



**James E. Rogers**  
**Chancellor**

**Nevada System of Higher Education**

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## MEMORANDUM

**DATE:** September 9, 2008

**TO:** NSHE Board of Regents

**FROM:** James E. Rogers  
 Chancellor

**RE:** The Ripple Effect

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I am amazed how little analysis is made of the catastrophic effects a 16% cut in the operating budgets of the Nevada System of Higher Education will have on the economic engines that drive Nevada's entire economy.

The Nevada System of Higher Education does not function on an island or behind a wall where a cut in its operating budget affects only those functions on the island or behind the wall.

The System is an integrated part of all activities of the community – both cultural and economic. The System is the heart of Nevada's society so that every time the Governor cuts off circulation to the heart, he damages its extremities.


A simple yet descriptive example of the integration of the Nevada System of Higher Education with the entire population of the State of Nevada is described in the document from College of Southern Nevada president, Mike Richards, Ph.D. and the attached letters of Senator Warren Hardy, Republican and Senator Steven Horsford, Democrat. Both of these legislators understand that their own endeavors are influenced and supported by the success of the College of Southern Nevada in educating those individuals who participate in the Senators' programs.

Also, please read the attached letter from Phil Peckman, Chairman of the Nevada Development Authority and its President and CEO Somer Hollingsworth indicating their support of a sound and healthy education System which is absolutely necessary in successfully recruiting businesses to come to Nevada.



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## Memorandum

**DATE:** September 4, 2008  
**TO:** Chancellor James E. Rogers  
**FROM:** President Michael D. Richards   
**SUBJECT:** Workforce Needs and Budget Cuts

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### Workforce Needs and Budget Cuts

Consider these facts:

- By 2014, the U.S. Bureau of Labor Statistics forecasts that almost 54 percent of total job openings will be filled by those with some college education or a bachelor's degree or higher.
- By 2011, southern Nevada will need nearly 12,000 skilled workers—trained and ready to support local industries.
- Nevada isn't ready for its own future!

Legislators know that CSN is obligated to develop southern Nevada's workforce. The State of Nevada has invested millions of dollars in first-class training facilities so that CSN can provide education and training for those students seeking basic skills for entry into the workforce, as well as those seeking to acquire new skills or upgrade existing ones to obtain a different job or retain current employment. Much of southern Nevada's workforce is trained at or through CSN! In its 9,600 class sections offered each year, in its trade union partnerships with more than a dozen unions, in its coordination with the Nevada Department of Employment, Training and Rehabilitation (DETR), and in its joint programs with the Clark County School District, CSN trains workers for Nevada jobs.

CSN has come to understand the specific training needs of key industries in southern Nevada. The College receives input about programs and courses from many sources and community partnerships, including labor market data and analyses, occupational advisory committees, and discussions with employers seeking contract or customized training. CSN participates with the local Workforce Investment Board and with national workforce councils to offer the latest approaches and services to build Nevada's workforce. All these sources keep programs current or develop new ones to address area needs.

Additionally, the State may soon face a labor shortage as the baby boomer generation retires, and economic dislocations are predicted to continue due to global competition, thus increasing the need to retrain and reemploy affected workers quickly. As these trends converge, it will be

increasingly important that the State have a nimble, responsive workforce system. CSN has that system and a record of quality performance.

The College of Southern Nevada is positioned to continue to be an important part of a responsive workforce system—given its mission, affordability, and accessibility—as well as programs that support lifelong learning. CSN continues its workforce mission by working with the private sector to serve diverse groups of individuals and businesses, and by participating in activities that forge connections to high-school students to prepare them for the workforce.

Yet at a time when Nevada is facing spiraling need for workers, state budget policy may collapse the training system. All our workforce efforts are at risk with budget cuts that limit training and constrict opportunities for our citizens.

State funding and leadership are two key factors that help integrate CSN and the workforce system. Predictable funding that facilitates the workforce development activities at CSN is critical. Yet, we're without it! While other states are providing their community colleges with additional money for training and financial aid, Nevada is cutting and creating disincentives to serve its disadvantaged population groups. In not serving citizens in the local workforce area, the state risks its future.

**STEVEN HORSFORD**  
SENATOR \* DEMOCRATIC LEADER

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September 4, 2008

Dear Chancellor Rogers,

The Governor inexplicably wants to further cut higher education on top of recent cuts we have already had to endure. Your recent memos describing the catastrophic results to the Nevada System of Higher Education have been quite alarming.

