Nevada College Governance and Workforce Alignment

May 9, 2014
Greenspun Auditorium
8:30 a.m -12:00 p.m.
Community College Governance in Nevada: An Evidence-Based Approach

Mario Martinez
Professor of Higher Education, UNLV
The Charge

Use an evidence-based approach to explore Nevada’s landscape, higher education governance, and community college performance.

- Draw on research, theory, and national and state-level data.
- What are the implications for Governance?

Study has nothing to say about political undertones, power preferences, or leadership.

Recommendations are made to stimulate discussion, not as definitive conclusions.
There is no one perfect solution for all states.

Comparison among states provides ideas and will help us frame our thinking for Nevada.

Transparency of analysis is best—reliance on jargon and complexity only confuses—keep it simple.

Examine efficiency and effectiveness. Something that is efficient but not effective means resources are not optimized.

I approach analysis with no agenda...just calling “the balls and strikes.”
Research and Wisdom as a Guide

- Centralized structures are effective in homogeneous environments
- With increased diversity and complexity, a balance of centralization and decentralization is necessary
- The different functions of governance may benefit from a “separation of duties” (metaphor of the bank)
- Organizational structure matters; it can influence institutional behavior and responsiveness and, ultimately, student success
Big Picture

**INPUTS**
Demographics
Racial/Ethnic Numbers
Economic Profile
Urban: Rural
Institutions Enrollments Types

**OUTPUT**
Community College Governance

Community College Performance

Change Structure?
Status Quo?

Implications
In Nevada:

- From 1970-2010, the population increased 453%.

- In just the first 10 years of the new millennium, Hispanics have increased from 19.7% to 26.5% of the population.

- In the first 10 years of the new millennium, those identifying as “White Alone” have decreased from 65.2% to 54.1% of the population.
Employment – Shifts are Happening

In a 20 year span, from 1992-2012:

- The two industries with the largest employment growth were in Professional & Business Services and Education & Health Services.

- Leisure & Hospitality remains the largest industry by employment, but has also experienced the largest decrease as a percentage of total employment in Nevada.

- Government has slightly declined, as a percentage of total employment across all industries.
Higher Education Inputs Show Significant Change

- Highest state growth rate in terms of enrollment, from 1970-2010, at 733%
- Fourth highest growth rate in terms of enrollment, from 1990-2010.
- 28.8% minority student population in 2000 compared to 46% in 2011
Governance Structure

Governing Board established in 1864 as a centralized structure and has remained so, with additional institutions falling under its purview.
Reminder: Big Picture

**INPUTS**
- Demographics
- Racial/Ethnic Numbers
- Economic Profile
- Urban: Rural
- Institutions Enrollments Types

**OUTPUT**
- Community College Performance

Implications
- Change Structure?
- Status Quo?

Community College Governance
2-Year Performance

<table>
<thead>
<tr>
<th>2009 Metric for Nevada</th>
<th>Credentials and Degrees Per 1,000 Residents</th>
<th>Credentials and Degrees Per 100 FTE Students</th>
<th>Credentials and Degrees Per $100,000 of Education and Related Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>15.4</td>
<td>9.3</td>
<td>1.22</td>
</tr>
<tr>
<td>Nevada National Ranking</td>
<td>49th</td>
<td>49th</td>
<td>42nd</td>
</tr>
<tr>
<td>Comments/Notes</td>
<td>Result down 6.6% from 2005</td>
<td>Result up .4% from 2005</td>
<td>Nevada has steadily improved on this metric. 2005 ranking was 48th, and in 2010, the ranking is 38th</td>
</tr>
</tbody>
</table>

Additional information in report indicate two-year institutions have also missed several opportunities to take advantage of available federal funds and grants (e.g. Trade Adjustment Assistance Community College and Career Training Initiative)
What Does it All Mean?

Interpretations and Recommendations
**Interpretations**

**INPUTS**
- Demographics
  - Racial/Ethnic Numbers
- Economic Profile
- Urban: Rural
- Institutions
  - Enrollments Types

**OUTPUT**
- Community College Performance

**Evidence**
- State population larger, more diverse
- Economy is diversifying
- Urban and rural needs are different
- Institutional enrollments growing and more diverse
- Mission and goals for institutions should be complementary but not duplicative

**THEORY**
- What does Organizational Theory and Governance Literature Say?

**Evidence**
- Separation of duties (coordination and governance)
- As complexity and size increase, centralization is less effective
- Local needs and diverse urban environments require some customization

**Change Structure - Decentralize**

**Status Quo**
Interpretations

- Existing structure not optimal.
- Band-aide solutions (e.g. spin-off function within existing structure) will not address the many issues outlined and will only delay a long-term answer.
- Confluence of analytical forces strongly suggest a change in governance should be on the table, with considerations for decentralization and separation of duties.
Recommendations: Options to Think About for Higher Education Governance

- Status Quo: Leave things the same (analysis does not support this option), but don’t expect any changes in performance or outcomes.

