

**MINUTES OF THE
COMMITTEE TO STUDY THE FUNDING OF HIGHER EDUCATION
(Senate Bill 374 of the 2011 Legislative Session)
November 29, 2011**

The Committee to Study the Funding of Higher Education (Senate Bill 374 of the 2011 Legislative Session) held its first meeting of the 2011-12 Interim on November 29, 2011, in room 4401 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. The meeting was videoconferenced to room 3137 of the Legislative Building, 401 South Carson Street, Carson City, Nevada and the Berg Hall Conference Room, Great Basin College, 1500 College Parkway, Elko, Nevada.

COMMITTEE MEMBERS PRESENT IN LAS VEGAS:

Senator Steven Horsford, Chairman
Senator Ben Kieckhefer
Senator David Parks
Assemblyman Paul Aizley
Assemblyman Pat Hickey
Assemblywoman Debbie Smith
Hugh Anderson
Kevin Page
Michael Wixom
Michael Richards
Spencer Stewart

COMMITTEE MEMBERS PRESENT IN CARSON CITY:

Mike Dillon
Heidi Gansert
Jason Geddes
Gregory Mosier
Julia Teska

COMMITTEE MEMBERS PRESENT IN ELKO

None

COMMITTEE MEMBERS ABSENT:

None

STAFF MEMBERS PRESENT IN LAS VEGAS:

Alex Haartz, Program Analyst, Fiscal Analysis Division

STAFF MEMBERS PRESENT IN CARSON CITY:

Mark Krmpotic, Senate Fiscal Analyst, Fiscal Analysis Division
Brian Burke, Senior Program Analyst, Fiscal Analysis Division
Eileen O'Grady, Chief Deputy Legislative Counsel, Legal Division
Kristin Roberts, Senior Principal Deputy Legislative Counsel, Legal Division
Patti Sullivan, Committee Secretary, Fiscal Analysis Division

EXHIBITS:

[Exhibit A](#) – Agenda and Meeting Packet

[Exhibit B](#) – Attendance Records

[Exhibit C](#) – Nevada Faculty Alliance – Latest News – November 22, 2011, Gregory Brown Testimony

I. ROLL CALL.

Chairman Horsford called the meeting of the Committee to Study the Funding of Higher Education to order at 9:09 a.m. and the secretary called roll. All members were present at the meeting, with attendance in both Las Vegas and Carson City.

Chairman Horsford welcomed the members of the committee, which was comprised of legislators and appointments by both the Governor and the Board of Regents. He was pleased the members had agreed to serve on the committee created by Senate Bill 374 of the 2011 Session. A later agenda item included a full overview of the legislation that created the study specifically outlining the purpose, goals and anticipated outcome. Chairman Horsford noted Senator John Lee, the primary sponsor of the bill, requested time on a future agenda to outline some of his hopes and expectations of the study. He explained the first meeting was of a logistical nature to start the process as well as to review initial action items and direct staff accordingly. He thanked all the members for participating in the process.

II. PUBLIC COMMENT.

Chairman Horsford asked for public comment on any agenda item from attendees in Las Vegas, Carson City and Elko.

Gregory Brown, Chair of the Faculty Senate at the University of Nevada, Las Vegas, provided public comment from Las Vegas. He also represented the Nevada Faculty Alliance, the advocacy group for higher education faculty and professional staff at all eight Nevada System of Higher Education (NSHE) institutions. Dr. Brown submitted a written statement for the record ([Exhibit C](#)), as well as offered support of the NSHE faculty for the committee's work. He asked the members during the course of the study to pay particular attention to faculty-to-staff ratios, which historically had been an important component of the funding formula. Dr. Brown said the faculty thought staffing levels should be a priority. He thanked the members and said the funding study was an important moment for the entire state.

Chairman Horsford thanked Dr. Brown for attending the meeting on behalf of the faculty Senate.

From Las Vegas, Ricardo Carnejo a UNLV student graduating in May 2012 in Economics offered public comment. Sarah Saenz, UNLV Undergraduate Student Body President and Michael Gordon, Graduate Professional Student Body President accompanied Mr. Carnejo who represented CSUN, the undergraduate student government at UNLV. He said the organization was excited about the study and offered full support to the committee. Students from UNLV came to Carson City during the 2011 Legislative Session to make sure there was adequate reform through the funding formula and to eliminate the different inequalities between the institutions. He commended the committee for starting the process and wanted adequate support for students attending all of the institutions of higher education in Nevada.

Chairman Horsford thanked Mr. Carnejo for his testimony and for the student government's continued participation. He said a future agenda would provide time for the students to speak formally during the process of the study so the committee could hear directly from the students impacted by the recommendations ultimately determined from the study. Chairman Horsford stressed this process was about providing access and opportunity to the students who wanted to pursue higher education in the state of Nevada, rather than about the higher education system. He thought it was important for the students to be involved throughout the process.

There was no public comment from Carson City or Elko.

III. OPENING REMARKS.

Chairman Horsford thought it was appropriate that the higher education study started on the day the United States Secretary of Education was visiting Las Vegas at the Cheyenne Campus of the College of Southern Nevada to focus on access and affordability for college for students and families. The fact that Nevada was starting a complete and comprehensive analysis of the funding of the system of higher education was timely, and he looked forward to the contributions of every member of the committee. He recognized that the experience and background of the committee members as well as the selection of an independent third party consultant would provide empirical data to address what people believed to be inequities in the funding formula, determine what those inequities were and why the inequities existed. Chairman Horsford thought addressing the inequities in a thoughtful and deliberate manner would ensure protection of the current institutions while also allowing for growth expansion and the entrepreneurial nature desired from Nevada's institutions on behalf of its students. He also thought the higher education study was timely based on the release of the Brookings Institution, SRI International report Governor Sandoval talked about the previous week. Throughout the report, higher education was mentioned as playing an important role in the economic development strategy for the state. The plan

also indicated the state needed to better align higher education programs, funding and resources in the short and long term. Chairman Horsford was optimistic that the recommendations that would ultimately come from the interim study would be acted upon in a future legislative session. He had reviewed some of the previous studies on higher education funding which made specific recommendations; however, he said some of the recommendations were never enacted. Chairman Horsford emphasized it was imperative the Legislators on the committee, NSHE, and the Governor worked together to find solutions and made sure the state followed through on the recommendations decided by the committee. He thanked all the committee members and looked forward to their contribution to the study. He asked Assemblywoman Smith for her comments.

