



POLICY AND PROGRAM REPORT



Postsecondary Education

April 2016

Postsecondary education in Nevada is provided chiefly by the institutions of the public Nevada System of Higher Education (NSHE). Nevada's nonpublic higher education sector is comprised of two nonprofit, private four-year colleges; several for-profit, two-year and four-year institutions; and numerous proprietary institutions.

NEVADA SYSTEM OF HIGHER EDUCATION

The NSHE consists of two research universities, one State college, four community colleges, and one research institute (<http://system.nevada.edu/>). It is governed by the Board of Regents of the University of Nevada, which has stated the following mission:

The mission of the Nevada System of Higher Education is to provide higher education to the citizens of the state at an excellent level of quality consistent with the state's resources. It accomplishes this mission by acquiring, transmitting, and preserving knowledge throughout the region, nation, and world. The System provides an educated and technically skilled citizenry for public service, economic growth and the general welfare, contributes to an educated and trained workforce for industry and commerce, facilitates the individual quest for personal fulfillment, and engages in research that advances both theory and practice.

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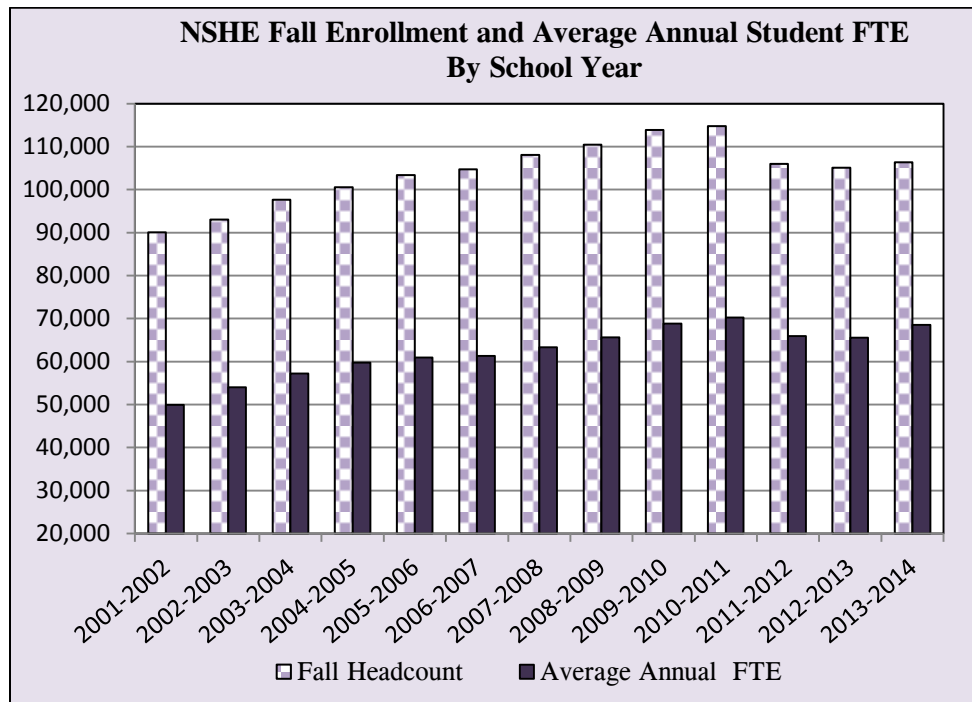
Campuses

The System's four-year institutions include the University of Nevada, Reno (UNR), and the University of Nevada, Las Vegas (UNLV). Nevada State College (NSC) in Henderson offers baccalaureate degrees with special emphasis in nursing and teacher education. The System's two-year institutions include the College of Southern Nevada with three main campuses and seven extension sites. Truckee Meadows Community College includes a main campus and four satellite sites in Reno. Western Nevada College has a main campus in Carson City, one satellite campus each in Fallon and Douglas County, and one instructional center each in Fernley and Yerington. Great Basin College, in Elko, operates four branch campuses and numerous satellite centers. In 2007, the Board of Regents approved name changes to reflect their authorization of selected baccalaureate degrees at three of the two-year institutions, thus dropping the word "community" from their names.