- Create positions or functions within existing board to differentiate community colleges (analysis does not support this option).

- Create local boards for community colleges, and embody an explicit coordinating role to an existing body (not ideal, but heading in the right direction).

- Create local boards for community colleges and embody an explicit coordinating role to a new body (best case, based on the analysis).

- Other ideas are possible, but recommendations should be evidence-based and not politically motivated.
Final Thoughts

- Transparency is best—my report has everything clearly spelled out, but I welcome criticisms and scrutiny of the analysis (no smoke screens, nothing to hide).

- My agreement to do this analysis was largely driven by my philosophy of “students first.”

- Viewpoints based on rhetoric or simply preserving existing processes and structures should be minimized—evidence based, transparent analysis is best.
Understanding Nevada’s Higher Education Governance for Two-year Colleges: Challenges and Solutions

Magdalena Martinez
Director of Education Programs,
The Lincy Institute
Two-Year Colleges in the U.S.

- Widening college access for all
- Responsive to local and regional workforce needs
- 1947 Truman Commission Report
- Community colleges today
  - Vocational training
  - College transfer
  - Remedial education
College Governance across the States

- Governing Boards
- Coordinating Boards
- Planning/Regulatory/Service Agency
- Nevada Constitution: Board of Regents of the University of Nevada
Nevada’s Studies of College Governance

- **1968**
  - State Plan for Community Colleges in the State of Nevada (Board of Regents)
  - AB 22 - Elko Community College pilot project
  - Recommendations for Community College Education in the State of Nevada (Arthur D. Little Company)

- **1971**
  - SJC 12 - Would have authorized the legislature to create a 5-member board of trustees for a system of community colleges
  - ACR 44 - Report to the Legislative Commission, Studying the Community College Division of the University of Nevada System (LCB)

- **1978**
  - Redesigning the Higher Education System of Nevada (RAND)
  - AJR 3 - Would have created separate board of regents for the community colleges

- **1979**
  - Report to the Nevada Legislature's Committee to Study the Funding of Higher Education (SRI International)

- **1983**
  - Fresh Look at Nevada Community Colleges (NSHE Task Force)
  - Unify, Regionalize, Diversify: An Economic Development Agenda for Nevada (Brookings Institution & SRI International)

- **2002**
  - Senate Bill No. 391??

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How the Federal Government Views Nevada Colleges

- National Center for Education Statistics
  - Integrated Postsecondary Education Data System

<table>
<thead>
<tr>
<th>College</th>
<th>Sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>Truckee Meadows Community College</td>
<td>Public, 2-year</td>
</tr>
<tr>
<td>College of Southern Nevada</td>
<td>Public, 4-year or above</td>
</tr>
<tr>
<td>Western Nevada College</td>
<td>Public, 4-year or above</td>
</tr>
<tr>
<td>Great Basin College</td>
<td>Public, 4-year or above</td>
</tr>
<tr>
<td>Nevada State Colleges</td>
<td>Public, 4-year or above</td>
</tr>
<tr>
<td>University of Nevada, Reno</td>
<td>Public, 4-year or above</td>
</tr>
<tr>
<td>University of Nevada, Las Vegas</td>
<td>Public, 4-year or above</td>
</tr>
</tbody>
</table>

## How are we doing?
### Metrics to Consider

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Iowa</td>
<td>3</td>
<td>16</td>
<td>187,500</td>
</tr>
<tr>
<td>Arkansas</td>
<td>2.9</td>
<td>22</td>
<td>131,818</td>
</tr>
<tr>
<td>Mississippi</td>
<td>2.9</td>
<td>15</td>
<td>193,333</td>
</tr>
<tr>
<td>Kansas</td>
<td>2.8</td>
<td>25</td>
<td>112,000</td>
</tr>
<tr>
<td>Utah</td>
<td>2.8</td>
<td>7</td>
<td>400,000</td>
</tr>
<tr>
<td>Nevada</td>
<td>2.7</td>
<td>1</td>
<td>2.7 million</td>
</tr>
<tr>
<td>New Mexico</td>
<td>2</td>
<td>19</td>
<td>105,263</td>
</tr>
</tbody>
</table>

# Adults 25 to 44 with Associates Degree

<table>
<thead>
<tr>
<th>State</th>
<th>Percent Estimate, Associates Degree or Higher</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Iowa</td>
<td>45.8</td>
<td>12</td>
</tr>
<tr>
<td>Kansas</td>
<td>42.6</td>
<td>19</td>
</tr>
<tr>
<td>Utah</td>
<td>41</td>
<td>41</td>
</tr>
<tr>
<td>Nation</td>
<td>40.4</td>
<td></td>
</tr>
<tr>
<td>New Mexico</td>
<td>32.1</td>
<td>45</td>
</tr>
<tr>
<td>Mississippi</td>
<td>31.8</td>
<td>47</td>
</tr>
<tr>
<td>Arkansas</td>
<td>30.2</td>
<td>49</td>
</tr>
<tr>
<td>Nevada</td>
<td>28.2</td>
<td>50</td>
</tr>
</tbody>
</table>

It’s the leaky college pipeline!