Assemblywoman Smith agreed with the Chairman's comments and thought the study was an opportunity to reevaluate some of the previous work on higher education funding. The study was an ambitious undertaking, but she would enjoy seeing the work that could be accomplished in preparation for the 2013 Legislative Session. She also thought there had been many discussions and lessons learned about performance budgeting the committee could utilize for information. Mrs. Smith looked forward to working with the other members and appreciated the time commitment they had made to serve on the committee.

Chairman Horsford thanked Alex Haartz and Mark Krmpotic from the Fiscal Analysis Division for preparing the agenda and the action items for consideration for the first meeting. He also appreciated their support as staff to the interim committee, which required a lot of hard work over the course of the study to prepare information for the members and realized it was in addition to their regular duties and responsibilities.

IV. REVIEW OF SENATE BILL 374 OF THE 2011 LEGISLATURE.

Alex Haartz, Program Analyst, Fiscal Analysis Division, directed the committee to page 3 of the meeting packet ([Exhibit A](#)), to Senate Bill 374 as enacted by the 2011 Legislature creating the Committee to Study the Funding of Higher Education. He said Section 1 of the bill denoted the committee's membership as 12 voting members and 4 non-voting members, and provided authorization for reimbursement of per diem and travel costs for members based upon the nature of the appointment to the committee by either the Legislature or the Governor. Section 2 of the bill identified the study areas that at minimum the committee was required to address, and Section 3 authorized the committee to hold public hearings. Section 4 authorized the committee to employ a consultant(s) to assist in carrying out the study utilizing the topics identified under Section 2. Mr. Haartz said Section 6 was linked to Section 4, which provided a legislative appropriation for the funding of the consultant(s), and Section 7 provided for an additional appropriation for the legislative members per diem and travel costs. Lastly, Section 9 determined the timeframe by which the committee's work product must be completed and prepared, with the final report submitted to the Legislative Commission prior to the 77th Legislative Session (February 4, 2013). Mr. Haartz

completed his overview of the bill and Chairman Horsford asked if any members wanted to offer suggestions regarding areas or issues beyond what was highlighted in the specific areas of Senate Bill 374.

Senator Kieckhefer said the alignment of the state's goals for higher education with the state's economic development efforts was not specifically mentioned within the legislation. The content of the bill did not seem to prohibit the alignment from being addressed by the committee and he thought it was important to consider during the study.

Mr. Wixom said he reviewed one of the past formula studies and the material in the request for proposal (RFP). He was concerned that in studying the formula if a cost analysis was not included the formula could not accurately be compared with the cost from other states. Mr. Wixom thought it would be difficult for the committee to implement changes to the formula and understand if it was the right decision without the cost analysis. He questioned if the language in the bill was broad enough to afford the committee to request a comparative cost analysis as part of the RFP.

Chairman Horsford asked Mr. Wixom to elaborate on what was meant by a cost analysis so he could answer the question.

Mr. Wixom explained the cost analysis to be per student costs distinguishing the differences between higher education institutions such as community colleges, state colleges and universities.

Chairman Horsford thought it would be reviewed in the materials included on the funding formula overview, which broke down the cost by student to staff ratio by institution (community college, state college, and university) and then by type of cost (high, medium, low and clinical).

Mr. Wixom said the analysis in the formula funding related solely to Nevada's institutions and in trying to understand how Nevada's institutions should be funded a cost analysis comparison was needed with other states. He did not see that the high, medium and low cost analysis was part of the RFP or part of the consultant's work and thought it was important to know how Nevada compared with other states.

Mr. Haartz said the last sentence of item 1A and 1B under the Scope of Work on page 13 of the meeting packet ([Exhibit A](#)), asked the consultant to provide information on how other states differentiated the mission for each state's stratification of institutions whether it was a community college, state college or research university. The consultant was also asked to provide information on whether it was a formula or non-formula state, and how those mission differentiations were addressed in their funding methodology.

Mr. Wixom thought those related to funding formulas and not to cost as he understood the analysis. There was a difference between the funding formula itself and an analysis of the funding formula and a cost analysis.

Mr. Haartz understood Mr. Wixom's point, but thought since the consultant was asked to identify the drivers then information regarding the cost basis would also be derived. However, that information may not be as specific as Mr. Wixom was requesting.

Chairman Horsford indicated that Fiscal Division staff and higher education staff would work with the consultant to obtain that type of specific information and present it to the committee for consideration. He thought in the course of the scope of work with the consultant staff could request the information; however, specific language could be added to the RFP.

Mr. Wixom said specific language did not need to be added as long as the committee understood that kind of analysis would be requested.

Dr. Richards said there were many national initiatives underway, namely the metrics being adopted by the National Governor's Association. There were also a number of efforts with regard to performance funding and in Nevada the issue of equity at institutions. He wanted to make sure those types of issues were included within the scope of work.

Chairman Horsford said the study was a concurrent process to the National Governor's Association (NGA) process and the goal was to align the recommendations of each one without duplicating effort. The NGA process encompassed performance based and outcome based goals that could be aligned with the funding formula. He asked Mrs. Gansert to elaborate on the NGA process.

Mrs. Gansert indicated the Governor's Office was making efforts to align with the State Plan on Economic Development, as well as with K-12, NSHE and workforce development. She said the state received a grant from the NGA, and members of the Governor's Office and NSHE had recently attended a meeting in Atlanta, Georgia regarding the different metrics the NGA would be adopting to align with the Complete College of America initiative. Mrs. Gansert thought there were gaps in the RFP. One gap concerned the goals and objectives discussed by the Board of Regents regarding economic development and the Governor's Office's idea to revamp the budgeting process to performance based budgeting, which included high level goals and metrics that could be compared nationally. She wanted all of it to tie together and consideration taken for the efforts of the Board of Regents, the NGA and the Complete College of America. Mrs. Gansert noticed there was no definition of "Best Practices" in the RFP and thought that would make it difficult to determine quality and graduates, but she would elaborate when the committee went through the RFP.

Chairman Horsford noted when the committee discussed the RFP members could request adjustments in the language. He asked Dr. Geddes, Chair, Board of Regents, where the Board was in terms of the implementation of the strategic plan around the performance model and the timeline of the process.

Dr. Geddes said there had been two rounds of discussion on the Board of Regents' strategic vision and a draft document was scheduled for discussion at a Board meeting on December 2, 2011. The plan was to move forward with the framework in December and the details and procedures in March or June 2012, depending on the progress. He indicated the Board's plan was an overall vision in concurrence with the NGA's Complete College of America initiative, Northwest Accreditation Commission, and the Board of Regents' Strategic Directions document. The Board and the Higher Education Study committee would be working simultaneously so he requested flexibility in reporting to the committee and sharing documents so that anything adopted would be on the right track for both processes.

