HIGHER EDUCATION REFORM: A TIME FOR ACTION

Friday, Dec. 7, 2018
8:30 - 10:30 am
GREENSPUN HALL AUDITORIUM
The 2017 Session of the Nevada Legislature: The Failure of Higher Education Reform

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I. The Case for Higher Education Reform
II. Barriers to Higher Education Reform
III. Higher Education Reform and the 2017 Legislative Session
IV. Creating the Super Chancellor
I. The Case for Higher Education Reform
The Case for Reform

- Why has higher education in Nevada been a reform target for decades?
  - Nevada ranks 45\textsuperscript{th} among the 50 states in four year college completion
  - Graduation rates at all campuses are below the national average
  - Neither UNR nor UNLV has obtained the highest Carnegie Classification (Tier 1)
The Road to Carnegie R1 Classification

2010 Classification

Current Estimates Based on 2015 Model
The Case for Reform

- Why has higher education in Nevada been a reform target for decades?
  - Among the 50 states, Nevada ranks 20th (FY 2017) in per student funding
  - Nevada is one of four (Alaska, Hawaii, and North Dakota) states where a single governing board and administrative agency oversees higher education
  - In FY 2018, Nevada appropriated more funding to system administration than to:
    - The Desert Research Institute
    - Great Basin College
    - Nevada State College
    - UNLV Boyd School of Law
    - UNLV Dental School
    - UNLV School of Medicine
    - Western Nevada College
The Case for Reform

“If the system is different and it is successful, then it is a model. If it is different and failing, then let us change it. It is time Nevada changes the way higher education is organized.”

– Assembly Elliot Anderson (District 15, Clark County)
I. The Case for Higher Education Reform
II. Barriers to Higher Education Reform
Barriers to Higher Education Reform

- Policy makers tend to see institutions as fixed
  - Change creates uncertainty and reform initiatives carry high costs and unclear benefits
- Protectors of the status quo
  - Those invested in perpetuating current arrangements have access to the levers of power
- Many governance structures are contained in constitutions
  - Misconceptions about the Board of Regents’ constitutional carve out
- Mismatch between legislative capacity and policy demands
  - Small, part-time, term-limited citizen legislature that meets for 120 day every two years
- Buy-in from the Governor
  - Significant policy change requires gubernatorial muscle
SB 374 (2011), Funding Formula Reboot

THE LINCY INSTITUTE POLICY BRIEF

October 2014

Held Harmless: Higher Education Funding and the 77th Session of the Nevada Legislature

BY DAVID F. DAMORE, PhD.
SB 374 (2011), Funding Formula Reboot

- New funding formula achieved a number of political goals
  - Same metric (WSCH) for all campuses is used to allocate funding for educating Nevadans
  - Funding decreases for smaller, northern campuses and increased funding for southern campuses
  - Decoupled campus generated funds from state funds
The new funding formula’s policy goals are dubious

- Despite hiring two consultants, no cost analysis was completed
- The formula’s underlying matrix tilts heavily towards the universities
  - Fluidity between formula and non-formula budgets (i.e., Statewide Programs)
- Non-cost-based, institution-specific carve outs
- No upfront support for first-generation or low SES students
SB 374 (2011), Funding Formula Reboot

- The funding formula’s creation was corrupt
  - Reporting by Bethany Barnes uncovered:
    - NSHE’s used its consultant’s letterhead to craft a response to concerns raised by the committee about the formula’s underlying structure
    - Prior to any committee deliberations and the selection of the committee’s consultant, NSHE briefed Regents about its plans
SB 374 (2011), Funding Formula Reboot

- The funding formula’s creation was corrupt

  Dennis – You’re the best – thanks for the quick response. All good suggestions that we will incorporate. We met with some of the regents who are on the formula committee this morning and it could not have gone better – they ate it up! Miracles never cease.

