



James E. Rogers
Chancellor

Nevada System of Higher Education

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MEMORANDUM

DATE: August 19, 2008

TO: NSHE Board of Regents

FROM: James E. Rogers
Chancellor

RE: Budget Reduction Implications – Truckee Meadows Community College

Attached is the latest in my series of budget reduction memoranda that cover the impact of proposed budget cuts, this time Truckee Meadows Community College. This memorandum is the last from our community colleges and from it, it becomes clear that some very troubling themes are emerging which I would like to emphasize.

These colleges are our access institutions. They represent our promise to all Nevadans who wish to pursue higher education that there is a place of quality and opportunity for them. If these budget cuts become a reality, we can no longer make that promise. Whether we call it a cap on enrollment or not, students by the thousands will simply not be able to register for classes. Many of these students, once turned away, will never come back. They will never progress in their careers and they will cost Nevada millions of dollars in lost opportunities and future earnings.

In addition to access, our community colleges are the front lines of workforce education in Nevada. They provide the “foot soldiers” that fuel our economy. As I have told you time and time again, we simply are not producing enough college trained graduates to meet the demands of our state. Properly educated people are not moving to our state. The result is that we are slipping further and further into the depths of a chronically poorly educated state. **HOW DO WE EXPECT OUR ECONOMY TO RECOVER IF WE FAIL TO PROVIDE THE CRITICAL HUMAN CAPITAL THAT IT NEEDS?**

Community colleges are in most cases the only education in rural Nevada. Community colleges were founded with a mission, among others, to provide higher education opportunities in rural Nevada where they are the “only game in town”. Double digit budget cuts will simply mean that many rural centers will close. We will be sending the message to tens of thousands of Nevadans that the doors of higher education are closing for them. While the economy of Nevada is indeed struggling, in many places the economy of rural Nevada is on the verge of collapse. Reducing the reach of community colleges in rural Nevada means a drought of professionals and opportunities, particularly in critical teaching and health care areas.

Most importantly, once imposed, there is no turning back from these cuts. You cannot simply reduce the funding today and restart it tomorrow and expect everything to be “OK”. While all programs in our system of higher education take years to build and can be destroyed in the swipe of a budget axe, rebuilding in rural Nevada is particularly difficult. There are special problems of recruiting to rural Nevada that are not faced in our urban centers. More than anywhere in our system, these cuts mean that the State of Nevada is turning its back on rural Nevada and its citizens.

If you would like to review the previous memos on the NSHE’s other three community colleges, please review my June 25 memo (#6) about Western Nevada College, my July 2 memo (#7) about the College of Southern Nevada, and my July 9 (#9) memo about Great Basin College.

As I have said before, these cuts threaten our very future. We must persuade our leaders that cuts are simply not tolerable.



Date: August 15, 2008

To: Chancellor James Rogers
Executive Vice Chancellor Dan Klaich

From: Maria C. Sheehan, President

Subject: Budget Reduction Impact

To meet the required reduction level of a 14% state budget cut, Truckee Meadows Community College will experience unprecedented hardships in addition to the cuts the college has already taken in direct employee and student impacts.

- The College workforce was reduced by 27 positions when employees accepted the buyout options, which helped TMCC avoid immediate staff layoffs.
- The College workforce has been reduced by 46 additional positions.
- Student employee positions have also been eliminated as departmental operating budgets were cut.

Instructional Budget Impacts

Much of the reductions thus far have been applied to positions in the administrative areas that are already lean and, most likely, the college would be unable to absorb further reductions of the proposed magnitude without cutting instruction substantially. The proposed 14% cut amounts to \$6 million each year for a total of \$12 million for the biennium. To put the amount in perspective, \$12 million is almost 40% of the college's instructional budget. One can easily see that even a portion of such reduction, if applied to the instructional budget, could totally undermine TMCC's ability to *deliver instruction to approximately 7,000 students*.

14% Budget Cut Exacerbates Decreasing College Revenues

The freefall in enrollment has a devastating downward spiral effect on TMCC's ability to generate revenue: 7,000 fewer students means the college's operating budget plummets to record lows.

Economic Trend Further Aggravates the Problem

The state has not seen an unemployment rate as high as 6.4 percent since 1994. A national trend—which TMCC also experiences—is that community college enrollment increases during tough economic times, because recently unemployed workers apply for re-training. Further, as hard pressed parents have fewer available funds to support their child's education

many currently enrolled students supplement their university schedules at community colleges. If TMCC is faced with additional double-digit budget cuts and unable to meet student demand for courses, the “open-door institution” will become an “ajar door” institution at best or a closed campus at worst.

Un-served Students will be Turned Away

TMCC already has at least 4,000 to 5,000 students who are unsuccessful at registering for basic general education courses, such as English, math, sciences and core humanities, *because the demand for TMCC courses far outpaces supply in the current college budget*. Out of this group, about 1,000 students walk away from TMCC—and higher education—all together.

Workforce Development Mission at Risk

37% of TMCC students enroll in vocational and technical courses. In addition, 75% of TMCC graduates remain in Northern Nevada and 95% of our students remain in Nevada. By slashing TMCC’s budget, the state cuts off its own best workforce generator at a critical point in our state's economy.

The impending disaster of potentially absorbing a 40% reduction in instruction would mean that one of the fastest growing colleges in the country would be unable to serve at least 7,000 students which would be fewer students than the college served in 1994 (when it served 8,700 students in the fall semester).

PLJ:MCS:fsd