



**James E. Rogers,  
Chancellor**

**Nevada System of Higher Education**

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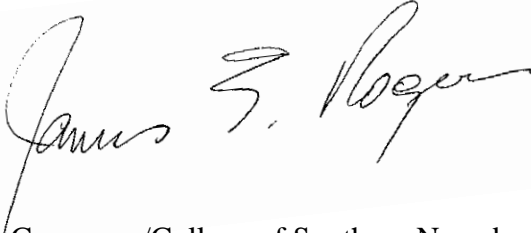
## MEMORANDUM

DATE: July 2, 2008

TO: NSHE Board of Regents

FROM: James E. Rogers, Chancellor

RE: Proposed Budget Cuts/Impacts on Campuses/College of Southern Nevada



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Below is the fourth in my series of memos to you demonstrating the impacts of the proposed reductions in Nevada System of Higher Education budgets on our campuses. I will continue to try to highlight the horrific impact of proposed budget cuts on higher education. It is absolutely critical that those in a position to make decisions for this state understand very clearly the consequences of their actions or, just as importantly, their failure to act.

The first three memos that I sent dealt head on with the budget cut issue and the impact on campuses. But what about the impact on the State of Nevada?

In my four years as Chancellor I have tried over and over again to emphasize the critical need for the Nevada System of Higher Education to lead the way in research, economic development, work force development, and job readiness. All of these critical roles that higher education plays in our society translate into a healthier economy and a brighter future for the State of Nevada.

The attached memorandum from Dr. Richards focuses directly on this critical aspect. We are already letting opportunities for a brighter future slip through our fingers. Once gone, they can never be recaptured. Dr. Richards' eloquent yet disturbing memorandum reminds us all that a weaker system of higher education means a weaker State of Nevada. We cannot and we must not allow any future deterioration of this System by additional reductions of our budgets. To do so will simply squander our future.



Office of the President

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**MEMORANDUM**

**FROM:** Michael D. Richards  
**DATE:** July 2, 2008  
**SUBJECT:** Missed Opportunities: Nevada's Challenge

Most of the state budget discussions have focused on programmatic cuts and personnel layoffs. CSN is not immune from those troubling and distressing discussions. However, just as painful are the discussions about the missed opportunities for the state of Nevada caused by a SHORT-SIGHTED BUDGET POLICY.

DURING THE LAST THREE SEMESTERS, CSN HAD TO TURN AWAY 383 STUDENTS WHO WERE FULLY QUALIFIED TO ENTER THE NURSING PROGRAM. These eligible, qualified and eager students were denied entrance to the program because CSN lacked adequate faculty and space. This inadequacy represents 383 potential nurses that Nevada will never see.

Nursing is not alone in facing such resource shortages. CSN also turned away students wanting to enter cardio-respiratory, dental hygiene (associate's degree program,) physical therapy assisting and radiation therapy programs. For fall semester 2007, of the 468 qualified applicants to CSN's limited entry health programs, 256 or 54.7% were turned away. CSN does not CURRENTLY have the resources to help these willing and able students. THE NUMBER OF STUDENTS CSN WILL TURN AWAY WILL MULTIPLY SEVERAL TIMES IF DOUBLE-DIGIT BUDGET REDUCTIONS OCCUR.

The State of Nevada designated CSN to be an institution of access, open to all those desiring a better life and wishing to contribute to the Nevada way of life. CSN has no

choice but to substantially reduce present levels of access if the 14% budget cuts become reality. Learning centers will close, partnership programs will wither, enrollment caps will become policy, and 8,000 STUDENTS WILL BE TURNED AWAY IF THE GOVERNOR'S PLAN IS FULLY IMPLEMENTED—INCLUDING ANOTHER 180 NURSING STUDENTS! Budget cuts deny access as surely as a lack of resources limits enrollments in critical disciplines. WHEN CSN CANNOT FULFILL ITS MISSION, THE ENTIRE STATE LOSES.

Nevada needs college graduates in many key fields. Most people know about the shortage of nurses and teachers, but engineers, health care technicians, and skilled workers in many other diverse areas must also be educated to provide for the economic and cultural success of Nevada. When people are denied education and training in these high demand fields because the educational resources are not available, everyone in the state loses.

Nevada's population is getting older. Whereas there were 371,071 Nevada residents age 65 and older in 2006, there will be 475,910 Nevadans age 65 or older by 2017 and 627,134 Nevadans age 65 or older by 2026. That rapidly aging population requires a massive investment in Nevada's healthcare infrastructure. Nevadans should want the best care possible. Nevadans certainly want the best care possible when that person is a mother, a father, a brother, or a neighbor. That care cannot be provided in Nevada under CURRENT public policies and fiscal priorities. It is not pleasant to imagine how inadequate these basic human services will become as need spirals upward and trained professionals become more and more scarce because BAD BUDGET DECISIONS CRIPPLED EDUCATION IN 2008.

According to the U.S. Department of Labor, the mean annual salary of REGISTERED NURSES in Nevada is \$67,430. The starting salary for nurses in Nevada is estimated at about \$52,000 a year. This represents \$19.9 million in annual earnings lost if those 383 students CSN turned away during the last three semesters never become nurses. That loss represents missed buying power that translates into missed tax revenue for Nevada. It also delays a solution to the significant problem of adequately staffing Nevada's hospitals and care centers.

Nevada was ranked 50<sup>th</sup> in the number of nurses per capita in the most recent Health Resources and Services Administration survey and current estimates by leaders in the local nursing industry are that Nevada will need 116,000 nurses to remedy the current gap.

**SIMILARLY, THERE ARE MISSED OPPORTUNITIES IN PUBLIC EDUCATION.** According to the Alliance for Excellent Education, the following figures help illustrate the economic loss to Nevada because of Nevada's failure to invest in education:

- Nearly 16,000 students failed to graduate from Nevada's high schools in 2007; the lost lifetime earnings in Nevada for that class of dropouts alone totals more than \$4.1 billion.
- Nevada would save more than \$230 million in health care costs over the course of the lifetimes of each class of dropouts had they earned their diplomas.
- Nevada households would have over \$623 million more in accumulated wealth if all heads of households had graduated from high school.
- More than \$2.1 billion would be added to Nevada's economy by 2020 if students of color graduated at the same rate as white students.
- If Nevada's high schools adequately prepared their graduates for college, **THE STATE WOULD SAVE OVER \$25 MILLION A YEAR IN COMMUNITY COLLEGE REMEDIATION COSTS AND LOST EARNINGS.**
- Nevada's economy would see a combination of savings and revenue of more than \$78 million in reduced crime spending and increased earnings each year if the male high school graduation rate increased by just 5 percent.

**Nevadans . . . the choice is ours! NEVADA IS AT A CROSSROAD. NEVADA MUST OBTAIN A DECISION FROM ITS LEADERS, BOTH POLITICAL AND BUSINESS LEADERS, THAT TOGETHER THEY WILL DO SOMETHING SUBSTANTIVE AND LONG-LASTING TO SUPPORT EDUCATION.**

The students Nevada loses today are missed opportunities that Nevada will come to regret. Turning students away is short-sighted public policy. Every student is an asset to Nevada, its workforce needs, its healthcare infrastructure, its economy and life-style. **MISSED OPPORTUNITIES ARE CERTAINLY NEVADA'S NEWEST AND MOST DAUNTING CHALLENGE. MISSED OPPORTUNITIES WILL COST NEVADA ITS ECONOMIC AND CULTURAL FUTURE.**