100 Students
50% Graduate from High School
51% Enter College Immediately after High School
13% Enroll Full Time in Two-Year College
16.7% Graduate with a Two-Year Degree in 3 Years

Source: NCES, Common Core Data; IPEDS Residency and Migration, Fall Enrollment, and Graduation Rate Surveys, 2010.
# State & Local Public Higher Education Support

<table>
<thead>
<tr>
<th>State</th>
<th>State and Local Support per Full-Time Student ($)</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Mexico</td>
<td>7791</td>
<td>7</td>
</tr>
<tr>
<td>Nevada</td>
<td>7081</td>
<td>11</td>
</tr>
<tr>
<td>Nation</td>
<td>6290</td>
<td></td>
</tr>
<tr>
<td>Arkansas</td>
<td>5810</td>
<td>27</td>
</tr>
<tr>
<td>Kansas</td>
<td>5531</td>
<td>30</td>
</tr>
<tr>
<td>Mississippi</td>
<td>5525</td>
<td>31</td>
</tr>
<tr>
<td>Utah</td>
<td>5338</td>
<td>33</td>
</tr>
<tr>
<td>Iowa</td>
<td>4884</td>
<td>40</td>
</tr>
</tbody>
</table>

Source: NCHEMS, Revenues and Support, 2011.
## College Governance & Local Funding

<table>
<thead>
<tr>
<th>State</th>
<th>State-level Governance or Coordination Structure</th>
<th>Separate Two-Year Governance or Coordinating Structure</th>
<th>Local funding, % from local sources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Iowa</td>
<td>State-level coordination</td>
<td>Yes</td>
<td>24.2</td>
</tr>
<tr>
<td>Arkansas</td>
<td>State-level coordination</td>
<td>Yes</td>
<td>9.8</td>
</tr>
<tr>
<td>Mississippi</td>
<td>State-level coordination</td>
<td>Yes</td>
<td>15.8</td>
</tr>
<tr>
<td>Kansas</td>
<td>State-level coordination</td>
<td>Yes</td>
<td>44.1</td>
</tr>
<tr>
<td>Utah</td>
<td>State-level governance</td>
<td>No</td>
<td>0</td>
</tr>
<tr>
<td>Nevada</td>
<td>State-level governance</td>
<td>No</td>
<td>0</td>
</tr>
<tr>
<td>New Mexico</td>
<td>State-level coordination</td>
<td>Yes</td>
<td>36.1</td>
</tr>
</tbody>
</table>

Source: Education Commission of the States; McGuinness, 2014.
Possible Solutions

- Align the state’s public colleges with the U.S. Department of Education federal definitions and the Nevada Constitution
- Ethic of Local Community
  - Create a statewide coordinating structure that has oversight for local college governing boards in order to improve workforce alignment, transparency, and outcomes in Nevada
  - Local governing boards should have the autonomy to access local and federal funding
The Case for a New College Governance Structure in Nevada: Integrating Higher Education with Economic Development

David Damore
Associate Professor of Political Science, UNLV
Across the nation, cities and metros are taking control of their own destinies, becoming deliberate about their economic growth. Power is devolving to the places and people who are closest to the ground and oriented toward collaborative action. This shift is changing the nature of our leadership – who our leaders are, what they do, and how they govern.
The Creation of GOED (2011)

- “One Nevada” is a poor fit for the state’s economic challenges
  - Identified opportunities for economic development and diversification
  - Mapped industry sectors to regions
  - Empowered regional development authorities (RDAs) to position, market, and coordinate economic activity
  - Next step: extending the GOED model to higher education
Higher Education and Economic Development

- A long standing priority
  - The 1862 Morrill Act provided resources for land grant universities
  - The $2 billion Trade Adjustment Assistance Community College and Career Training Grants
  - The Knowledge Fund
  - The SB391 Study Committee
Higher Education Governance

- States vary in how they integrate higher education and economic development
  - Governance of higher education is a manifestation of a state’s history, priorities, and prior reforms
  - Where reform has occurred governance reflects the tensions and negotiations between regions, localities, and state priorities
  - In Nevada there has been little to no innovation
The Present Structure