  Thanks again,

  Crystal

  To this, Jones replied:

  Obviously you all did a great job of making the Chancellor sound like he knows what he’s selling—a form of miracle in its own way.

  Nichols then replied:

  ...Dan [Klaich] you own this now and sold it amazingly. Dennis, none of this would have happened except for your coming and helping us buy into this concept.
## Impact of Funding Formula on Instructional Budgets

<table>
<thead>
<tr>
<th>Institution</th>
<th>Pre-Formula Share (FY 2013)</th>
<th>Post-Formula Share (FY 2016)</th>
<th>FY 2018 Net</th>
<th>FY 2019 Net</th>
</tr>
</thead>
<tbody>
<tr>
<td>UNLV</td>
<td>31.0%</td>
<td>30.6%</td>
<td>($1,853,248.85)</td>
<td>($1,819,702.70)</td>
</tr>
<tr>
<td>UNR</td>
<td>21.4%</td>
<td>23.2%</td>
<td>$8,059,477.54</td>
<td>$7,913,590.80</td>
</tr>
<tr>
<td>DRI</td>
<td>1.0%</td>
<td>0.9%</td>
<td>($603,383.35)</td>
<td>($592,461.34)</td>
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<tr>
<td>CSN</td>
<td>17.0%</td>
<td>16.0%</td>
<td>($4,525,375.09)</td>
<td>($4,443,460.08)</td>
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<tr>
<td>TMCC</td>
<td>6.1%</td>
<td>5.2%</td>
<td>($3,835,794.13)</td>
<td>($3,766,361.40)</td>
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<tr>
<td>WNC</td>
<td>2.8%</td>
<td>2.1%</td>
<td>($3,060,015.54)</td>
<td>($3,004,625.39)</td>
</tr>
<tr>
<td>GBC</td>
<td>2.4%</td>
<td>1.9%</td>
<td>($2,198,039.33)</td>
<td>($2,158,252.04)</td>
</tr>
</tbody>
</table>
State Funding Per Full Time Student, Pre & Post Formula

- **UNLV**
  - 2011-2012: $6,078
  - 2012-2013: $6,227
  - 2013-2014: $6,346
  - 2014-2015: $6,021
  - 2015-2016: $7,172

- **UNR**
  - 2011-2012: $9,374
  - 2012-2013: $9,480
  - 2013-2014: $9,076
  - 2014-2015: $8,355
  - 2015-2016: $8,722

Legend: **UNLV** in **red** and **UNR** in **blue**.
State Funding Per Full Time Student, Pre & Post Formula

Year | CSN | NSC | GBC | TMCC | WNC
--- | --- | --- | --- | --- | ---
2011-2012 | $3,466 | $3,953 | $4,405 | $4,084 | $7,601
2012-2013 | $4,084 | $4,084 | $4,419 | $4,419 | $7,950
2013-2014 | $4,05 | $4,838 | $4,460 | $5,928 | $6,429
2014-2015 | $4,05 | $4,755 | $4,504 | $5,803 | $6,862
2015-2016 | $4,47 | $5,403 | $5,617 | $5,691 | $6,380

Legend:
- CSN
- NSC
- GBC
- TMCC
- WNC
I. The Case for Reform
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Higher Education Reform and the 2017 Legislative Session

- During the 2017 session reform bills were introduced by legislators from both parties and both chambers, representing districts in Clark, Washoe, and the rural counties, as well as by other entities
  - With one exception, reform bills either failed or were vetoed
  - Bills appropriating more resources for higher education were approved
The 2017 Session of the Nevada Legislature and the Failure of Higher Education Reform

DAVID P. DAMIRE, WILLIAM L. BROWN, JR., ROBERT E. LANG

Executive Summary

This report analyzes 11 bills introduced during the 78th Session of the Nevada Legislature that propose to reorganize, reform, and redesign various aspects of the state’s higher education system. The following study analyses these bills:

- Despite bipartisan support for higher education reforms, only five of the 11 bills introduced during the legislative session were enacted into law.
- The failure to enact meaningful reform is in part due to the implementation of bills that would have increased the state’s education funding.
- Opponents of reform legislation were stronger than those most in favor of reforming and restructuring current arrangements.