Chairman Horsford said it was great there were different activities taking place, but it would be helpful to have a central set of recommendations, which would not conflict. He asked Dr. Geddes to request NSHE staff to align their timeline and recommendations so that the consultant for the Higher Education study could review the material and bring the components together. Chairman Horsford wanted to coordinate an appropriate time to have the Board's strategic framework presented to the Higher Education Committee to be better informed on what the Board had planned. Dr. Geddes agreed to get the alignments into place so everyone could be unified on the initiatives.

Chairman Horsford said language needed to be added to the RFP, which would require the consultant to take pieces of the Board of Regents' plan, and the NGA's plan as well as the work on the formula study and make recommendations for the state that were both comprehensive and thoughtful.

V. DISCUSSION REGARDING A CONSULTANT(S) TO ASSIST THE COMMITTEE IN CONDUCTING THE STUDY:

a. REVIEW OF REQUEST FOR PROPOSAL FOR A CONSULTANT(S).

Chairman Horsford requested for staff to provide an overview of the RFP and the procedure for the selection process of the consultant. The committee members would then be able to provide input on the various sections.

Mr. Haartz informed the members that in keeping with an aggressive timeframe for the committee's work and subject to making amendments or changes desired by the members, staff proposed for the RFP to be released on November 30, 2011 (the day after the meeting), to enable potential bidders 30 days to submit responses. The first page of the RFP was located on page 7 of the meeting packet ([Exhibit A](#)) and provided potential bidders with general background information and timeframes. The Scope of Work began on page 13 of the packet ([Exhibit A](#)) and Mr. Haartz explained the consultant deliverables were tied to specific study areas identified by S.B. 374. As an example, number 1 of the Scope of Work, Inventories and Analyses of States' Methodologies to Fund Higher Education was tied to the first study area outlined by the bill to compare the existing methods of funding higher education in Nevada with

methods used by other states. In order to provide the committee with the most information the consultant was asked to segregate states into those that did not use a funding formula, but used some other methodology, and those which used a funding formula approach. The RFP asked the consultant to specifically identify how each of the traditional functional areas in the funding of higher education was funded, and if there were differences between how each institutional level of higher education (research university, research institution, state college or community college) was addressed in the funding methodology. On page 14 of the packet ([Exhibit A](#)), Mr. Haartz said the consultant was asked to identify and explain some of the cost area issues and how funding was determined for instruction and related areas with a focus on faculty and instructional support staff. Also on page 14, the consultant was asked to explain how funding was determined for salaries; how funding was determined for technology, including new technology as well as replacement costs; how funding was determined for facilities; and both formula and non-formula funding methodologies. Mr. Haartz further indicated the RFP asked the consultant to provide information on how funding was determined for equipment; the funding methodology information for libraries, including comment on the impact of technology on the funding for library support; and how academic support issues were addressed including the administrative faculty staffing issues, academic operations and audio visual services. The RFP also asked the consultant to look at how student support services in the formula and non-formula states was addressed and how each state determined funding from admissions to Bursar's Office operations to student health services, career planning and services for students with special needs. Information was also requested on how funding for institutional support was addressed with the primary purpose of providing operation support for daily functioning. In addition, the consultant was requested to explain how other states funded public service, scholarships, athletics, workforce development, multi-campus operations and research activities. All of the information was in anticipation of developing the broadest picture available of what other states were doing and how other states determined what the public funding levels would be for each state's systems and individual institutions of higher education.

Mr. Haartz noted again for the committee that the study was going to be conducted under an aggressive timeline with the consultant and the committee asked to complete its work within certain deadlines. The reason for the timeline was so that any recommendations from the committee could be considered for inclusion into the 2013-15 NSHE budget request, which required review and action by the Board of Regents with submission not later than September 1, 2012. He said April 19, 2012, was the target date for the completion of the first inventory and analyses provided by the consultant. At that time, the consultant needed to provide how states funding mechanisms accounted for the mission differences. Those were tied to item 2 of Section 2 of S.B 374, which required the committee to consider and determine whether other methods were appropriate and useful in Nevada whereby different missions of universities, state colleges and research institutions were appropriately considered in the funding of public higher education. Mr. Haartz pointed out the next deliverable was number 2 in the Scope of Work on page 17 of the packet ([Exhibit A](#)), Analysis and Report on How States' Inclusion of Performance Related Components in Higher

Education Funding Formulas. Staff purposely made this section broad and did not specifically identify performance criteria such as time to graduation or retention between freshman and sophomore years. Leaving it broad based would not lead a consultant to reach certain conclusions but instead expected the consultant to cover the full range of performance criteria. It was anticipated the consultant would provide that information for the committee in February. Each deliverable date represented approximately one week before a tentatively scheduled meeting of the committee. Mr. Haartz said the schedule provided enough time for staff to receive the consultant's work product and review it with the technical group to make sure it was ready to present to the committee at the subsequent meeting.

Chairman Horsford suggested adding specific language to this section of the RFP related to Mrs. Gansert's comments regarding the recommendations from the Nevada NGA work group and the Board of Regents on the performance based goals and outcomes. However, he was concerned with the consultant being able to meet the February 22, 2012, timeline and thought pushing that date back might be considered or granting greater latitude to coordinate with the recommendations of the NGA and the Board of Regents. He did not want to set an arbitrary timeline if those entities were still undergoing their own processes.

Mrs. Gansert agreed it was a good place in the RFP to add her suggested language. She noted the Board of Regents was ahead in its process and thought they could work together with the consultant.

Chairman Horsford asked if Mrs. Gansert was aware of the NGA's timeline or if she thought the February 22, 2012, date should have been made less specific.

Mrs. Gansert thought the February date would be feasible because the working group for the NGA had a strong agreement about the direction of the process including a draft of a document to go to the Board of Regents. She said the NGA group was scheduled to meet sometime in February 2012.

Chairman Horsford said the committee would add specific language to the RFP to align recommendations from the NGA and the Board of Regents and provide as much information as possible by the February 2012 deadline. However, if the consultant needed additional time then it should be granted. He thought staff included explicit dates on the timeline for the deliverables from the consultant due to past experience with consultants on past studies not meeting the requisite timelines. Chairman Horsford did not want to weaken the clear benchmarks given to the consultant, but he wanted to make sure there was ample flexibility for the other stakeholders that would contribute to the work.

