



# 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.

# Assumptions and Philosophy

- ▶ 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

Community College  
Governance

Service  
Agency

State Level  
Governing  
Board

Universities

Community  
Colleges

## OUTPUT

Community  
College  
Performance

Implications

Change Structure?

Status Quo?

Implications



# Demographics - Dramatic Change



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



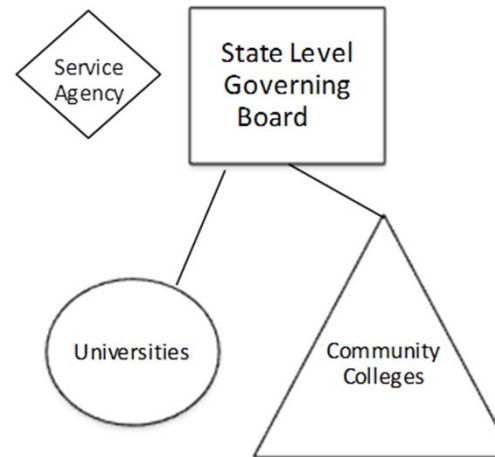


# Higher Education Inputs Show Significant Change

- 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

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# 2-Year Performance

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



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  
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## OUTPUT

Community College  
Performance

## THEORY

What does  
Organizational  
Theory and  
Governance  
Literature Say?

## 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

## Evidence

- Existing metrics are not encouraging
- Some evidence that external opportunities not optimized