Finally, the Desert Research Institute in Reno is the nonprofit research campus of the NSHE, which is overseen by the Chancellor and the Board of Regents.

The following graph shows the fall headcount and average annual full-time equivalent (FTE) enrollments for the system, since 2001.

Fall Headcount and FTE Enrollments in NSHE Institutions



The Fall 2014 headcount enrollment for the NSHE was 106,360 students at all institutions, including all divisions and degree levels. According to the NSHE Office of Academic and Student Affairs, the calculations to determine FTE are based upon 15 credit hours for undergraduate students, 12 credit hours for master's level students, and 9 credit hours for doctoral students.

Governance of the NSHE

The NSHE is governed by an elected 13-member Board of Regents. Article 11 of the *Nevada Constitution* provides for the establishment and administration of the Board of Regents of the University of Nevada. Section 4 of Article 11 provides that the State university shall be controlled by a Board of Regents whose duties shall be prescribed by law. Section 5 authorizes the Legislature to establish normal schools (teacher training institutions) and other grades, from the primary to university levels, as needed. Section 6 directs the Legislature to appropriate revenues for the support and maintenance of the schools and university. Finally, Section 7 provides that the Board of Regents is to control and manage the affairs and funds of the university under such regulations as may be provided by law.

Because of the constitutional status of the Board of Regents, the Nevada Supreme Court has ruled on the question of the freedom of Regents from legislative control. The first major opinion stems from a 1947 act of the Legislature, establishing a board of advisory regents. The Court ruled that the advisory board violated the constitutional provision that the State university be controlled by the Board of Regents. Legislative Counsel has stated:

The Nevada Supreme Court has interpreted the Nevada Constitution as vesting the Board of Regents with exclusive executive and administrative control of the university subject to the “right of the legislature to prescribe duties and other well-recognized legislative rights.” [*King v. Board of Regents*, 65 Nev. 533, 565, 569 (1948)]

The second opinion resulted from a 1979 Board of Regents policy, enacting mandatory faculty retirement. Because *Nevada Revised Statutes* (NRS) 281.370 prohibits the discharge of a person because of age, a suit was brought by a university professor. In 1981, the Court modified the *King* ruling somewhat. Legislative Counsel stated:

The Nevada Supreme Court subsequently carved out an exception to its holdings in *King* when it required the [NSHE] to comply with policies that are imposed on a statewide basis. In *Oakley*, the Court held that a state statute . . . may be applied constitutionally to the [NSHE] because the statute “reasonably and properly impose[d] . . . the same obligation that it impose[d] on other state, county and municipal boards.” However, the Court noted that “the legislature may not invade the constitutional powers of the Board through legislation which directly interferes with essential functions of the University.” [*Board of Regents v. Oakley*, 97 Nev. 605 (1981)]

Most statutes relating specifically to the Regents and the NSHE are codified in Chapter 396 (“Nevada System of Higher Education”) of NRS. In addition to the overall control of the NSHE interpreted by the Supreme Court, the Board of Regents by statute may:

- Direct the NSHE, composed of branches and facilities, as the Regents deem appropriate;
- Prescribe rules for its own government;

Education

- Employ a Chancellor of the System and establish personnel contract policies;
- Receive and disburse State appropriations to the NSHE;
- Accept property in the name of the NSHE;
- Admit students without discrimination; and
- Determine the courses of study and issue diplomas.

Admission

The Board of Regents' general admission policy encourages member institutions to increase student participation and completion of degrees by minority groups, women, and members of other protected classes. Online application to the institutions is available through their individual websites.

Universities

To qualify for admission to the two universities, an applicant must be a graduate of an accredited or approved high school with a minimum of 13 high school credits in specified subjects and at least an overall 3.0 weighted grade point average (GPA). Effective Fall 2013, students seeking university admission must take the SAT and achieve a combined score on the SAT Critical Reading and Math sections of at least 1040, or take the ACT assessment and achieve a composite score of at least 22. This provision is not applicable to international or transfer students. A student may also submit a Nevada Advanced High School Diploma as qualification for admission. Students with a transferable associate's degree from a NSHE community college will be admitted into the universities regardless of their GPA at the community college.