Mr. Page thought it was most important that the data received from the consultant be accurate and the most up-to-date information available. He noted the MGT report included a survey from 2006 that had information which was neither verified nor updated. Mr. Page thought there should be a mechanism for the technical group to

verify that information and whomever the committee selected as the consultant be aware to focus on the most accurate data.

Senator Kieckhefer wanted to make sure a breakdown of the performance measures were included, but also which measures worked to incent the specific outcomes for the individual institutions. He thought incorporating a performance component in the formula was fine; however, if the component did not generate results from the institution then it would not be effective. Senator Kieckhefer wanted to create a mechanism that incentivizes through the funding formula to achieve the results the state wanted from its system of higher education. The analysis should not be just a breakdown of which performance related components were used by the schools, but rather, which ones work the best to achieve optimal results.

Chairman Horsford thought it was the specific charge of the NGA to come up with performance measurements for the Nevada system aligned with the NGA objectives on higher education. Mrs. Gansert agreed. Chairman Horsford said the NGA process would provide information the committee could review and determine what would fit into the formula funding study. It was coincidental the NGA process was happening concurrent to the interim study on the formula, but it was favorable as there would be an overlay of information on the performance matrix. Chairman Horsford asked to continue reviewing the RFP document.

Mr. Haartz explained that although dates were selected for the consultant to provide deliverables, if the committee determined the information was not complete or up-to-date and deemed additional work by the consultant was necessary, it would be acceptable to direct the consultant to obtain the additional information. The deliverable dates did not cut off the committee's work on a particular topic on that particular date. He said the next deliverable was tied to study area 5 on page 12 of the meeting packet ([Exhibit A](#)), which was the consideration of funding in the context of completed courses in contrast to Nevada's current method of funding enrollments. Mr. Haartz noted one of the primary drivers of the current funding formula was full-time enrollments (FTE). A study area of the RFP asked the consultant to consider what type of methodology would be used (completed courses or completed credit hours) if enrollments were not used for the funding formula, as well as information sought on what methodology other states used and how it worked. Mr. Haartz said the next deliverable the consultant was asked to provide was not tied to a particular study area within the RFP. It was requested to provide context to the committee to understand how other states funded higher education. The consultant was asked to supply an analysis report on the percentage of general funds and other funding sources including student-derived revenues, which were allocated to support each state's system of higher education or infrastructure.

Chairman Horsford asked for the definition of student-derived revenues. Mr. Haartz said student-derived revenues consisted of student registration fees, surcharges, non-resident tuition and miscellaneous student fees. Chairman Horsford understood that the RFP asked the consultant to look at student-derived revenues in comparison to

other states. However, he questioned whether the consultant was expected to look at student-derived fees within the system, the policy that was enacted to have tuition and fees included in the overall formula, and the changed policy to have the tuition and fees allocated back to the campus.

Mr. Haartz indicated the consultant would be directed to look at how Nevada budgeted student-derived revenues in the context of funding higher education and to compare that with how other states budgeted student-derived revenues. The deliverable attempted to look at both State General Fund appropriation and other funding sources such as student-derived revenues, property tax or other funding streams states might have used to fund higher education. He said deliverable number 5 on page 18 of the meeting packet ([Exhibit A](#)) directly correlated to the issue of student-derived revenues. Mr. Haartz explained the first deliverable looked at the context of the overall funding and comparative analysis and the second deliverable considered the retention of resident registration fees and non-resident tuition outside of the state supported budget, which was one of the study area requirements of S.B. 374. Deliverable number 5 attempted to address that study area to provide the committee with an understanding of what other states did and how other state's funding formulas worked if those types of revenues were not included.

Assemblyman Hickey estimated approximately 20 other states had performance measures, best practices and incentives. He proposed along with student hours completed that the committee needed to consider and include language in the RFP regarding graduation rates. Mr. Hickey emphasized there was good news regarding graduation rates in that the part-time Master in Business Administration program at the University of Nevada, Reno, was ranked fourth in the country by BusinessWeek with a 99 percent completion.

Concluding his overview of the RFP, Mr. Haartz said one of the conditions of the proposal was for the consultant to attend each of the committee meetings in order for the members to provide direction for the consultant and for the consultant to answer questions from the members. He indicated the rest of the RFP tended to be "boiler plate" and had been developed with the LCB Legal Division.

Chairman Horsford asked for input, suggestions or clarification from the members on the RFP Scope of Work.

Assemblyman Aizley remarked he did want the report to be a comparison of per student funding from system to system because there were not many systems like Nevada. He expected the consultant to provide a report that evaluated Nevada's institutions with comparable institutions in other states, or the comparison would be meaningless. Mr. Aizley said the RFP did not mention computer or computer support, and he expected that to be a major part of the report.

Mr. Haartz said the RFP did not contemplate the consultant providing per student funding comparison information. The RFP asked to compare states at the institutional

level. He explained it was not a comparison of peer institutions, but comparing how states funded their research universities or community colleges and comparing that information to how Nevada's current funding formula took into account the differences of a research university versus a state college. Mr. Haartz thought the information would be a higher level of what Mr. Aizley was asking and would include the information that he was concerned with; however, if there was specific language to capture his concern it could be added.

Mr. Wixom had two specific suggestions in Cost Areas, Section 1e (page 14, [Exhibit A](#)). The first referenced how remedial instruction and distance education were defined, provided and addressed by the funding formula. He thought the word "funded" needed to be inserted in order to fully understand how remedial education was funded in other states so that the remedial education funding issues in Nevada could be accurately addressed. Mr. Wixom also requested to add a separate item under Cost Areas, Section 1 (item g) for addressing a specific analysis of utility expenses and how they were funded, which he thought created enormous issues for the respective campuses.

Chairman Horsford asked staff to make the adjustments, suggested by Mr. Wixom, to the RFP.

Dr. Richards referenced number 3 on page 17 of the meeting packet ([Exhibit A](#)) and indicated that in some of the national language there were traps of definition, which could hurt Nevada. He thought including definitions of "full-time equivalent student," "a completed course" and "student success" was important because of the broadness of the terms. Defining those terms in the RFP was essential particularly for community colleges that offered enrichment programs and offered opportunities for students to improve their lives outside of a credit program. Senator Horsford agreed that students had varying motivations for taking college courses.