## 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

Change Structure -  
Decentralize

Status Quo

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



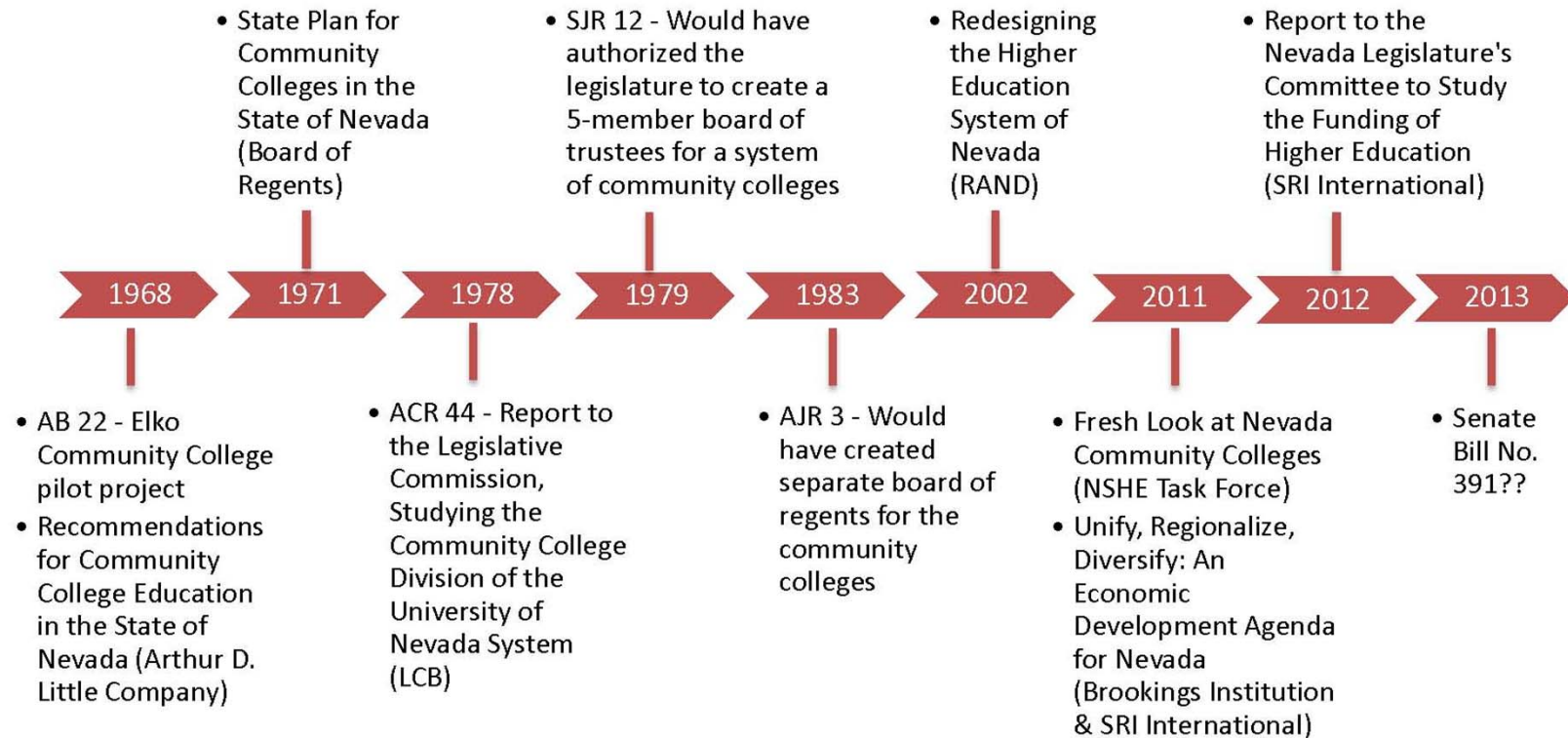
# College Governance across the States

- ▶ Governing Boards
- ▶ Coordinating Boards
- ▶ Planning/Regulatory/Service Agency
- ▶ Nevada Constitution: Board of Regents of the University of Nevada





# Nevada's Studies of College Governance



# How the Federal Government Views Nevada Colleges

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

College	Sector
Truckee Meadows Community College	Public, 2-year
College of Southern Nevada	Public, 4-year or above
Western Nevada College	Public, 4-year or above
Great Basin College	Public, 4-year or above
Nevada State Colleges	Public, 4-year or above
University of Nevada, Reno	Public, 4-year or above
University of Nevada, Las Vegas	Public, 4-year or above

Source: U.S. Department of Education, IPEDS, 2014.

# How are we doing?

## Metrics to Consider

State	Population in millions (2012)	Public Two-Year Colleges in State	Public Two-Year College per Capita
Iowa	3	16	187,500
Arkansas	2.9	22	131,818
Mississippi	2.9	15	193,333
Kansas	2.8	25	112,000
Utah	2.8	7	400,000
Nevada	2.7	1	2.7 million
New Mexico	2	19	105,263

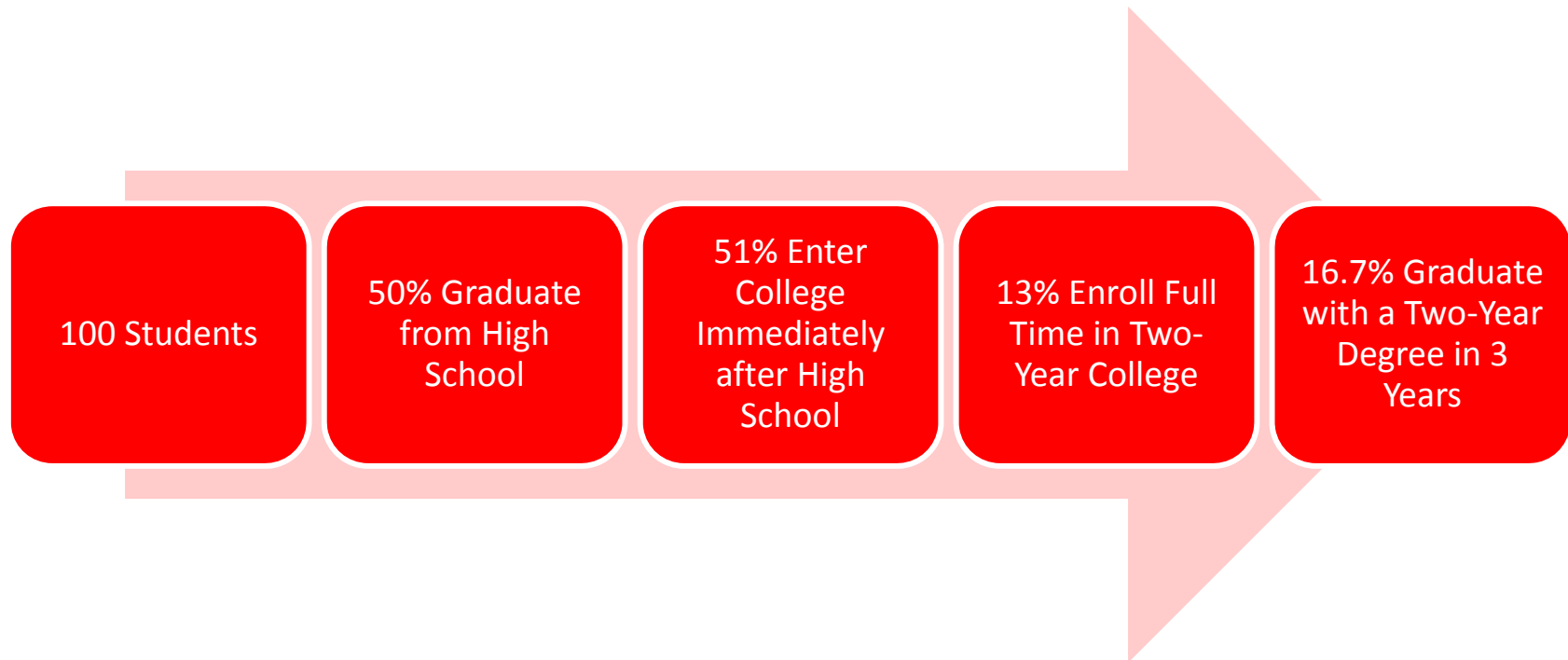
Source: US Census Bureau, 2012; U.S. Department of Education, IPEDS, 2014.

