

Who Funds the University of Nevada Cooperative Extension?

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Presented at The Lincy Institute & Brookings Mountain West Research Colloquium Series:

[Making Cooperative Extension Work for Southern Nevada:](#)

[Fulfilling UNLV's Urban Land Grant Mission](#)

Friday, September 23, 2016

Introduction

- ▶ The political economy of Nevada's geography
 - Political economy examines how politics (e.g., public policy, institutions, and their underlying belief systems) affects economic outcomes and social well-being
 - Understanding these dynamics in Nevada also necessitates that geographic factors be considered
 - In prior and on-going research, I have used this framing to study transportation policy, the Nevada Legislature, K-12, and higher education funding and governance

Introduction

- ▶ The political economy of Nevada's geography
 - Assumptions and expectations:
 - Clark County is “different” from the rest of Nevada
 - Nevada's governance institutions were not designed for a large, urban, and diverse metro region
 - Current policy and institutions is ineffective in meeting the county's needs
 - Studying Cooperative Extension also provides insight into the inter-relationships and tensions between federal, state, and local governments (federalism)

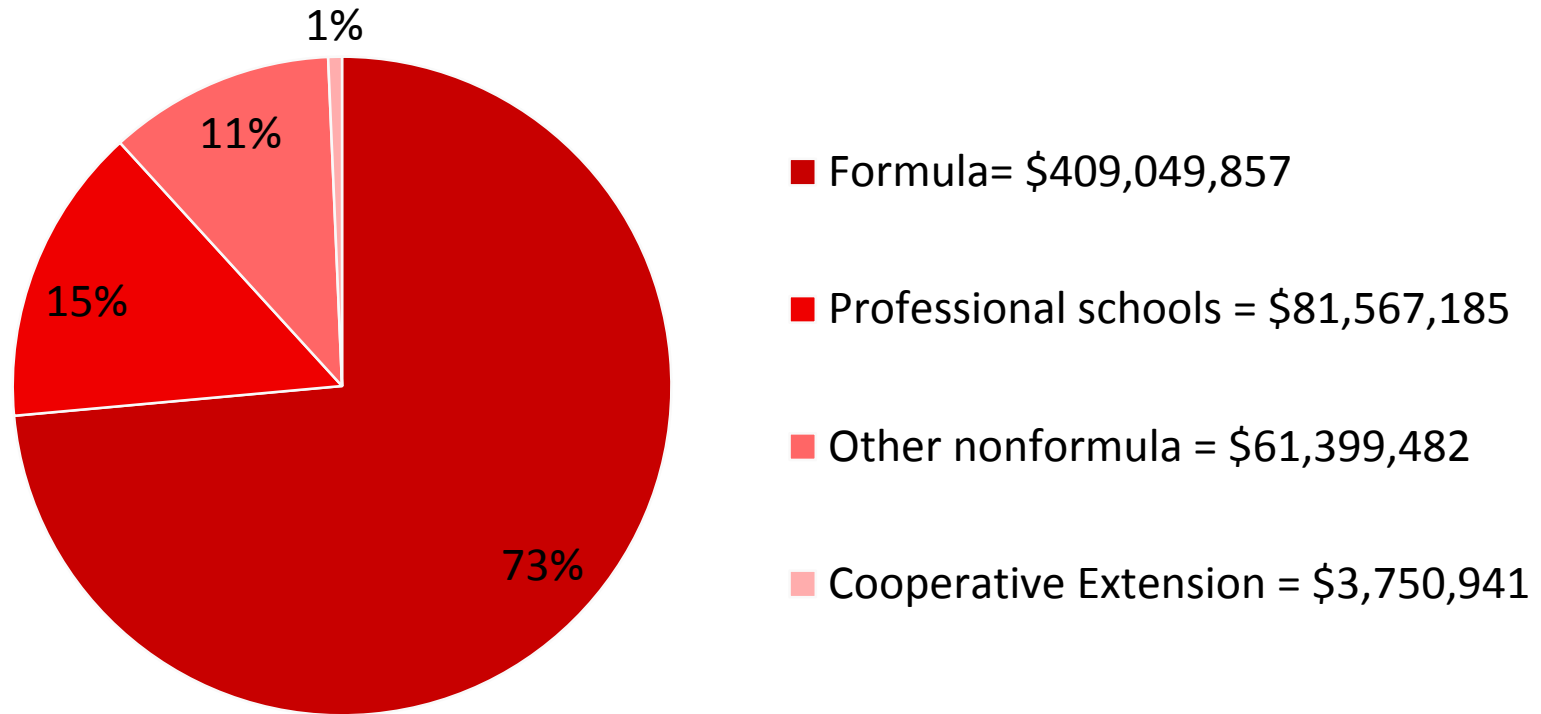
Three Funding Sources

- ▶ Across the states, Cooperative Extension Services' operating budgets are funded by three sources
 - Federal: competitive and formula grants, as well as congressional directed funding
 - State: appropriations from the state general fund
 - County: property tax (in Nevada this is one cent for each \$100 of taxable property, NRS 549.020)
- ▶ Infrastructure
 - County financed buildings
 - The physical land grant (Morrill Act of 1862)

State Appropriations

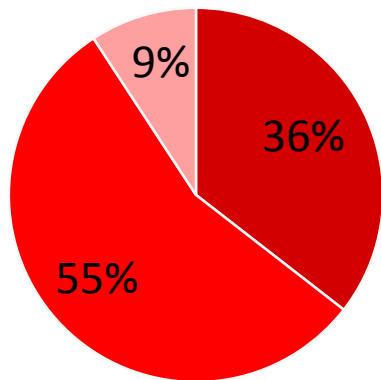
- ▶ Formula and nonformula higher education budgets
 - Formula budgets provide the state support for the seven teaching institutions' operating budgets
 - Nonformula budgets fund:
 - Professional schools and DRI
 - UNR and UNLV Intercollegiate Athletics
 - UNR and UNLV Statewide Programs
 - NSHE administration (9 budget lines totaling \$31 million)
 - Agricultural Experiment Station (UNR)
 - Health Laboratory (UNR)
 - Cooperative Extension Services

State Appropriations (2016-17)

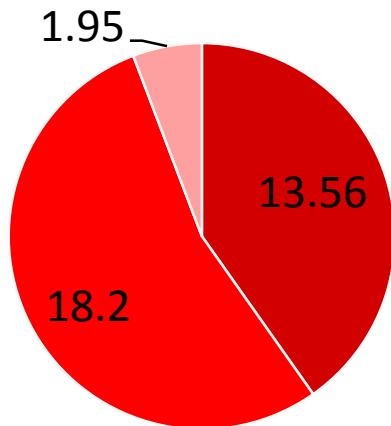


Data from "2015 Appropriations Reports" prepared by the Legislative Counsel Bureau, Fiscal Analysis Division

State Appropriations (2016-17)