Referring to page 14 of the meeting packet ([Exhibit A](#)), Mrs. Smith wanted to include the policy under which the institutions in other states provided remediation and thought it might be helpful to know that information. Number 3 on page 15 of [Exhibit A](#) referred to technology and she wondered if this section of the RFP encompassed the ongoing and growing need for tracking student data. She commented the state had invested a lot of money for tracking student data. The state would have to continue investing to do a better job of tracking student data and then connect it to the K-12 system.

Mr. Haartz said number 3b asked the consultant to explain how administrative computing needs were funded. He thought that was broad; however, information could be added to encompass a student data system or appropriate language added to ensure that "administrative computing needs" was not just referring to desktop computers, but a broader range that Mrs. Smith identified.

Mrs. Smith asked about number 4 on page 15 of [Exhibit A](#) and whether revenue generated from the use of the facilities was included. Mr. Haartz said there were revenues generated; however, those revenues were traditionally not budgeted in the

state supported operating budgets. Instead, those revenues were budgeted by each of the institutions in the self-supporting budgets approved annually by the Board of Regents. Mrs. Smith really wanted to know if it should be part of the comparison with other states. Mr. Haartz replied it could be included and Mrs. Smith thought it would be easy to add.

Mrs. Smith also addressed the mechanics of negotiating the agreement with the consultant and asked for payment of the services to be constructed commensurate to each of the deliverables in the timeline because there had been a couple of bad experiences with contracts.

Mr. Haartz said it was expected for the consultant to identify the cost to produce each deliverable and payment would be held until the full work was completed. To address her concern, the Legal Division could look at the contract to ensure there was a structured payment mechanism. Mrs. Smith appreciated knowing that payment was coupled with the deliverables. She thought if any issues arose, there would be plenty of time to address them.

Mr. Wixom pointed out that NSHE's Integrate Project had been implemented by the Board of Regents over the last several years and one of the purposes of that project was to allow the Legislature real time access to data. He thought the consultant should be directed to coordinate with staff in utilizing the Integrate Project to obtain accurate information. Potentially it was a huge resource for the committee and the Legislature, especially since the student service module was fully implemented.

Senator Kieckhefer asked if anything in statute would restrict NSHE's budget process for the next cycle if the committee were to propose changes in the funding formula.

Mr. Haartz said his understanding was that the System was not statutorily locked into using the funding formula. The budget process was driven by the dates and how the budget was to be structured in terms of the base, maintenance and enhancement modules.

Senator Kieckhefer asked if there was any directive in the RFP for the consultant to analyze financial aid for students. He also inquired if the RFP asked the consultant to make recommendations.

Regarding financial aid, Mr. Haartz said number 8c on page 16 of the meeting packet ([Exhibit A](#)) addressed how funding was determined for student services in terms of the financial aid offices and financial aid infrastructure. In addition, number 10 on page 16 concerned scholarships, but could be broadened to be more specific to include scholarships and financial aid funding. With regard to recommendations, Mr. Haartz said the RFP asked the consultant to identify best practices. However, he thought the RFP could be more explicit in asking the consultant to make recommendations and report on other state's practices without making a direct recommendation as to whether Nevada should adopt a specific model

Senator Kieckhefer did not necessarily think the consultant should provide the committee with recommendations, but number 9 of the timeline on page 31 of the meeting packet ([Exhibit A](#)), listed it as an action for the fourth committee meeting. He thought it would be difficult to ask for recommendations when the committee was in the process of defining what it wanted in terms of performance and similar issues.

In reference to page 14 of the meeting packet ([Exhibit A](#)), Identification of Best Practices, Mrs. Gansert said she was concerned about how the consultant would define best practices because the RFP did not define it for them. She thought best practices needed to be centered on the goals set by the Board of Regents, the Governor's Office, and Legislative Leadership with consideration of the NGA Complete College of America model.

Chairman Horsford recommended the RFP reflect best practices as within the purview or framework of the NGA Complete College of America, because it was researched based and aligned to a national initiative.

Mrs. Gansert said although the RFP's request for identification of best practices referred primarily to the funding formula, she thought the committee concurred that the NGA Complete College of America model was a good direction to take.

On Senator Kieckhefer's point regarding state based financial aid, Dr. Geddes said NSHE had internal student financial aid from registration fees, but there was no separate state based pool for need based financial aid.

Chairman Horsford wanted clarification from a policy standpoint on the term state based support. He asked if the Legislature agreed for NSHE to increase tuition with 15 percent set aside for financial assistance, whether that was or was not included as state based support because it was approved as part of the budget process.

Dr. Geddes responded the Legislature concurred on the Board of Regents adoption of a policy of setting aside 15 percent of all fee increases for financial aid; however, several states had a separate appropriation for need based financial aid that was administered and set aside specifically for that purpose. He thought an analysis of how other states handled the category of financial aid would be helpful information for the Board of Regents.

Mrs. Gansert thought that Nevada's university system students were not applying for all the financial aid available through federal programs. She wondered whether the state was doing a good job of getting all the federal dollars possible through individual awards such as Pell Grants. Mrs. Gansert said because Nevada offered the Millennium Scholarship as well as other scholarships through the various institutions some students never filled out an application for financial aid and it would be interesting to see an analysis of Nevada versus other states or NSHE versus other systems.

Ms. Teska thought it was important for the committee to agree on defining Nevada's performance measures and then have the consultant look at that type of data across the country in comparison with the funding formulas. It seemed like Nevada would want to align itself with other state formula funding methods that were producing the results that were expected of Nevada's institutions and higher education system, otherwise it might have a counterproductive outcome.

Mr. Dillon asked where economic development related to the funding of higher education in the Scope of Work.

Mr. Haartz said number 11b on page 17 of the meeting packet ([Exhibit A](#)) addressed the Cost Area of research, including a description of the methodology used to fund activities, which promoted the state's economic development. He suggested that the language could be broadened if the committee wished so it was not linked specifically to research.

Senator Kieckhefer thought it should be broadened because it seemed limited specifically to research, whether it was at the Desert Research Institute or the Medical School, and then how that was commercialized. He relayed the importance of looking at the types of degrees generated from Nevada's universities and incentivizing the institutions to attract students and generate graduates in those fields in order to grow Nevada's economy.

Chairman Horsford indicated the Brookings Institution, SRI International report included some of those areas of economic development for state higher education institutions. He said the report also identified key areas of opportunity for economic development in the subsequent two to five year period. Chairman Horsford thought number 11b on page 17 of the meeting packet ([Exhibit A](#)) needed to be a standalone directive apart from research with an added reference to the SRI report and the ongoing work of the Governor's Commission on Economic Development. He emphasized the committee needed to be careful that the consultant did not duplicate any other work, but rather to align goals from other studies or reports with the formula funding recommendation.