# Adults 25 to 44 with Associates Degree

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

Source: National Center for Higher Education Management Systems (MCHEMS).

# It's the leaky college pipeline!



Source: NCES, Common Core Data; IPEDS Residency and Migration, Fall Enrollment, and Graduation Rate Surveys, 2010.

# State & Local Public Higher Education Support

State	State and Local Support per Full-Time Student (\$)	Rank
New Mexico	7791	7
Nevada	7081	11
Nation	6290	
Arkansas	5810	27
Kansas	5531	30
Mississippi	5525	31
Utah	5338	33
Iowa	4884	40

Source: NCHEMS, Revenues and Support, 2011.



# College Governance & Local Funding

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

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

# Possible Solutions

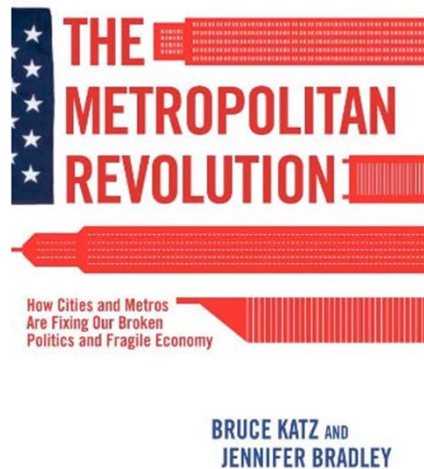
- ▶ Align the state's public colleges with the U.S. Department of Education federal definitions and the Nevada Constitution
- ▶ Ethic of Local Community
  - Create a statewide coordinating structure that has oversight for local college governing boards in order to improve workforce alignment, transparency, 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

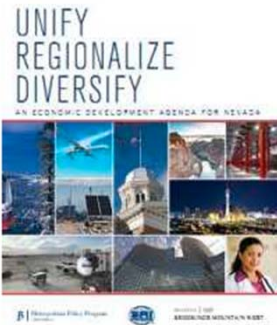
Associate Professor of Political Science, UNLV