A student who does not meet the university admission requirements may be admitted through other criteria, such as a combination of test scores and GPA that indicate a potential for success, special talents or abilities in the visual or performing arts or athletics, overcoming adversity or special hardship, or other special circumstances. The number of students admitted under these criteria must not exceed 15 percent of the previous year's admissions.

Nevada State College

Incoming freshmen must have graduated from an accredited high school with a minimum GPA of 2.0 plus a minimum of 12 high school credits in specified subjects. High school students who are at least 15 years of age may be enrolled as non-degree students in a maximum of six undergraduate credits or equivalents per semester. Students who have completed the junior year of high school with at least a 2.0 GPA may be provisionally admitted.

Two-Year Colleges

Effective Fall 2012, the four community colleges require all applicants seeking a degree or certificate to qualify for admission by showing they are a graduate of a high school or its equivalent or a qualified international student. Admission to a NSHE community college implies general admission to the college only and does not constitute admission to a specific curriculum or course of study that may require additional admission criteria.

Tuition and Fees

Pursuant to NRS 396.540, tuition at all NSHE institutions is free to legal residents of Nevada; however, registration fees apply. Nonresident students pay tuition in addition to the registration fees that are required of residents. The Board of Regents establishes the tuition and fee rates for all NSHE institutions, and the Legislature concurs in the rates used to establish General Fund Appropriations as part of the NSHE budget.

The following tables provide registration fees and nonresident tuition rates for School Years 2016-2019.

NSHE Registration Fees Schedule Per Credit				
	2015-2016	2016-2017	2017-2018	2018-2019
Universities (undergraduate)	\$199.25	\$207.25	\$215.50	\$224.00
Universities (graduate)	\$264.00	\$264.00	\$269.25	\$274.75
NSC (undergraduate)	\$141.75	\$146.75	\$151.75	\$157.00
Community Colleges (lower division)	\$88.00	\$91.50	\$95.00	\$98.75
Community Colleges (upper division)	\$143.75	\$149.50	\$155.50	\$161.75

Source: Board of Regents, *Procedures & Guidelines Manual*, June 2015.

NSHE Nonresident Tuition Assessed in Addition to Registration Fees Per Year				
	2015-2016	2016-2017	2017-2018	2018-2019
Full-time*, Universities	\$13,910	\$13,910	\$14,188	\$14,472
Full-time*, NSC	\$10,686	\$11,113	\$11,558	\$12,020
Full-time*, Community Colleges	\$6,645	\$6,645	\$6,778	\$6,913
*Nonresident tuition is assessed on the basis of full-time or part-time enrollment. Full-time nonresident tuition rates are assessed to students enrolled in seven or more credits. Part-time students pay on a per-credit basis.				

Source: Board of Regents, *Procedures & Guidelines Manual*, June 2015.

Articulation

Articulation refers to the process whereby individual higher education institutions agree to accept for transfer the academic credits earned at other higher education institutions. The Board of Regents has established a NSHE Articulation Board to review and evaluate articulation policies and formulate additional policies. The Board of Regents also has mandated a webpage outlining the transfer process and protections given to baccalaureate-degree-seeking students. The site includes the rights and responsibilities of a transfer student and the responsibilities of all NSHE institutions.

The NSHE general credit transfer policy for all campuses provides that students who transfer with a NSHE associate degree of arts, business, science, or applied science are considered to have satisfied lower-division curricular requirements necessary for admission to upper-division study with full junior status. Students who complete baccalaureate level credits without receiving an associate degree may transfer the credits to the State college and universities at a minimum as general elective credits.

All baccalaureate academic majors at a university or college must have transfer agreements with NSHE community colleges. These agreements must provide clear information for community college students as to which courses will transfer efficiently to another NSHE institution within each major. Information on these agreements must be available to all students on each campus.

Financial Aid

All State-supported institutions are accredited by organizations recognized by the United States Department of Education and, therefore, are eligible to participate in federal financial aid programs, which include grants, loans, and work study. Forty percent of the State's annual revenues from the Tobacco Master Settlement Agreement have been allocated to fund the Governor Guinn Millennium Scholarship, which is overseen by the State Treasurer. In the 26th Special Session, however, the Legislature revised the allocation to permit money in the Millennium Scholarship Trust Fund to be used for any other purpose authorized by the Legislature.