Dr. Richards also endorsed separating information on the state's economic development. In addition, he suggested number 10d on page 16 of the meeting packet ([Exhibit A](#)) on workforce development be a subset of the funding of higher education related to economic development in the RFP so that it is given proper prominence in the study.

Chairman Horsford preferred to have the state's economic and workforce development strategies and how they aligned with the recommendations on our higher education programs spelled out in the RFP.

Dr. Stewart heard many good points made in the discussion of the RFP; however, by statute there was only \$150,000 appropriated to spend on all the study elements. He pointed out the MGT report came out in 2010 and the SRI report in 2011 and thought

the focus of the formula funding study was to bridge the other two reports so that it optimized and informed institutional behavior to satisfy the objectives that were outlined in the SRI report. Dr. Stewart said the committee should prioritize the most appropriate areas to study and get what it wanted for the \$150,000 cost.

Chairman Horsford said that while Dr. Stewart raised a valid point the SRI report was not a study, but was the Commission of Economic Development's evolving plan of action. He did not want to prejudge the MGT report because it would be used for some baseline information; however, during the 2011 Legislative Session the report was discussed and there were certain areas that were not addressed. He did not think the committee could accept the MGT report recommendations without further analysis. Chairman Horsford's perspective was that the committee would rely on Fiscal Division staff working with NSHE and Budget Division staff who had the expertise and familiarity of the raw data to disseminate information which had already been provided, and how much still needed to be analyzed further versus how much could be taken at face value. Even though there were linkages to the economic development plan, the vision stakeholder plan, and the MGT report the higher education study was on formula funding. He emphasized the committee's mission was to look at formula funding issues and had to be careful not to go beyond that legislative charge.

Referring to number 4 on page 17 of the meeting packet ([Exhibit A](#)) concerning an analysis and report on the state's higher education general fund and other revenue allocation percentages, Senator Kieckhefer asked whether the deliverable would take into account how other states funded community colleges. He pointed out some states used local revenues to support its community colleges and wondered if language needed to be added to talk specifically about state funding.

Mr. Haartz said the RFP would take into account how other states funded community colleges, but he would add language to make it more clear.

Chairman Horsford suggested if language were added then it should be broken out into operational funding versus capital funding, because they were different models.

b. PROCEDURE FOR SELECTION PROCESS FOR A CONSULTANT(S).

Mr. Haartz asked for the committee's approval to make the appropriate edits and adjustments discussed at the meeting so the RFP could be released the following day. He reported the RFP would be placed on the Legislative website and the State Purchasing Division's website. In addition, it would be released by postal mail and e-mail to a targeted mailing list, which was developed with the Chancellor's Office, to eight potential entities and consultants of those who were understood to be either related experts or organizations who could forward the information to others who might be interested in bidding on the RFP. Mr. Haartz explained that several representatives from the Fiscal Analysis Division, a representative from the Chancellor's Office, a representative from the Budget Division and a representative from the State Purchasing

Division would meet the first week of January 2012 to review and evaluate the submitted proposals. The finalist or top finalist would be asked to make a presentation to the committee at the January 11, 2012, meeting. Mr. Haartz indicated the committee members would choose the consultant based upon staff's evaluation of the submitted proposals as well as their presentation at the January meeting.

Chairman Horsford asked if the committee would be able to request a formal presentation by the finalist prior to approval.

Mr. Haartz said it was noted in the RFP that the committee may request the finalist(s) to make an oral presentation. He did not know how many proposals were expected, but the response deadline to the Fiscal Analysis Division was no later than 5:00 p.m. on December 30, 2011. Staff wondered whether a member of the committee wanted to participate as the committee's representative in the vendor evaluation process scheduled for the week of January 2, 2012. Since the next committee meeting was tentatively scheduled for January 11, 2012, staff allotted one week to conduct the review and evaluation, and prepare materials for the meeting. If a member of the committee did not participate then staff would handle the evaluation process and bring the information to the committee for review and selection of the vendor.

Mr. Hickey wondered if the committee members would have access to information from the review and evaluation process in advance of the January 11, 2012, meeting, before the selection of the consultant was required.

Mr. Haartz said it would be at the discretion of the Legal Division whether the vendor review process and evaluation information could be provided to the committee members in advance of the meeting.

Mr. Hickey asked Chairman Horsford whether he was comfortable with being able to process and decide on a consultant at the next meeting without reviewing the vendor proposals.

Chairman Horsford said he did not want to make the consultant selection too onerous. Staff along with the selected representatives of the evaluation group would rank the proposals based on the qualifications required in the scope and provide the committee their recommendations including a formal presentation of the top finalists. Then the committee members would make a decision based on the staff review and the presentation. If the committee members wanted to delay the decision for further review, he said that could be decided at the January meeting.

Mrs. Gansert asked to define who would be participating on the technical advisory committee charged with reviewing the vendor proposals.

Mr. Haartz said the evaluation group would not be structured specifically as a technical advisory group but rather an evaluation committee. Staff from the Fiscal Analysis Division and a representative from the Chancellor's Office, the Budget Division and the

State Purchasing Division would comprise the evaluation committee to review the submitted proposals.

Mrs. Gansert volunteered to be a member of the subcommittee to evaluate or pre-evaluate the proposals before being presented to the entire membership on January 11, 2012.

Chairman Horsford said he would check with the Legal Division because if a technical advisory committee was selected then there was a whole set of open meeting processes that needed to be followed. Because of the time constraints and people's schedules, he did not want to slow down the process and thought the designated staff could evaluate the proposals and provide recommendations to the committee members.

Mrs. Gansert proposed for the members to receive copies of all the proposals before the evaluation group met so the members would have an opportunity to provide their input to the staff members.

Chairman Horsford said without objection from the Legal Division copies of all the responses to the RFP could be provided to the committee members in order to provide feedback to the evaluation group of staff who would evaluate the proposals prior to the committee meeting in January.

Mrs. Smith commented that she had been on a committee, which utilized a RFP with a similar process for staff evaluation of the proposals and said the process worked well. After the staff evaluation, the committee members had the opportunity to participate in the selection process of the finalist. She said staff had evaluated proposals in the past and were experienced so she was confident the committee would be ready to make a decision on a consultant at the January meeting.

ASSEMBLYWOMAN SMITH MOVED TO ACCEPT THE RFP PROCESS
WITH THE RECOMMENDED CHANGES AS INDICATED TO STAFF.
SENATOR PARKS SECONDED THE MOTION.