- A consolidated, statewide structure
- Little connection to the constitutionally prescribed creation of “a State University” governed by “a Board of Regents”
The Present Structure

- Consequences (beyond outcomes)
  - The same policies and processes are applied to institutions with vastly different missions
  - Limits or excludes involvement by localities in areas that are local by nature
  - By conflating governance by the Board of Regents of the University of Nevada with administration by the Nevada System of Higher Education (NSHE) the state is vulnerable to litigation
Learning from the GOED Model

- Two tier structure
- Legislative oversight
- Recognizes and empowers localities
Proposed University Tier

| Governance | Board of Regents of the University of Nevada  
Elected from districts to six year terms;  
maximum of two terms |
|------------|------------------------------------------------------------------|
| Controlling Authority | Nevada Constitution  
Executive with Legislative oversight |
| Administration Institutions | University of Nevada |
| Administration (UNSO) | University of Nevada System Office  
Locations: Reno and Las Vegas |
Proposed College Tier

**Lead Oversight**
Legislature

**Governance**
NOHE State Coordinating Board

**Administration**
NOHE

**District 1**
Governing Boards and Institutions

**District 2**
Governing Boards and Institutions

**District 3**
Governing Boards and Institutions

**Statewide**
Not-For Profit and For-Profit Institutions
## Proposed College Tier

| Governance | Nevada Office of Higher Education (NOHE) State and Local Boards  
*State Governance:*  
11 member board appointed by the Legislature to four year terms from three regions (eight from Southern Nevada; two from greater Reno; and one rural)  
*Local Governance:*  
Seven member boards, including one student, for each institution nominated by local governments and selected by the Legislature to four year terms |
| Institutions | *Public:*  
Two- and Four-Year State Colleges and Community Colleges  
*Private:*  
Not-For Profit and For-Profit Institutions |
| Administration | Nevada Office of Higher Education (NOHE)  
Locations: Carson City, Elko, and Las Vegas  
Districts:  
1) Las Vegas Combined Statistical Area  
2) Reno Combined Statistical Area  
3) Rural |
| Controlling Authority | New Legislation  
Executive with Legislative oversight |
## Composition of Regional College Districts

<table>
<thead>
<tr>
<th>District</th>
<th>2013 District Population</th>
<th>2013 County Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>District 1</td>
<td>Las Vegas–Henderson (74%)</td>
<td>Clark 2,027,868, Southern Nye 36,441</td>
</tr>
<tr>
<td></td>
<td>2,064,309</td>
<td>Carson City 54,080, Douglas 47,118, Lyon 51,557, Storey 3,942, Washoe 433,731</td>
</tr>
<tr>
<td>District 2</td>
<td>Reno–Carson City–Fernley (21%)</td>
<td>Carson City 54,080, Douglas 47,118, Lyon 51,557, Storey 3,942, Washoe 433,731</td>
</tr>
<tr>
<td>District 3</td>
<td>Rural (5%)</td>
<td>Churchill 24,063, Elko 52,384, Eureka 2,076, Humboldt 17,363, Lander 6,032, Lincoln 5,245, Mineral 4,614, Northern Nye 5,856, Pershing 6,877, White Pine 10,057</td>
</tr>
<tr>
<td></td>
<td>135,399</td>
<td>Nevada 2,790,136</td>
</tr>
</tbody>
</table>

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NOHE State Activity

- NOHE State Board and the NOHE
  - Coordinate local institutions with regional and state economic development efforts
  - Absorb the functions of the Commission on Postsecondary Education (CPE)
    - In 2013, 141 licensed for- and not-for profit postsecondary institutions paid a total of $112,564 to access the Nevada market
  - Funding and staffing
    - Transfer relevant CPE and NSHE staffing and funding
    - In 2014, system administration is consuming over 180 full-time employees and $27 million in general fund revenue
NOHE Regional Activity

- Existing public institutions
  - Establish governing boards with nominees from GOED RDAs, business interests, community groups, local governments, and student representatives

- District activity
  - Establish stakeholder groups
  - Develop Requests for Proposal and district master plans identifying the institutions that the districts want to develop
What We are Not Proposing

- To dismantle any existing public institution of higher education
- To place two- and four-year colleges under the exclusive control of local governments
- To replace existing funding from the state general fund with local resources
- To create a larger administrative bureaucracy than presently exists
Conclusion

- Structures shape outcomes
  - Changing outcomes requires innovative administrative and governance structures
    - Most states use a mix of structures to administer, govern, and deliver higher education
    - GOED demonstrates that the status quo can be changed for the better
  - Present arrangements do not comply with the Nevada Constitution and they are not aligned with the state’s economic development efforts