funds transfer, check, etc.).
- 9. **Records and Audit.** The books, records, documents, and accounting procedures and practices of each Party relevant to this Contract shall be subject to inspection, examination, and audit by the other Party, its agents, and respective legislative auditors.
- 10. **Liability.** Each Party shall be responsible for its own acts and omissions and shall be liable for payment of that portion of any and all claims, liabilities, injuries, suits, and demands and expenses of all kinds that may result or arise out of any alleged malfeasance or neglect caused or alleged to have been caused by such Party or its employees, agents, or subcontractors, in the performance or omission of any act or responsibility of said Party under this Contract.
- 11. Limitation of Liability. Notwithstanding anything to the contrary contained in this Contract, and to the maximum extent permitted by law, in no event will either Party be responsible or liable to the other Party for any indirect damages, special damages, exemplary damages, consequential damages, liquidated damages, incidental damages, punitive damages, lost goodwill, lost profits, lost revenues, lost business expectancy, business interruption losses, and/or benefit of the bargain damages of any kind whatsoever, regardless of whether such damages arise from claims based upon contract, negligence, tort (including strict liability or other legal theory), or a breach of any covenant (express or implied) of this Contract, regardless of whether Nevada WICHE or USU was advised or had reason to know of the possibility of incurring such damages in advance. Nevada WICHE will not waive and intends to assert available NRS Chapter 41 liability limitations, sovereign immunity, and/or immunity in all cases. Contract liability of both Parties shall not be subject to punitive damages. Nevada WICHE further acknowledges that USU is a governmental entity under the Governmental Immunity Act of Utah, Utah Code section 63G-7-101 et seq., as amended ("Immunity Act"). Nothing in the Contract shall be construed as a waiver by USU of any protections, rights, or defenses applicable to USU under the Immunity Act, including without limitation, the provisions of Section 63G-7-

604 regarding limitation of judgments. It is not the intent of either Party to incur by contract any liability for the operations, acts, or omissions of the other Party or any third party and nothing in the Contract shall be so interpreted or construed.

- 12. **Enforcement Fees and Costs.** Should either Party institute any action or proceeding to enforce or interpret any provision hereof or for damages by reason of an alleged breach of any provision of this Contract, the prevailing Party shall be entitled to receive from the other Party such amounts as may be adjudged to be reasonable attorney's fees and costs.
- 13. **Compliance with the Law.** The parties agree to and shall comply with all applicable federal, state, and local laws and regulations.
- 14. **FERPA.** The Parties recognize that each is required to comply with the Family Educational Rights and Privacy Act ("*FERPA*") in each Party's respective handling of Confidential Student Information. The parties agree to and shall comply with all applicable federal, state, and local laws, including all applicable statutes and regulations governing privacy of student records, including but not limited to the requirements of the FERPA and implementing regulations
- a. <u>Confidential Student Information</u>. "<u>Confidential Student Information</u>" is defined as information that is personally identifiable to a student who is or was enrolled at USU by any of the following means: the student's name, the name of the student's parent or other family members; the address of the student or student's family; a personal identifier, such as an identification number, or biometric record; other indirect identifiers, including but not limited to the student's date of birth, place of birth, and mother's maiden name; or any other information that, alone or in combination, is linked or linkable to a specific student that would allow a reasonable person in the school community to identify the student with reasonable certainty and includes information supplied to Nevada WICHE by USU. USU agrees to clearly identify the specific information to be handled as Confidential Student Information.
- b. <u>School Official</u>. For purposes of this Contract, pursuant to FERPA, USU hereby designates Nevada WICHE as a school official with a legitimate educational interest in the educational records of the students accepted into USU DVM program to the extent that access to the records is required by Nevada WICHE to administer the obligations set forth in this Contract. Nevada WICHE represents and certifies that it: (1) will protect and hold in confidence all Confidential Student Information received from or on behalf of USU (or its students); (2) will not, except with the written consent of the student, use Confidential Student Information for any purpose other than to carry out the purposes of the Contract; and (3) will not disclose Confidential Student Information except to authorized individuals within its organization who have a legitimate need-to-know Confidential Student Information to carry out the purposes of the Contract.
- c. <u>Control</u>. Nevada WICHE agrees that Nevada WICHE is under the direct control of USU with respect to the use and maintenance of Confidential Student Information. If USU reasonably determines in good faith that Nevada WICHE has materially breached any of its confidentiality obligations under this Contract or has violated FERPA, USU, in its sole discretion, will have the right to require Nevada WICHE to submit to a plan of monitoring and reporting; provide Nevada WICHE with a fifteen (15) day period to cure the breach; or terminate the Contract immediately. Before exercising any of these options, USU will provide written