Before finalizing the motion, Mrs. Gansert asked if staff could review the proposed changes to the RFP as discussed by the committee.

Mrs. Smith asked to add to her motion for the Chairman to have the authority for approval of the final document and to direct staff for the release of the RFP.

Mr. Haartz provided a recap of the changes to the RFP as requested by the committee members. The first change was on page 14 of the meeting packet ([Exhibit A](#)) regarding the identification and definition of best practices within the context of the funding formula as well as adding information on best practices as tied to the NGA Complete College of America initiative. Continuing, he said number 1e also on page 14 under Cost Areas

with regard to the discussion of remedial instruction distance education, the RFP would be updated to clarify how it was funded in addition to how the courses were defined, provided and addressed. Also proposed under number 1, Cost Areas was the addition of a new item g to address utilities and to obtain information from other states on how utilities were funded.

Chairman Horsford thought the new item g, concerning Utilities would be more appropriate under number 4, Facilities, on page 15 of the meeting packet ([Exhibit A](#)), rather than number 1.

Continuing, Mr. Haartz said the committee was also interested in understanding the policy other states had adopted in the funding of remedial instruction, and language could be added on distance education courses as well. Number 3, on page 15 of the meeting packet ([Exhibit A](#)) would address the issue of administrative computing clarified to encompass student data systems and specifically the Integrate system adopted by NSHE. Information on how revenues from facilities were budgeted and addressed in the context of the funding formula would be added to number 4 on page 15. Noting the discussion on financial aid, on page 16 of the meeting packet ([Exhibit A](#)) the consultant would be asked to provide a system versus system comparison on how financial aid was funded. In addition, financial aid would be stratified to account for those states that provided specific appropriations for financial aid to students, as well as account for those systems which did not have appropriations, but had a fee based or other revenue source based financial aid system and how that was taken into account in the funding formula. Mr. Haartz said on page 16, the issue of workforce development and page 17, activities that promote the state's economic development, would be extracted and bundled together as a separate standalone area in which the consultant would be asked to provide information on how other states address funding those two issues within the context of their systems of higher education. He indicated language would be added on page 17 of the meeting packet ([Exhibit A](#)) asking the consultant to look at how states use performance related components within the context of the NGA Complete College of America and which performance related measures achieved the best results. The next deliverable looked at student enrollments as the basis of the formula funding for higher education. Mr. Haartz indicated the committee desired to add clarification specifically to make sure the consultant identified the definition of a student full-time equivalent in other states; how other states defined completed course; and the variance by institution type of the measurement of student success. On number 4 on page 17 of the meeting packet, the analysis and report of states' higher education and general fund and other allocation percentages, the committee requested to include two changes. The first change was to have local funds be specifically identified as other types of revenue sources. The second change referred to allocation percentages and the need to break out and identify the difference between operational funding and capital funding that systems of higher education received. Mr. Haartz concluded his overview of the proposed changes to the RFP.

Mark Krmpotic, Fiscal Analyst, Fiscal Analysis Division, communicated to make another change to the Payment section of the RFP on page 23 of the meeting packet ([Exhibit A](#)) as requested by Mrs. Smith, regarding tying the payment to the deliverables.

For final committee passage, Chairman Horsford repeated the motion to approve the request for proposal as recommended by staff with the recommendations and changes as proposed. The motion was by Mrs. Smith and seconded by Senator Parks authorizing staff to make the necessary changes and for the Chairman to review the final document before it was released.

THE MOTION PASSED UNANIMOUSLY.

VI. DISCUSSION OF TIMELINE FOR CONDUCTING THE STUDY, INCLUDING ADOPTION OF COMMITTEE MEETING SCHEDULE.

Mr. Haartz said a potential committee working timeline was shown on page 31 of the meeting packet ([Exhibit A](#)). The timeline was developed in order for the committee to complete its work by the end of June 2012 and to allow NSHE time to incorporate any recommendations from the committee into its 2013-15 biennial budget request. Meeting dates identified on the timeline were based upon the RFP and deliverables from the consultant. He explained the timeline showed a quick turnaround from receiving the deliverables, to review of the deliverables and then to requesting more information from the consultant.

Chairman Horsford asked if the members had any major conflicts with the meeting dates proposed in the timeline. If there were none, he wanted the dates as listed to be the set schedule. However, if members had conflicts in the scheduling he asked them to notify Mr. Haartz so adjustments could be made.

Dr. Geddes asked if the all the meetings would start at 9:00 a.m. Chairman Horsford said yes.

Mr. Hickey wondered why number 10 on the timeline listed 2013 bill draft requests as a possible action for the May 23, 2012, meeting. He thought it might be better to include that after the committee approved the formula funding recommendations.

Mr. Haartz said it could be moved to the committee's final work session. He also noted all the meetings would be held in Las Vegas and videoconferenced to Carson City and Elko.

Chairman Horsford requested Mr. Haartz to work with the Board of Regents regarding their strategic plan and Mrs. Gansert regarding the NGA Complete College of America initiative to determine a time when the groups were ready to present any of their respective plans to the committee. In addition, he wanted to schedule a time on a future agenda for students and faculty to attend a meeting to testify on tuition, student-derived revenue, or any other higher education funding issues.

Dr. Geddes offered rooms of any of the system campuses to hold the meetings. Chairman Horsford said the committee would probably utilize a space on campus that allowed for the consultant to facilitate working discussions with the committee and for the public to testify.

VII. REVIEW OF THE NEVADA SYSTEM OF HIGHER EDUCATION'S BUDGET AND FUNDING STRUCTURE, INCLUDING THE USE OF THE CURRENT FORMULA IN FUNDING THE SYSTEM'S STATE SUPPORTED OPERATING BUDGETS.

Mr. Haartz said beginning on page 35 of the meeting packet ([Exhibit A](#)) was an overview staff prepared for the committee regarding how the existing higher education funding formula worked. In addition, for reference each member had received a copy of the prior study conducted in 2000 as a result of S.B 443 approved by the 1999 Legislature. The formula funding methodology contained in the previous study was enacted by policy and historically used by the legislative money committees, NSHE, the Governor and the Board of Regents up until the last several legislative sessions. He pointed out that the overview only referred to the state supported operating budgets. There were other budgets that were referred to as the self-supporting budgets, which NSHE and the Board of Regents used to budget operating and other costs; however, those were not reviewed in the legislative process. He said there were several changes in the 2011 Legislative Session in which a number of state supported operating budgets were consolidated by the money committees leaving 15 state supported operating budgets to be reviewed the Legislature. Of those 15 budgets, 7 were defined as the formula budgets and were each institutions main instructional budgets funded utilizing the formula. There were 8 non-formula budgets, which were built and funded on a base plus funding methodology. This was a more traditional base budget approach, which mostly looked like a regular Executive Branch budget.

