



The Nevada Policy Research Institute

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Myths exposed as TransparentNevada provides access to 12 years of NSHE operating budgets

LAS VEGAS — Twelve years' worth of operating budgets for the Nevada System of Higher Education is now available through TransparentNevada, the Nevada Policy Research Institute announced today. The information is located at TransparentNevada.com, an NPRI-operated website devoted to providing Nevada taxpayers with crucial information on government financing.

The announcement comes just one day before a joint meeting of the [Assembly and Senate education committees](#), which will feature a presentation by NSHE Chancellor Dan Klaich.

“For years, leaders in NSHE have attempted to scare the public about the impact of reductions in taxpayer subsidies to higher education — framing ‘cuts’ only in terms of the amount of subsidies the system receives, and not its total operating budget,” said Steven Miller, NPRI’s vice president for policy. “Lawmakers and the general public have had little access to the actual operating budgets of these institutions, which has limited their ability to fact-check and challenge the hyperbole coming from NSHE leaders.

“This newly available information changes that. Everyone can now check the facts and establish the proper context for debates over higher-education spending.”

The operating budgets show that despite reductions in state subsidies and overblown rhetorical claims of the supposedly resulting ‘[devastation](#)’ in 2008 and 2009, NSHE’s operating budget in Fiscal Year 2010 — \$1.724 billion — was actually \$30 million *larger* than its FY 2009 operating budget of \$1.694 billion.

The publication of this budget data comes after Chancellor Klaich admitted at a Feb. 3, 2011 Board of Regents meeting that some NSHE officials have exaggerated the impact of past reductions.

"I think we [at NSHE] have been guilty of hyperbole in the past," said Klaich, "where we get the first dollar of a cut and we would like you to believe that the sky is falling in. And here we are a few years later and, lo and behold, the sky is right where it started out. It has not fallen in."

Miller praised Klaich for his honesty and urged other NSHE leaders to follow the chancellor's example.

"The chancellor should be applauded for acknowledging the past misstatements of NSHE officials," Miller said. "Instead of trying to scare the public — and their own students — by using misleading rhetoric, officials need to be honest with Nevada's lawmakers and citizens."

The data also shows that Nevada's subsidy to higher education more than doubled from FY 2000 to FY 2009, from \$306 million to \$623 million. After adjusting for inflation, Nevada's subsidy to higher education increased from \$380 million (in 2009 dollars) in FY 2000 to \$623 million in FY 2009.

"These facts are a direct refutation of those politicians, led by Senate Majority Leader Steven Horsford, who claim that higher-education subsidies are the key to diversifying and strengthening Nevada's economy," Miller said. "If these subsidies really were the key, Nevada wouldn't be in its current fiscal and economic predicament."

"Instead of trying to rhetorically inflate the size of budget reductions, politicians like Senator Horsford should be demanding accountability for the money Nevada has already spent. These budgets clearly show that lavishly subsidizing NSHE in an attempt to 'diversify' the economy has been a bad investment."

NSHE staff prepared the spreadsheets using the higher-education system's own data, at the request of Regent Ron Knecht.

The budgets can be downloaded at http://transparentnevada.com/static/NSHE_budgets_00-11.xls.

MORE: Video of Chancellor Klaich admitting past NSHE hyperbole regarding budget reductions: <mms://wms.csn.edu/CCSN/specialBoR2-3-2011.wmv> (48:30 mark).

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