Statutorily, any qualifying Nevada high school graduate who has resided in this State for a minimum of two years may use the scholarship funds to attend a State institution or a nonprofit accredited institution organized in Nevada. To be eligible, a student must obtain a specified high school GPA or college entrance exam score and apply for the scholarship within a designated number of years following graduation. To retain the scholarship, a postsecondary student must maintain a certain GPA and remain enrolled in at least 9 credits if attending a community college or 12 credits if attending another eligible institution.

The 2015 Legislature established Nevada's first statewide need-based student financial aid program, called the Silver State Opportunity Grant Program, and appropriated \$5 million to the program for the 2015-2017 Biennium. The program provides grants to pay a portion of the cost of education for eligible students enrolled in a State or community college within the NSHE.

In addition to these scholarship and grant programs, individual NSHE institutions allocate some of their resources to financial aid in the form of scholarships, grants, employment, and loans.

Financing the NSHE

The 2015 Legislature approved a higher education budget totaling \$1.702 billion over the 2015-2017 Biennium. This includes State General Fund support equaling \$1.095 billion, which is 12.7 percent more than in the previous biennium. Also approved were non-General Fund revenues totaling \$595.9 million from authorized sources including student registration fees, nonresident tuition, and miscellaneous student fees.

The following table summarizes the change in NSHE appropriations for the 2015-2017 Biennium:

Change in NSHE Funding for the 2015-2017 Biennium			
	2013-2015 Biennium	2015-2017 Biennium	Change
General Fund	\$971,300,000	\$1,094,700,000	\$123,400,000 (+12.7 percent)
Federal Funds	\$10,800,000	\$10,900,000	\$100,000 (+0.9 percent)
Other	\$514,100,000	\$595,900,000	\$81,800,000 (+15.9 percent)
Total	\$1,496,200,000	\$1,701,500,000	\$205,300,000 (+13.7 percent)

Source: Fiscal Analysis Division, Legislative Counsel Bureau, *Nevada Legislative Appropriations Report*, 2015.

The 2015 Legislature approved the Governor's recommendation to continue funding policies adopted by the 2013 Legislature, which focused primarily on the adoption of a new funding formula to distribute State General Fund dollars to institutions within the NSHE. Under the new system, colleges and universities are rewarded for student achievement. The following summarizes the major components of the NSHE funding formula as approved by the 2015 Legislature:

Weighted Student Credit Hour (WSCH)

General Fund appropriations approved for the 2015-2017 Biennium instructional budgets of UNLV, UNR, College of Southern Nevada, Great Basin College (GBC), Truckee Meadows Community College (TMCC), Western Nevada College (WNC), and NSC are primarily based upon the distribution of completed WSCHs by Nevada resident students; nonresident students are excluded. Consistent with the policy adopted by the 2013 Legislature, the value of each WSCH is uniform across all institutions and calculated by dividing the available General Fund appropriations in each fiscal year, less any "pre-formula allocations," by the total number of Fiscal Year (FY) 2014 WSCHs. After calculating the value of the WSCH, the legislatively approved budget reallocates available General Fund appropriations through the formula. Available General Fund appropriations are determined through the traditional base, maintenance, and enhancement methodology, less pre-formula allocations, such as small institution and research operations and maintenance funding.

Weighting of Credit Hours

The credit hour weighting taxonomy approved by the 2013 Legislature has been maintained. Student credit hours are weighted by the discipline clusters and academic levels developed by the National Center for Higher Education Management Systems and modified by the 2011-2012 Interim Committee to Study the Funding of Higher Education.

Projection of Weighted Student Credit Hours

The FY 2014 WSCHs tied to "F" grades resulting from students' lack of effort or attendance are excluded during the 2015-2017 Biennium. A further caseload adjustment was made for such "F" grades occurring between FY 2012-2014. Consistent with the legislative policy established during the 2013 Legislature, the 2015 Legislature approved utilizing FY 2014 WSCHs to reallocate General Fund appropriations through the funding formula in FY 2016 and FY 2017.