notice to Nevada WICHE describing the violation and the action it intends to take. If the Family Policy Compliance Office of the U.S. Department of Education determines that Nevada WICHE improperly disclosed personally identifiable information obtained from USU's education records, USU may not allow the Nevada WICHE access to education records for at least five years.

- 15. **Discrimination.** In connection with the performance of its obligations under this Contract, the parties agree not to discriminate against any employee or applicant for employment or admission because of race, creed, color, national origin, sex, sexual orientation, gender identity or expression, or age. Such agreement shall include, but not be limited to employment, upgrading, demotion or transfer, recruitment, or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
- 16. **Dispute Resolution.** The Parties agree that they shall endeavor to settle any dispute relating to this Contract by negotiating with each other in good faith.
- 17. **Relationship of Parties.** In assuming and performing the obligations of this Contract, the Parties are each acting as independent parties, and neither shall be considered or represent itself as a joint venture, partner, agent, or employee of the other. The employees or agents of each Party who are engaged in the performance of this Contract shall continue to be employees and agents of that party and shall not be considered for any purpose to be employees or agents of the other party.
- 18. **No Third-Party Beneficiaries.** The Parties do not confer any rights or remedies upon any person other than the Parties to this Contract.
- 19. **Waiver.** A failure by either party to exercise its rights under this Contract shall not preclude that party from subsequent exercise of such rights and shall not constitute a waiver of any other rights under this Contract unless stated to be such in writing signed by an authorized representative of the party and attached to this Contract.
- 20. **Assignment.** Neither Party may assign, transfer, or otherwise dispose of its rights, interests, or duties hereunder, in whole or in part, to any third party without prior written approval from the other Party.
- 21. **Notice.** Any payment, notice, or other communication required or permitted to be given to either Party hereto shall be in writing and shall be deemed to have been properly given and effective: (a) on the date of delivery if delivered in person or by electronic mail during recipient's normal business hours; or (b) on the date of attempted delivery if delivered by courier, express mail service or first-class mail, registered or certified. Such notice shall be sent or delivered to the respective addresses listed below (which addresses may be updated by providing written notice to the other Party, as needed):

USU-College of Veterinary Medicine Office of the Dean 5605 Old Main Hill Logan, UT 84322

email: dirk.vanderwall@usu.edu

Nevada WICHE-2601 Enterprise Road Reno, NV 89512-1666

email: nvwiche@nshe.nevada.edu

- 22. **Severability.** If any provision or any portion of any provision of this Contract shall be held invalid, illegal, or unenforceable, the remaining provisions or portions of any provisions shall be valid and enforceable to the extent possible.
- 23. **Negotiation Fees and Costs.** Each party agrees to be responsible for its own costs and attorney's fees, if any, incurred in negotiating this Contract.
- 24. **Headings.** Headings used in this Contract are for reference purposes only and shall not be considered in construing this Contract.
- 25. **Entire Agreement.** This Contract constitutes the entire agreement between the parties and may be modified only by a written endorsement signed by the parties.
- 26. **Interpretation.** By signing below, each party agrees that they have reviewed this Contract, had a hand in drafting it and that the rule of construction under which ambiguities are to be resolved against the drafting party shall not be relied upon in any interpretation or application of this Contract.
- 27. **Counterparts**. This Contract may be signed in counterparts. All facsimile signatures shall be deemed original.

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IN WITNESS WHEREOF, the Parties hereto mutually agree and consent to the terms and conditions of this Contract and the parties affirm they have designated the persons below to have signature authority for the parties.