# The Metro Revolution Comes to Nevada



*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

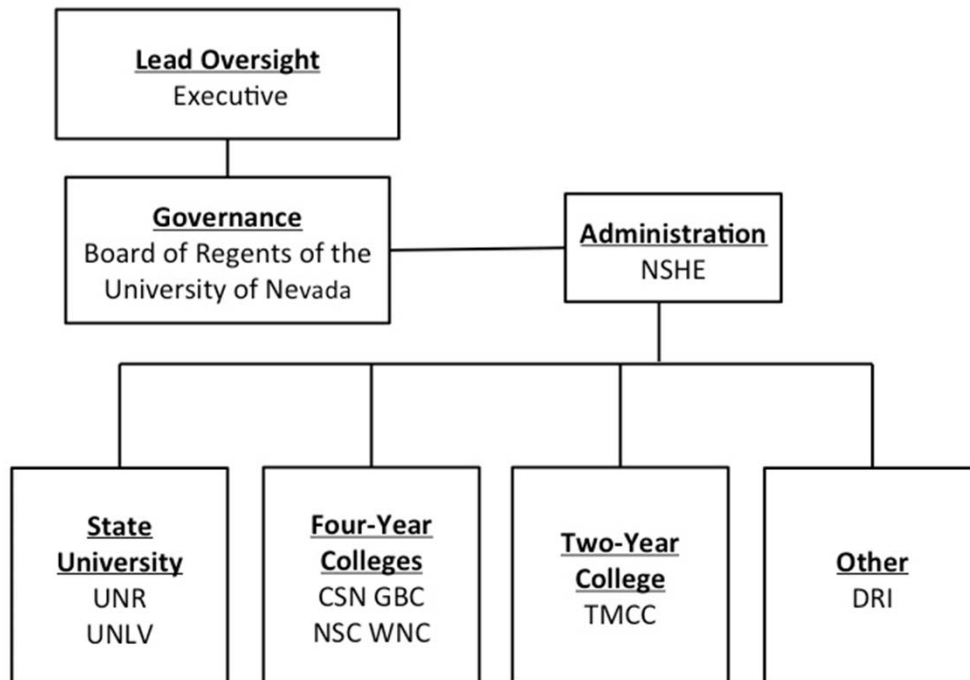
- ▶ A long standing priority
  - The 1862 Morrill Act provided resources for land grant universities
  - The \$2 billion Trade Adjustment Assistance Community College and Career Training Grants
  - The Knowledge Fund
  - The SB391 Study Committee



# 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

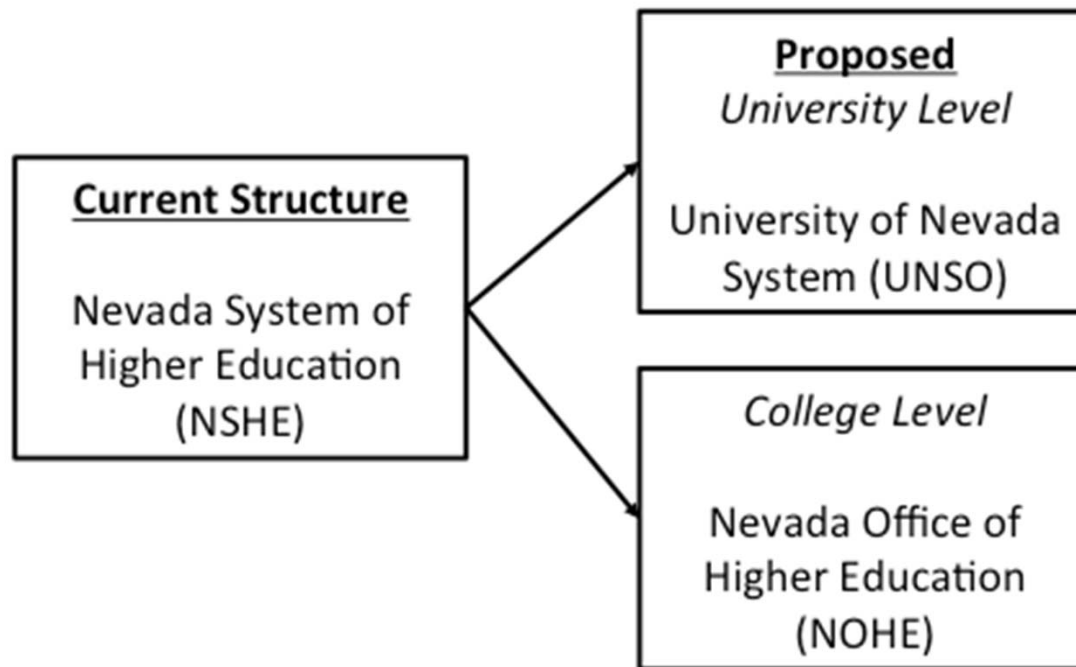


- ▶ A consolidated, statewide structure
- ▶ Little connection to the constitutionally prescribed creation of “a State University” governed by “a Board of Regents”