The report also considers the political and cultural factors that influenced the legislation.

The report concludes with policy recommendations for the Nevada Legislature.

Continuing chaos at NSHE should lead to higher education reform


Tuesday, April 17, 2018 | 2 a.m.
WHEREAS, The Board of Regents has, at various times, relied on its constitutional status and its authority to control and manage the affairs of the State University as a defensive shield and cloak against the people’s legislative check of accountability, and the Board of Regents has, at various times, taken actions that have hindered, thwarted or undermined the Legislature’s investigation, review and scrutiny of the institutions, programs and operations of the Nevada System of Higher Education; and

WHEREAS, Like other public bodies, agencies and officers of the State Government, the Board of Regents should be subject to the people’s legislative check of accountability through legislative oversight and control, and the Board of Regents’ control and management of the affairs of the State University should be governed by all laws enacted by the Legislature; and

WHEREAS, To secure accountability to the people’s elected representatives in the Legislature, the Nevada Constitution should be amended to remove the Board of Regents’ constitutional status so that the Board of Regents operates only as a statutory public body to ensure that it is subject to the people’s legislative check of accountability through legislative oversight and control and to ensure that the Board of Regents’ control and management of the affairs of the State University are governed by all laws enacted by the Legislature; and

WHEREAS, Amending the Nevada Constitution to remove the Board of Regents’ constitutional status will allow the Legislature to exercise the full extent of its legislative power to review, reform and improve the control and management of the affairs of the State University and, in doing so, the Legislature also will have more options and greater flexibility to review, reform and improve all other institutions, programs and operations of the Nevada System of Higher Education; and
RESOLVED, That Section 4 of Article 11 of the Nevada Constitution be amended to read as follows:

[See:] Sec. 4. 1. The Legislature shall provide for the establishment of a State University which shall embrace departments for Agriculture, Mechanic Arts, and Mining [to be controlled by a Board of Regents whose duties shall be prescribed by law], and other departments deemed appropriate for the State University.

2. The Legislature shall provide by law for:
   (a) The governance, control and management of the State University.
   (b) The reasonable protection of individual academic freedom for persons who are enrolled in or who are employees or contractors of the State University and other public institutions of higher education in this State in order to facilitate the policies of Section 1 of this Article to encourage by all suitable means the promotion of intellectual, literary, scientific, mining, mechanical, agricultural, ethical and other educational improvements.

And be it further

RESOLVED, That Section 8 of Article 11 of the Nevada Constitution be amended to read as follows:

[See:] Sec. 8. The Board of Regents shall, from the interest accruing from the first funds which come under their control, immediately organize and maintain the said Mining department in such manner as to make it most effective and useful. Provided, that all the proceeds of the public lands donated by Act of Congress approved July second, one thousand eight hundred and sixty-two, 2, 1862, ch. 130, 12 Stat. 503, and thereafter amended by Act of Congress, for the benefit of Agriculture, [Mechanic Arts,] and for the benefit of Agriculture [Mechanic Arts, and] including Military tactics, shall be invested by the Board of Regents of the State of Nevada in the manner required by law in a separate fund to be appropriated exclusively for the benefit of the first named departments to the State University as set forth in Section Four above; 4 of this Article. And the Legislature shall
Section 1. Chapter 549 of NRS is hereby amended by adding thereto the provisions set forth as sections 1.3 and 1.5 of this act.

Sec. 1.3. The state land grant institutions of the University of Nevada are the University of Nevada, Las Vegas, the University of Nevada, Reno, and the Desert Research Institute.

Secs. 1.5, 2-5 and 5.5. (Deleted by amendment.)