The impact on students is obviously quite severe. While Nevada's education statistics are often abysmal we have worked hard on increasing the number of first-in-the-family graduates. Yet the cuts being requested by the Governor eliminate such programs like satellite education campuses that do so much to bring higher education into the community. Is our economy really better off by creating more obstacles for people to earn a degree? Are people more likely to get a good job with more higher education training or with less?

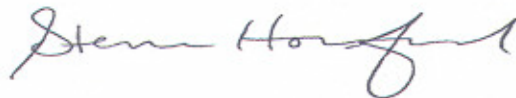
What is a strong economy? At its most important level, it is a good job for good wages. I am mystified that there are some politicians in this state who feel that removing the programs that help provide training and degrees to Nevadans will somehow help the economy.

For my entire professional and political life, I have worked to help my community. When someone has a good job, so many other good things follow. Home ownership increases. Crime decreases. Tax revenues go up. Demand on public services go down.

We are in tough economic times. It is during tough times like these that we should be improving the opportunities for people to get good jobs. This is how we will quickly move our state into prosperity.

Please understand that you have my full support to help sustain the mission of higher education. The health of our state's economy is too important to cut it further.

Regards,



State Senator Steven Horsford

**WARREN B. HARDY II**

SENATOR  
Clark District 12



BUDGET CUTS #21

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# State of Nevada Senate

Seventy-third Session

September 3, 2008

Chancellor Jim Rogers  
Nevada System of Higher Education  
5550 West Flamingo Road  
Suite C-1  
Las Vegas, Nevada 89103

Dear Chancellor Rogers,

As you know better than most, during trying economic times, government has to find ways to work more effectively with the revenue available. Throughout my legislative career, I have consistently looked for ways for government to partner with the private sector to enhance the quality of life of all Nevadans. There are several areas where these kinds of public private partnerships are bearing significant fruit. Let me give you a couple of examples.

As you know, the construction industry is the second largest employer in Nevada. Hiring tens of thousands of people (even in these challenging economic times) requires a significant investment in job training and development. Higher education, specifically at the College of Southern Nevada, is a vital piece of this training. Credentialed and certified instruction is critical for employers to plan for their upcoming jobs and these employers often rely on the partnership between the College of Southern Nevada and local apprenticeship programs to get the workers they need to operate their businesses.

Additionally, consider my own father's business in the automotive industry. For too long, one of the biggest challenges facing our family business was finding skilled and qualified technicians. Finding customers was not difficult because of the personalized service we offered. But without skilled help, keeping those customers was very difficult. Today, with help from the private sector, the College of Southern Nevada operates a

premiere facility in training automotive technicians. It provides an opportunity for students to find good jobs and for businesses to find qualified employees.

In the last several weeks, you have talked a lot about what further budget cuts will mean to the institutions themselves. While I respect this perspective, I want you to realize that there are many businesses that will also face severe problems without the ability to find the trained labor necessary for their companies to operate, let alone thrive.

Please keep these small business owners in mind when you discuss these cuts. It is more than the institutions and students who will be impacted.

Thank you and please let me know if I can answer any questions.

Regards,



Warren Hardy  
Nevada State Senate



September 4, 2008

James E. Rogers  
Chancellor  
Nevada System of Higher Education  
5550 W. Flamingo Road, Suite C-1  
Las Vegas, Nevada 89103

Dear Jim,

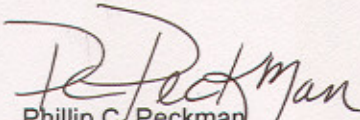
Perhaps one of the more important things to the economic future of the state of Nevada is the quality of its education system K-16. When the Nevada Development Authority is recruiting businesses to come to Nevada, especially those businesses that have employees who are highly productive and who can produce valuable assets for the community in addition to providing for their own livelihood, one of the first question that each of these valuable companies and their employees ask is "What is the quality of life in Nevada? What is the culture of Nevada?" They then follow these questions by asking about the quality of education their children can get in K-12 and in the higher education system.

While we have long created the success of Nevada based upon the very low burden that state expenditures place on the business community, and while that low burden has been a big seller for bringing businesses with real substance and futures into this state, the fact remains that if we are not able to persuade those perspective businesses that the education system is not only adequate but more than adequate for their children, businesses that we really want and need will cease coming to Nevada.

To ensure a strong Nevada, it is vital to keep not just our K-12, but our colleges and universities strong. An exceptional higher education system allows us to recruit quality companies throughout the world knowing that the workforce they will find in Nevada will be among the best educated anywhere.

You have our full support and encouragement.

Very truly yours,

  
Phillip C. Peckman  
Chairman of the Board

  
Somer Hollingsworth  
President & CEO