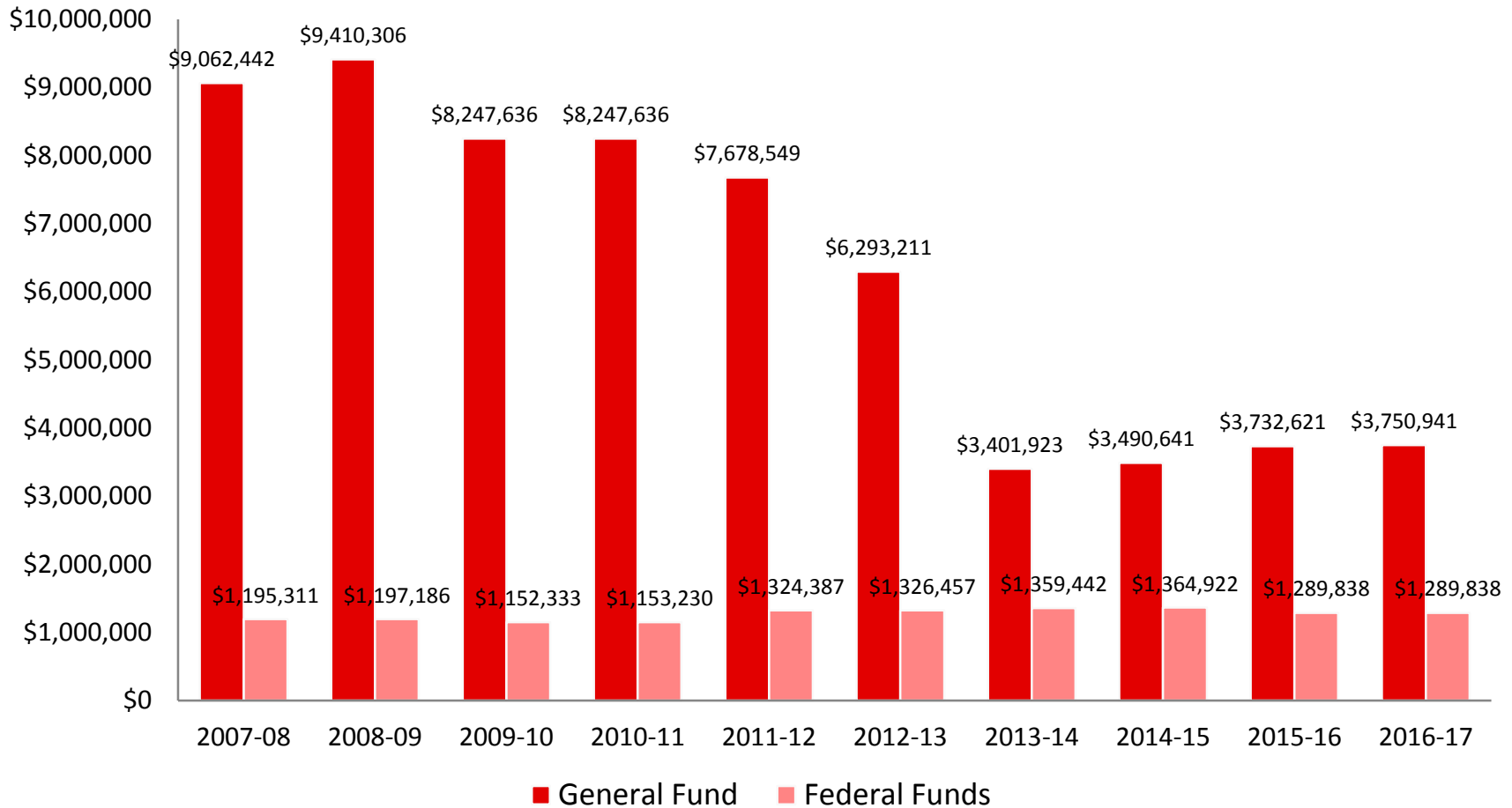
- Southern Area = \$1,308,524
- Northeast/Central Area = \$2,036,443
- State Specialists = \$339,927