# The Present Structure

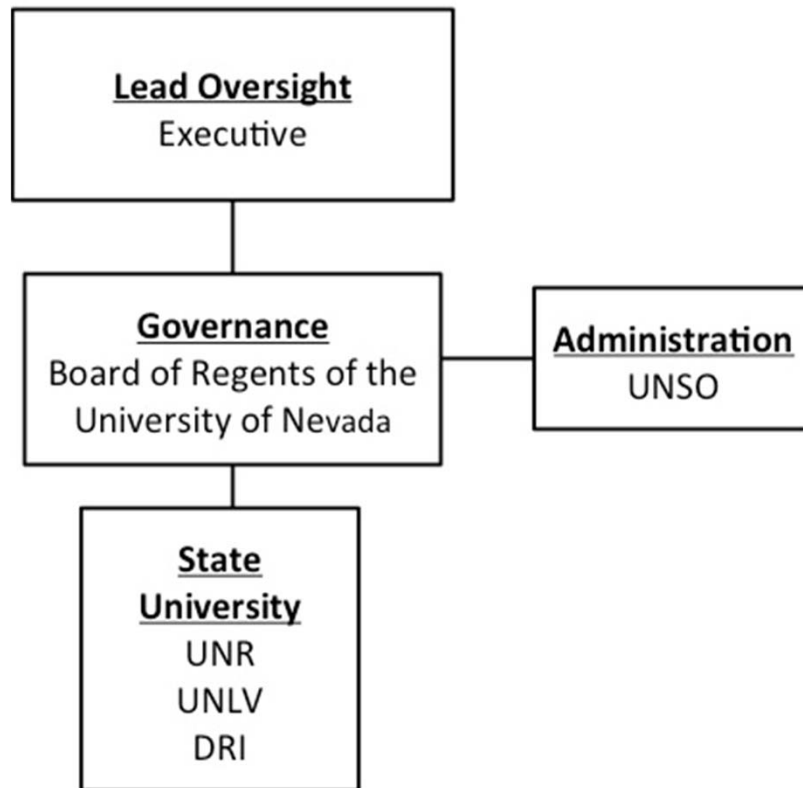
- ▶ Consequences (beyond outcomes)
  - The same policies and processes are applied to institutions with vastly different missions
  - Limits or excludes involvement by localities in areas that are local by nature
  - By conflating governance by the Board of Regents of the University of Nevada with administration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