Small Institution Funding

General Fund appropriations totaling \$2 million in each fiscal year of the 2015-2017 Biennium will be provided to GBC and WNC for small institution funding. This funding is a pre-formula allocation recognizing that all institutions have certain fixed administrative costs, regardless of institution size. However, the larger institutions have sufficient fee revenue not to require additional General Fund support.

Mitigation Funding for GBC and WNC

The Governor recommended the elimination of \$5.3 million in one-time General Fund appropriations for GBC (\$3 million) and WNC (\$2.3 million); these appropriations were approved by the 2013 Legislature to offset the General Fund reductions to GBC and WNC as a result of the WSCH formula. Contrary to the Governor's recommendation, the 2015 Legislature added \$3 million for GBC and \$2 million for WNC over the 2015-2017 Biennium to mitigate the reduction in General Fund appropriations. Without this mitigation funding, GBC would have experienced a reduction in General Fund appropriations of 16.5 percent in FY 2016 and 16.1 percent in FY 2017. WNC would have experienced a reduction of 12.9 percent in FY 2016 and 12.4 percent in FY 2017.

Research Space Operations and Maintenance Funding

General Fund appropriations of \$9.1 million were approved for research space operations and maintenance for UNLV (\$5 million) and UNR (\$4.1 million) in each year of the 2015-2017 Biennium. The approved funding level represents a combined annual increase of 6.8 percent compared to FY 2015. This funding was distributed as a pre-formula allocation, prior to the calculation of the WSCH.

Performance Funding Pool Set-Aside

Consistent with the policy adopted by the 2013 Legislature, a 10 percent (\$40.4 million) and 15 percent (\$61 million) set-aside of General Fund appropriations was approved for the performance funding pool in FY 2016 and FY 2017, respectively. In order to allow sufficient advance budget planning, the performance funding earned for a fiscal year is based upon actual performance from two years earlier and largely derived from the number of students graduating or earning certificates. Each institution's performance is measured through a year-over-year comparison, thus each institution is "competing" against its own prior performance rather than against other institutions.

As reported by NSHE, all institutions except UNLV achieved their performance targets in FY 2014, which determined performance funding for FY 2016. Additionally, both GBC and TMCC achieved performance above the targets by an amount sufficient to receive 100 percent of the performance funding in FY 2016 and to earn back unearned funds of \$15,083 for GBC and \$12,091 for TMCC from FY 2015.

NONPUBLIC INSTITUTIONS

Most postsecondary education in Nevada is provided by State-supported institutions. A number of two-year and four-year nonpublic institutions in Nevada are regionally accredited by organizations recognized by the U.S. Department of Education. Nevada's Commission on Postsecondary Education (<http://www.cpe.state.nv.us/>) is the sole authority for licensing a proprietary postsecondary educational institution in this State.

Colleges and Universities

Nevada has one accredited private, nonprofit, four-year degree-granting institution—Sierra Nevada College—which was founded in 1969 and is located in Incline Village. Since the college’s inception, many academic programs have been integrated with the environment of the Lake Tahoe Basin. Another accredited, nonprofit institution—Roseman University of Health Sciences—began in Las Vegas as the Nevada College of Pharmacy, enrolling its first class in 2001. Emphasizing health care professions, the university offers degrees in nursing and business as well as other postdoctoral training and continuing education.

According to the U.S. Department of Education, several accredited private, for-profit, four-year institutions operate in Nevada, including:

- The Art Institute of Las Vegas;
- DeVry University;
- ITT Technical Institute; and
- The University of Phoenix.

Other accredited private, for-profit institutions in Nevada include:

- The Advanced Training Institute;
- Career College of Northern Nevada;
- Everest College;
- Healthcare Preparatory Institute;
- Kaplan College; and
- Nevada Career Institute.

Proprietary Schools

Proprietary schools represent another form of postsecondary education. Such schools may be distinguished from other educational entities based mostly on their for-profit education and training programs. According to the Commission on Postsecondary Education, many of these for-profit schools provide training in a variety of occupational fields including, but not limited to, bartending, construction, culinary arts, and real estate.

COLLEGE SAVINGS PLANS

Nevada’s two college savings plans are codified in Chapter 353B (“College Savings Plans of Nevada”) of NRS.