NEVADA OFFICE OF WICHE:		
WICHE Executive Commissioner, Fred Lokken	Date	
WICHE Commissioner, Catherine (Cathy) Dinauer	Date	
WICHE Commissioner, Dale A.R. Erquiaga	Date	
UTAH STATE UNIVERSITY:		
Vice President, Finance and Administrative Services, David Cowley	Date	
Dean, College of Veterinary Medicine, Dirk	Date	

Exhibit A

Exhibit A

STATE OF NEVADA LEGISLATIVE COUNSEL BUREAU

CARSON CITY OFFICE LEGISLATIVE BUILDING 401 S. CARSON STREET CARSON CITY, NEVADA 89701 (775) 684-6800



LAS VEGAS OFFICE
GRANT SAWYER STATE OFFICE BUILDING
555 E. WASHINGTON AVENUE, SUITE 4400
LAS VEGAS, NEVADA 89101
(702) 486-2800

September 28, 2023

Senator Pete Goicoechea Post Office Box 97 Eureka, Nevada 89316-0097

Dear Senator Goicoechea:

You have asked this office a question concerning the circumstances under which money appropriated by Senate Bill No. 342 of the 82nd Session of the Nevada Legislature (SB 342) to the Interim Finance Committee for allocation to the Nevada Office of the Western Interstate Commission for Higher Education (WICHE) is required to revert to the State General Fund. Specifically, you have asked whether money appropriated by SB 342 that the WICHE pays to Utah State University pursuant to a contract to implement a program to pay a portion of the tuition of selected Nevada residents to attend the College of Veterinary Medicine at Utah State University but that Utah State University does not spend before the reversion date set forth in SB 342 is required to revert to the State General Fund on that reversion date. In answering your question, we will address only the circumstances under which SB 342 requires money appropriated by SB 342 to revert to the State General Fund and we do not address any circumstances under which the terms of any contract entered into between the WICHE and Utah State University would require money to be repaid to the State of Nevada. To answer your question, we will examine the language of SB 342 and the intent of SB 342 as expressed in the legislative history of the bill.

SB 342 makes an appropriation of \$8,000,000 from the State General Fund to the Interim Finance Committee for allocation to the WICHE for entering into a contract with Utah State University to carry out a program for selected Nevada residents to attend the College of Veterinary Medicine at Utah State University. Under this program, stipends will be provided "for the costs of the out-of-state portion of tuition for 70 residents of the State of Nevada to earn a degree of doctor of veterinary medicine from the College of Veterinary Medicine at Utah State University during the period commencing on July 1, 2024 and ending on June 30, 2034." SB 342 authorizes the Interim Finance Committee to allocate the appropriated money to the WICHE only after the WICHE submits a signed contract between the WICHE and Utah State University to carry out this program. After

Senator Goicoechea September 28, 2023 Page 2

the Interim Finance Committee allocates the appropriated the money, the WICHE will transfer the money to Utah State University in exchange for the program to provide stipends for selected Nevada residents to attend the College of Veterinary Medicine at Utah State University. Chapter 445, Statutes of Nevada 2023, p. 2729.

You have asked this office whether any money appropriated by SB 342 that is paid by the WICHE to Utah State University pursuant to the contract required by the bill but that Utah State University does not spend before the reversion date set forth in SB 342 is required to revert to the State General Fund. Subsection 4 of section 2 of SB 342 contains a reversion clause, which provides that:

Any remaining balance of the appropriation made by [section 2 of SB 342] must not be committed for expenditure after June 30, 2025, by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 19, 2025, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the State General Fund on or before September 19, 2025.

Section 2 of Senate Bill No. 342, Chapter 445, Statutes of Nevada 2023, p. 2731. Thus, "any remaining balance of the appropriation" made by SB 342 is required to revert to the State General Fund if the Interim Finance Committee, which is the entity to which the appropriation is made, fails to allocate the money to the WICHE before the reversion date or if an entity to which the appropriated money is granted or transferred has not committed the money for expenditure before the reversion date set forth in the bill.

