

Chancellor Klaich's opening remarks to joint Higher Ed subcommittee hearing, March 3, 2011:

I appreciate the opportunity to appear before you this morning and look forward to your questions. Before we move to the questions, and with permission of the Chair, I would like to make a few introductory remarks.

In a variety of conversations and contexts leading up to and during the Session, I have gotten the feeling that some believe that in higher education we neither have a plan nor a clue. Since an absolutely clear understanding on these two points is necessary to any budget decisions you might make, I would like to spend some time discussing both with you.

The Board of Regents, Presidents and Chancellor very clearly have a plan for higher education, and I think it is an excellent plan. The plan was included in your materials for the pre-session budget hearing, and I have brought additional copies for anyone who wishes to review it today. The plan is a no-nonsense and businesslike approach to delivering higher education in this state with an attempt to align state and business needs with the policies and practices of the System itself. The plan calls for a more educated citizenry in Nevada, something we all agree is critical to our future. The plan provides for a new alliance with the state and with business to ensure that our goals, the state's goals, and the goals of private business are brought into alignment and complement each other. The plan sets forth a clear pathway toward a continual review of efficiency and effectiveness and a reinvestment of savings into the classroom. The plan provides for accountability, metrics, and transparency – we are committed to informing students, parents, and the State on our progress in meeting the aggressive goals established in the Plan.

Finally, the plan calls for greater control and autonomy over our tuition and fees, which we believe is consistent with the state's call for the System to become more self-sustaining over time. This is not the first plan we have presented, nor will it be the last. Rather, it is and should be an organic document that we continually revisit within the System, with the Governor, and with the Legislature. We are as committed as ever to reform and improvement as we navigate through this crippling recession.

The next question you should ask yourself, and which I will answer in any event, is whether this represents just the same old, same old, or if the leadership of the Nevada System of Higher Education is in touch with the necessary reforms in higher education and bringing them to Nevada. Let me first call out Speaker Ocegüera for his introduction of AB 220 calling for reforms in higher education.

I submit to you that we clearly are.

We are committed to financial reform.

We have laid the groundwork for an entirely new structure of tuition and fees. This includes differential tuition for higher cost and higher demand programs, already implemented in certain disciplines, together with a total revamping of our tuition and fee committee to examine alignment of fee policies with overall System goals. In addition, the Board has revised its own policy to specifically repeal its long held policy on low tuition and fees philosophy and has

begun to move toward a more market rate pricing, while trying to protect access for our most vulnerable populations.

Today we specifically ask you to establish an interim study to review the formula by which higher education is funded to accept new trends. Specifically our formula should fund so as to differentiate our missions and should have elements that fund for performance not just enrollments. I have already started this effort by engaging a consultant and will provide all of the materials that I have to an interim committee.

We are committed to curricular reform.

We have joined the Complete College America consortium with the goal of producing more graduates in this state, not by increasing the number of students we serve, but by changing the manner in which we serve them. Policies are under consideration and will be brought to the Board this year to cap the number of credits on associate and baccalaureate degrees and to tighten the evaluation for programs which are not graduating a significant number of students. We have begun a comprehensive evaluation of remedial education, taking advantage of best practices from around the country. At UNLV we have the Lincy Institute which is dedicated to breaking down silos and increasing inter- institutional programs. Our campuses are working together more than ever to utilize rather than duplicate each other's programs and strengths.

We believe in reform that aligns interests critical to moving this state and its economy forward.

We have called upon every institution in the System to increase grants and contracts to generate more research funding and more workforce funding. We are actively engaged in partnerships with K-12 to ensure that the students they deliver to us are ready for college work and that the teachers we deliver to them are well prepared to enter their classrooms with 21st century skills. I have called upon our presidents and the superintendents of our major school districts to join with me in an intense day of planning to identify every opportunity for collaboration possible which will advance the interests of students and ensure wise spending of taxpayer dollars. We have supported K-12 common core standards and worked with them to produce college and career readiness standards. We are working with our colleges of education to see that their curricula reflect these standards. My work as co-chair of the Blue Ribbon Task Force on Education Reform has reaffirmed my deeply held belief that the most important thing we can do to improve higher education is to support our public schools and work to enhance the quality of students they graduate.

Reform will be translated into evaluations and decisions related to employment.

Presidents of our institutions are on notice that their annual evaluations will take into account each of these items and their annual performance on them. But let's not make the mistake of thinking that we woke up on the day the State of the State was issued, or this Legislature convened, and decided that we needed a reform agenda. To the contrary, what I am talking to you about this morning represents reforms that are not only prospective, but many that we have been implementing in the System for some time.

I have spent the better part of the last year trying to document and make the case that the Nevada System of Higher Education is pursuing a solid and tough minded course of action based on quality, accountability, efficiency, performance, and alignment with the state goals and private business needs. That is the plan that I have laid out for you this morning. Beyond that, we have attempted to conservatively document the positive economic impact that the System and each of its institutions has on the state. These impacts are direct - - more jobs and money into the economy - - and indirect - - higher quality of life, better health statistics and lower incarceration rates.

While I believe that the case made has been compelling and that the rhetoric in response has been encouraging, I regret to say that the budget we have before us seems to go in exactly the opposite direction. Should these cuts materialize in the magnitude that is proposed, instead of producing more graduates, we will serve fewer Nevadans. We will put low income families, who are disproportionately persons of color, at risk of being priced out of higher education and the opportunities that it affords. Our System will contract rather than expand as it should to appropriately prepare the workforce necessary for a diversified economy. We run the very real possibility of consolidating institutions that we have fought for 125 years to build. We will lose faculty and students, and it will be more difficult to recruit and retain the best of both. I fear a new brain drain in Nevada with these cuts. It is not entirely unlikely that whole communities will be without higher education in any form, with the possible exception of distance education. If you believe that a vital, growing and evolving system of higher education is critical to the economic health and diversification of our society, then supporting the budget that you have before you is ensuring just the opposite and that the state of our economy will deteriorate rather than improve.

I do not believe the stakes have ever been higher and we look forward to working with every member of this legislature and the Governor to see that opportunities are preserved and that our future will be one which we are proud to look back on and say, "I was part of that. I was responsible for that. I served Nevada well in a time of great crisis."