Sec. 5.7. 1. The Legislative Auditor shall conduct a performance and compliance audit of the cooperative extension program of the Nevada System of Higher Education for fiscal year 2017-2018 and any previous years as deemed necessary by the Legislative Auditor.

Sun Editorial:

Extension service veto an affront

Sunday, June 18, 2017 | 2 a.m.

Reading Gov. Brian Sandoval’s veto note on a bill to examine the effectiveness of the state’s Cooperative Extension Service, you’d come away thinking the measure was an attempt to rob Sandoval’s alma mater, UNR.

Sandoval contended that the bill threatened to divert 70-75 percent of the federal funding currently received by UNR for extension services, which it oversees statewide, by potentially allowing UNLV and the Desert Research Institute to take over direction of the services in Southern Nevada.

But that’s not what the bill would have done, which makes Sandoval’s veto a maddening affront to Southern Nevada.

Here are the two things the bill actually called for: an audit of the extension service between now and the 2019 legislative session, and an affirmation that UNLV and DRI are land-grant institutions as part of the University of Nevada system.

It didn’t call for regionalization of the extension service, but rather to study whether the current system is being operated effectively.
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Dear Mr. Humphrey:

The University of Nevada has been known as a land grant institution since 1864. The question now arises as to whether the university system and its components, the University of Nevada, Reno, the University of Nevada, Las Vegas, and the Desert Research Institute, may each be designated as having separate land grant status.

OPINION NO. 69-556 UNIVERSITY OF NEVADA SYSTEM; LAND GRANT STATUS—The University of Nevada System, consisting of the University of Nevada, Reno, the University of Nevada, Las Vegas, and the Desert Research Institute, is the only land grant institution within the State of Nevada. The components of the system may not hold individual land grant status separate and apart from the system.

Carson City, January 23, 1969
NRS 396.010

1. The seat of the state university, as described in section 4 of article XI of the constitution of the State of Nevada, is hereby located at the City of Reno, Washoe County, State of Nevada, and shall be known as the University of Nevada, Reno.

2. A [regional] branch of the University of Nevada is authorized in Clark County, Nevada, which branch shall be called the University of Nevada, Las Vegas...

NRS 396.020

The legal and corporate name of the state university shall be the University of Nevada. The system of universities, colleges, research and public service units administered under the direction of the board of regents shall collectively be known as the University of Nevada System.
| NRS 396.010 | 1. The seat of the state university, as described in section 4 of article XI of the constitution of the State of Nevada, is hereby located at [City of Reno, Washoe County, State of Nevada, and shall be known as the University of Nevada, Reno.] *office of the chancellor of the University of Nevada System.*  
2. [A branch] *The branches* of the University of Nevada [is authorized in Clark County, Nevada, which branch shall be called the University of Nevada, Las Vegas.] *are the University of Nevada, Reno, and the University of Nevada, Las Vegas.* |
1. The seat of the state university, as described in section 4 of article 11 of the constitution of the State of Nevada, is hereby located at the office of the chancellor of the University of Nevada System.

2. The branches of the University of Nevada are the University of Nevada, Reno, and the University of Nevada, Las Vegas.

3.] and Community College System of Nevada.
2005 - Consolidating

14. **Approved-Handbook Revision, Chancellor and Board of Regents’ Roles/Relationships, Proposed Change to Regents’ Bylaws, Article VII** – The Board of Regents and Interim Chancellor James Rogers discussed the role of the chancellor and the Board of Regents regarding the termination and discipline of presidents. The Board approved Interim Chancellor Rogers’ request for a proposed Regents’ Bylaws change in Article VII to allow the chancellor to discipline and terminate presidents for cause with an amendment for the presidents’ right to appeal on termination. This was the second reading for this proposed change *(Ref. I on file in the Board office)*.

Motion carried. Regent Sisolak voted no.
Structure of Nevada Higher Education Governance, Pre-February 2005

Structure of Nevada Higher Education Governance, Post-February 2005