Continuing, Mr. Haartz said the higher education formula funding study conducted in the 2000 Interim looked at several areas and made key points. One of the areas studied was the funding inequity between comparable NSHE institutions and considered strategies to address it, particularly in terms of faculty salaries. As a result, faculty salary adjustments were made and the policy implemented by the Legislature.

Mr. Haartz also noted that for the 2001-03 biennium there was \$3 million requested by the Governor to implement the performance funding, but a complete plan was not put forward to implement the funding. As a result, the funding recommended by the Governor was subsequently approved by the Legislature for research activities instead of putting it toward performance funding.

Mr. Haartz directed the committee to page 37 of the meeting packet ([Exhibit A](#)) to discuss information about the main components of the funding formula as it currently existed. He said the formula represented a level of projected need that the formula calculated for each institution. The formula was based upon a series of drivers or

factors that had been approved and were used to calculate costs. He said the primary driver of the instructional formula was student enrollments, which were calculated as student full-time equivalents based upon the projected number of credit hours, and stratified by program costs and level of discipline. The primary factor of the instructional formula was the student-to-faculty ratio, and another significant formula factor was the ratio of support staff to professional instructional staff. Another driver of the formula was the operation and maintenance of the physical plants and it used staffing ratios as well based upon maintained and improved square footage, with additional consideration for the age of the infrastructure. Adjustments in the formula were also included which attempted to take into account economies of scale and the rural nature of some of the institutions with specific costs of providing services in the rural areas.

To explain further about the functional areas, Mr. Haartz turned to page 37 of the meeting packet ([Exhibit A](#)). He said student full-time equivalents were calculated at an undergraduate level of 15 credit hours per semester or 30 hours per year. The graduate level was stratified into master's and doctoral levels. Once student full-time equivalents were established those were further stratified into four levels to take into account the differential cost of providing certain courses, including clinical, high cost, medium cost and low cost. Page 38 of the meeting packet showed examples of clinical, high cost, medium cost and low cost courses based on the current taxonomy of cost and classification of the courses. Mr. Haartz noted that currently remedial instruction costs were not included in the formula at the two universities, but were included in the formula for calculating Nevada State College. The community colleges were calculated at the medium cost level. He indicated the number of student full-time equivalents drove the number of faculty needed. This driver was based upon the previous formula study, although since it was adopted there had been nominal adjustments made in the budgeting process in the student-to-faculty ratios used in the funding formula.

Continuing, Mr. Haartz said the next major formula component was the academic support formula and as noted on page 39 of the meeting packet ([Exhibit A](#)) was an overall subformula that calculated the administrative staff-to-faculty ratios, including library staffing. Then from the number of faculty the number of support staff was derived and the formula calculated the cost for professional and classified positions. He explained there were also differences in the formula factor based on the institutional level, its size and where it was located.

Chairman Horsford asked who determined the formula factors and ratios, and when were they determined.

Mr. Haartz said each of the ratios, numbers, drivers, and factors were approved by the S.B. 443 study committee in 2000. The information was presented during the 2001 Legislative Session for incorporation into the higher education budgets and approved by the 2001 Legislature. He reported there had been nominal changes over time as part of the budget process where adjustments were made based on budget policy discussions.

Chairman Horsford noted that in the 2009 and 2011 Legislative Sessions none of the specific drivers and numbers were part of the policy discussion because they were in the formula, except for enrollment, which was discussed during both sessions. He thought it was timely to review it again because some of the factors that existed in 2000 did not exist presently and would not exist in the future. He thought it was a good time to understand how and why the current formula worked.

Mr. Haartz moved to number 4 on page 43 of the meeting packet ([Exhibit A](#)), changes in the use of the funding formula over the last two biennium. He indicated several changes occurred specifically related to the use of the funding formula in the 2009-11 biennium primarily centered on the availability of funding. The money committees and the Legislature approved the use of the formula to distribute available funding. Mr. Haartz pointed out the formula calculated a projected need and then distributed available funding, and it provided an equitable distribution based upon the formula components. As a result of the availability of funding, the formula was used in the 2009 biennium by the Legislature not to calculate funding, but to distribute the available funding. He reminded the committee that enrollments were the primary driver of how a student full-time equivalent was calculated. With that in mind, Mr. Haartz said the enrollments were not calculated based upon the traditional three-year methodology, but were projected as flat to Fiscal Year 2009, which was the current projected enrollment as the basis for the distribution of funding. There were also some funding shifts for the basis of hold harmless and equity funding between some of the institutions. Mr. Haartz said in the 2011 Legislative Session the funding formula was not used for purposes of either calculating need or distributing funding. Its use was suspended by the Legislature at the recommendation of NSHE and funding was allocated based upon the proportionate allocations that were contained in the Governor's Recommended Budget. The enrollment projection methodology was also not utilized and suspended, with enrollments again projected as being flat to Fiscal Year 2011, which was the most current data available at the time. Mr. Haartz said the Legislature's action for the 2011 biennium was taken at the same time the Legislature discussed S.B. 374 and the need to review the funding formula.

VIII. PUBLIC COMMENT.

There was no public comment.

IX. ADJOURNMENT.

Mr. Krmpotic said although there were no objections to agenda item VI, Legal staff suggested a formal motion be taken regarding the adoption of the committee work timeline presented in the meeting packet ([Exhibit A](#)) on page 31.

MR. PAGE MOVED TO ACCEPT THE RECOMMENDED COMMITTEE MEETING TIMELINE. ASSEMBLYMAN HICKEY SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chairman Horsford thought the committee got a lot of work done and he appreciated the member's participation and recommendations. The next scheduled meeting was on January 11, 2012 at which time the committee's primary purpose was to review the evaluation of the respondents of the RFP and to make any necessary decisions and actions at that time. Without any further business to come before the committee, Chairman Horsford adjourned the meeting at 11:30 p.m.

Respectfully submitted,

Patti Sullivan, Committee Secretary

APPROVED:

Steven A. Horsford, Chairman

Date: _____

Copies of exhibits mentioned in these minutes are on file in the Fiscal Analysis Division at the Legislative Counsel Bureau, Carson City, Nevada. The division may be contacted at (775) 684-6821.