To determine whether money paid to Utah State University pursuant to the contract required by SB 342 that remains unspent by Utah State University before the reversion date set forth in the bill is required to revert to the State General Fund, we must consider the rules of statutory interpretation applied by the Nevada Supreme Court. Under the plain language of SB 342, only the "remaining balance of the appropriation" is required to revert to the State General Fund if it is not spent before the reversion date set forth in the bill. Young v. Nev. Gaming Control Bd., 136 Nev. 584, 586 (2020) (stating that the Nevada Supreme Court interprets statutes according to their plain language, unless the statute is ambiguous, the plain meaning produces absurd results, or the interpretation was clearly not intended). However, if the entire amount of the appropriated money has been spent before that reversion date for the purpose specified in the bill, there is not a "remaining balance of the appropriation" to be reverted to the State General Fund. Subsection 1 of section 2 of SB 342 states that the money is appropriated to the Interim Finance Committee for allocation to the WICHE "for entering into a contract with Utah State University to carry out the program required" by the bill. Section 2 of Senate Bill No. 342, Chapter 445, Statutes of Nevada 2023, p. 2731. Thus, if the

Senator Goicoechea September 28, 2023 Page 3

WICHE has entered into that contract with Utah State University to carry out that program and pays the amount of the appropriated money to Utah State University pursuant to that contract before the reversion date set forth in the bill, there is not a "remaining balance of the appropriation" on the reversion date. Because there would be no "remaining balance of the appropriation" under those circumstances, Utah State University would not be required to revert to the State General Fund any money not spent by Utah State University before the reversion date.

The legislative history of SB 342 supports the conclusion that money paid by the WICHE to Utah State University pursuant to the contract required by SB 342 that Utah State University has not spent before the reversion date set forth in the bill is not required to revert to the State General Fund. Senator Pete Goicoechea, the primary sponsor of the bill, explained that the purpose of SB 342 was to address a shortage of veterinarians in Nevada by assisting Utah State University with funding a veterinary school in exchange for a commitment to admit 70 Nevada residents to earn a degree of doctor of veterinary medicine from that veterinary school. Minutes of the Meeting of the Senate Committee on Education, April 12, 2023, pp. 23-24. If the WICHE enters into a contract with Utah State University that commits Utah State University to accepting 70 Nevada residents to earn a degree of doctor veterinary medicine from the University's veterinary school and the WICHE pays the money appropriated by SB 342 to Utah State University under that contract, the appropriated money has been spent for its intended purpose. Thus, under those circumstances, there is no "remaining balance of the appropriation" to revert to the State General Fund and Utah State University would not be required to revert any such unspent money to the State General Fund.

Based on the language and intent of SB 342, any money appropriated by the bill that is allocated by the Interim Finance Committee to the WICHE and that is paid by WICHE to Utah State University pursuant to a contract to carry out the program required by the bill would not be required to revert to the State General Fund if Utah State University did not spend that money before the reversion date set forth in the bill. This conclusion applies only to any requirement set forth in SB 342 for the reversion of money to the State General Fund and we express no opinion concerning the circumstances under which the terms of any contract between the WICHE and Utah State University require Utah State University to repay money to the State of Nevada.

If you have any further questions regarding this matter, please do not hesitate to contact this office.

Sincerely,

Asher Killian Legislative Counsel Senator Goicoechea September 28, 2023 Page 4

By Dum
Bryan Fernley

Chief Deputy Legislative Counsel

BJF:dtm

Ref No. 230830010654

File No. OP_Goicoechea230830132337

Exhibit B

Exhibit B

STATE OF NEVADA



BOARD OF VETERINARY MEDICAL EXAMINERS 4600 Kietzke Lane, Building O-265 Reno, NV 89502 Phone 775-688-1788/Fax 775 688-1808 vetbdinfo@vetboard.nv.gov www.nvvetboard.nv.gov

August 15, 2023

To whom it may concern,

According to NRS 638.100(2b), an application for licensure as a veterinarian in Nevada, requires proof of a degree of Doctor of Veterinary Medicine that is accredited by the Council on Education of the American Veterinary Medical Association (AVMA).

Please let this correspondence serve as confirmation that the State of Nevada Veterinary Board will accept provisional accreditation of an educational program for veterinary medicine degree that is provisionally accredited by the Council on Education of the American Veterinary Medical Association (AVMA)

Please feel free to contact me directly with any questions or concerns.

Sincerely,

Jennifer Pedigo Executive Director

ennifer Pedigo