# Learning from the GOED Model



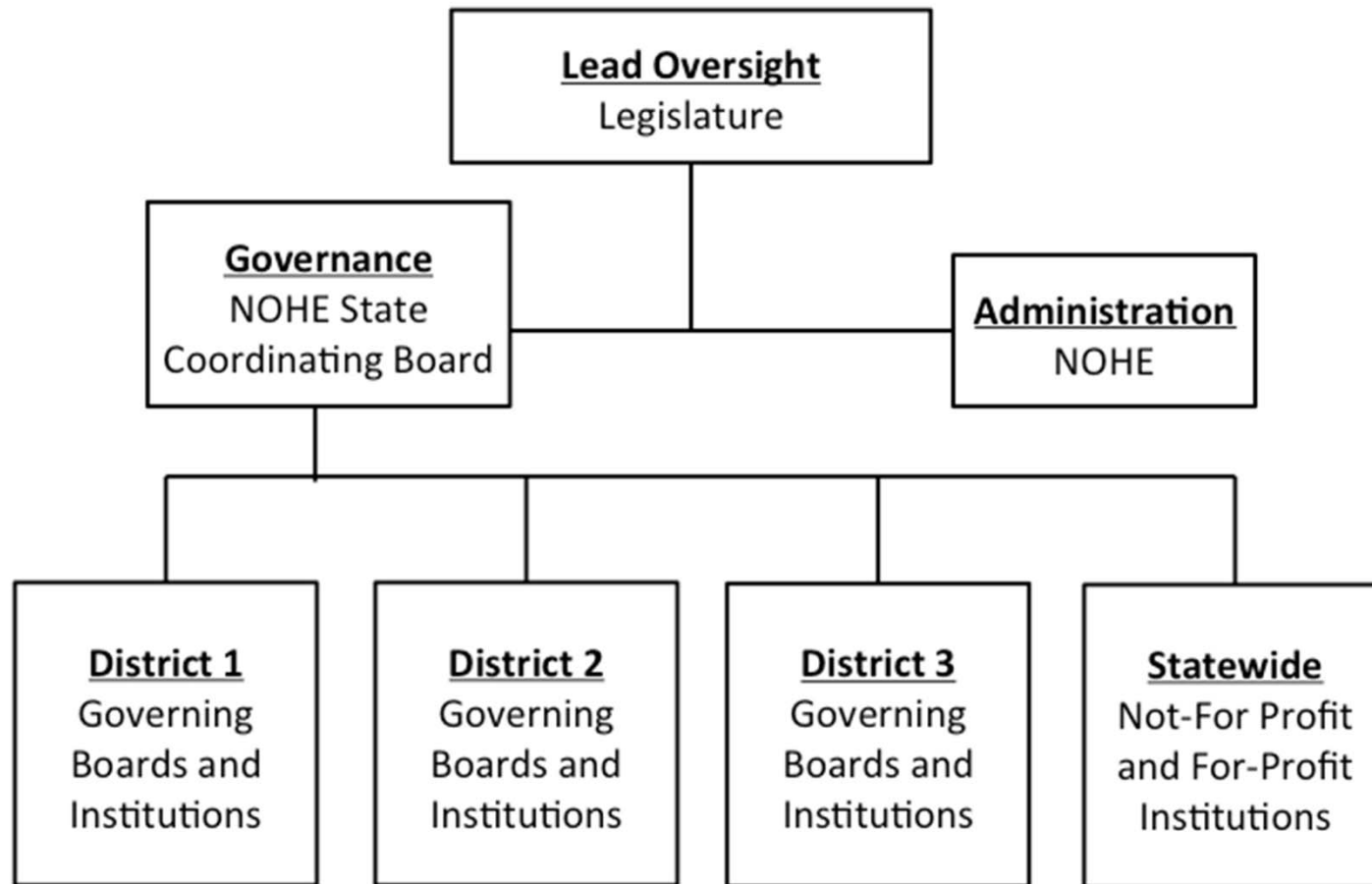
- ▶ Two tier structure
- ▶ Legislative oversight
- ▶ Recognizes and empowers localities

# Proposed University Tier



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

# Proposed College Tier



# Proposed College Tier

<b>Governance</b>	<p>Nevada Office of Higher Education (NOHE) State and Local Boards</p> <p><i>State Governance:</i></p> <p>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)</p> <p><i>Local Governance:</i></p> <p>Seven member boards, including one student, for each institution nominated by local governments and selected by the Legislature to four year terms</p>	<b>Institutions</b>	<p><i>Public:</i></p> <p>Two- and Four-Year State Colleges and Community Colleges</p> <p><i>Private:</i></p> <p>Not-For Profit and For-Profit Institutions</p>
		<b>Administration</b>	<p>Nevada Office of Higher Education (NOHE)</p> <p>Locations: Carson City, Elko, and Las Vegas</p> <p>Districts:</p> <p>1) Las Vegas Combined Statistical Area</p> <p>2) Reno Combined Statistical Area</p> <p>3) Rural</p>
<b>Controlling Authority</b>	<p>New Legislation</p> <p>Executive with Legislative oversight</p>		



# Composition of Regional College Districts



2013 District Population			2013 County Population	
District 1	Las Vegas–Henderson (74%)	2,064,309	Clark	2,027,868
			Southern Nye	36,441
District 2	Reno–Carson City–Fernley (21%)	590,428	Carson City	54,080
			Douglas	47,118
			Lyon	51,557
			Storey	3,942
			Washoe	433,731
District 3	Rural (5%)	135,399	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
Nevada				2,790,136

# 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