Nevada Prepaid Tuition Program

In 1997, the Legislature enacted Senate Bill 271 (Chapter 687, *Statutes of Nevada*), providing for a prepaid tuition program to be administered by the State Treasurer. Family members can choose to pay a lump sum, spread the payment out over five years with 60 equal payments, or pay each month from the time of enrollment until the child is ready to start college. This program is fully transferable to private or public out-of-state colleges and universities and can be transferred to another family member. The purchaser does not have to pay federal tax on any interest earned or the increased contract value each year. This program qualifies under Section 529 of the *Internal Revenue Code*. Additional information may be obtained at the State Treasurer's website: [http://www.nevadatreasurer.gov/prepaid Tuition/Prepaid Home/](http://www.nevadatreasurer.gov/prepaid%20Tuition/Prepaid%20Home/).

Nevada College Savings Program

The Legislature provided for a college savings program in 2001 with the enactment of Assembly Bill 554 (Chapter 445, *Statutes of Nevada*). The State Treasurer was authorized to adopt regulations to establish a qualified tuition program pursuant to Section 529 of the *Internal Revenue Code*. To implement this program, the State Treasurer has contracted with private providers to offer these savings plans. Additional information is available at: [http://www.nevadatreasurer.gov/CollegeSavings/CSP Home/](http://www.nevadatreasurer.gov/CollegeSavings/CSP%20Home/).

ACTIONS OF THE 2015 LEGISLATURE

The 2015 Nevada Legislature considered a number of bills relating to the State colleges and universities and approved a higher education budget totaling \$1.702 billion over the 2015-2017 Biennium. Significant legislation related to postsecondary education included:

- Assembly Bill 150 (Chapter 207, *Statutes of Nevada*) extended student eligibility for the Governor Guinn Millennium Scholarship to students who do not meet the minimum high school GPA requirement but who receive a college entrance examination score that meets the approved minimum score established by the Board of Regents;
- Senate Bill 76 (Chapter 298, *Statutes of Nevada*) revised various provisions governing Nevada's participation in the Western Interstate Commission for Higher Education;
- Senate Bill 128 (Chapter 373, *Statutes of Nevada*) increased from 6 to 9 the number of credit hours in which a Millennium Scholar must enroll if attending a community college. The bill also increased from 12 to 15 the maximum number of semester credit hours that may be funded on behalf of a Millennium Scholar enrolled in a community college;
- Senate Bill 195 (Chapter 375, *Statutes of Nevada*) moved the Office of the Western Regional Higher Education Compact to the Office of the Governor and requires the Governor to propose a budget for the Office and appoint its Director;

- Senate Bill 227 (Chapter 387, *Statutes of Nevada*) created the Silver State Opportunity Grant Program to be managed by the Board of Regents. Grants may be awarded to eligible students enrolled in community and State colleges that are part of the NSHE; and
- Senate Bill 514 (Chapter 534, *Statutes of Nevada*) provided start-up costs for the development of a medical school at UNLV, with State General Fund support of \$1.2 million in FY 2016 and \$7.1 million in FY 2017. Additional General Fund appropriations of \$18.4 million over the biennium support start-up costs for the new medical school, and \$3.8 million over the biennium supports the expansion of undergraduate and graduate medical education for the University of Nevada School of Medicine.

RESEARCH STAFF CONTACT

Todd M. Butterworth
Senior Research Analyst
E-mail: Todd.Butterworth@lcb.state.nv.us

Research Division
Legislative Counsel Bureau
Telephone: (775) 684-6825
Fax: (775) 684-6400

GLOSSARY OF ACRONYMS

ACT	college entrance and placement examination produced by American College Testing, Inc.
ECS	Education Commission of the States
GED	General Educational Development credential
GPA	grade point average
ICR	indirect cost recovery
IPEDS	Integrated Postsecondary Education Data Systems
NCES	National Center for Education Statistics
NCHEMS	National Center for Higher Education Management Systems
NSHE	Nevada System of Higher Education
SAT	college entrance and placement examination produced by the Educational Testing Service
SHEEO	State Higher Education Executive Officers
WICHE	Western Interstate Commission for Higher Education