- Southern Area FTE
- Northeast/Central Area FTE
- State Specialists FTE

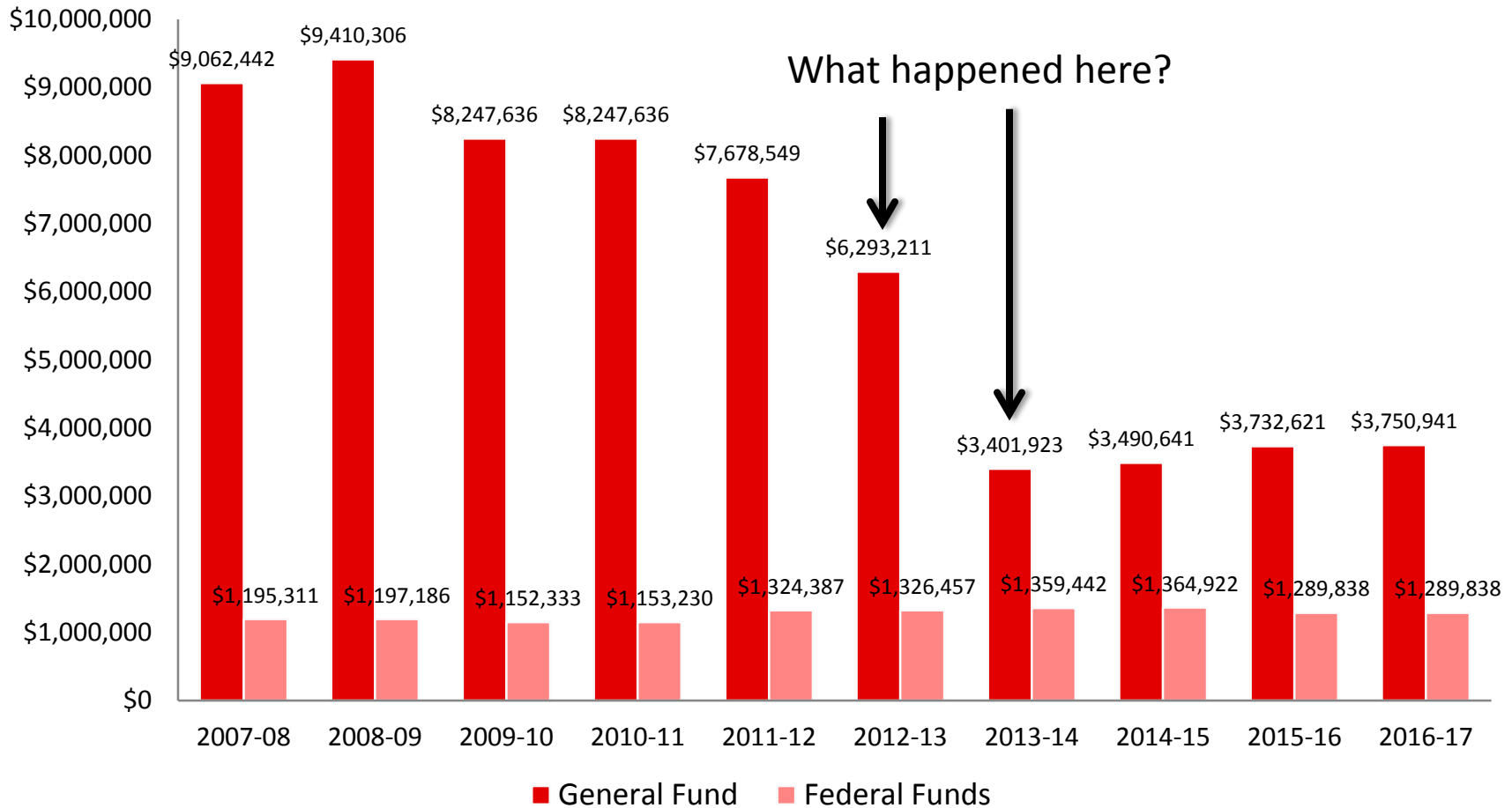
Data from "Nevada System of Higher Education 2015-16 Operating Budget"

State and Federal Appropriations



Data from "2007 Appropriations Report," "2009 Appropriations Report," "2011 Appropriations Report," "2013 Appropriations Report," and "2015 Appropriations Report" prepared by the Legislative Counsel Bureau, Fiscal Analysis Division; data are unadjusted for inflation

State and Federal Appropriations



Data from "2007 Appropriations Report," "2009 Appropriations Report," "2011 Appropriations Report," "2013 Appropriations Report," and "2015 Appropriations Report" prepared by the Legislative Counsel Bureau, Fiscal Analysis Division, data are unadjusted for inflation

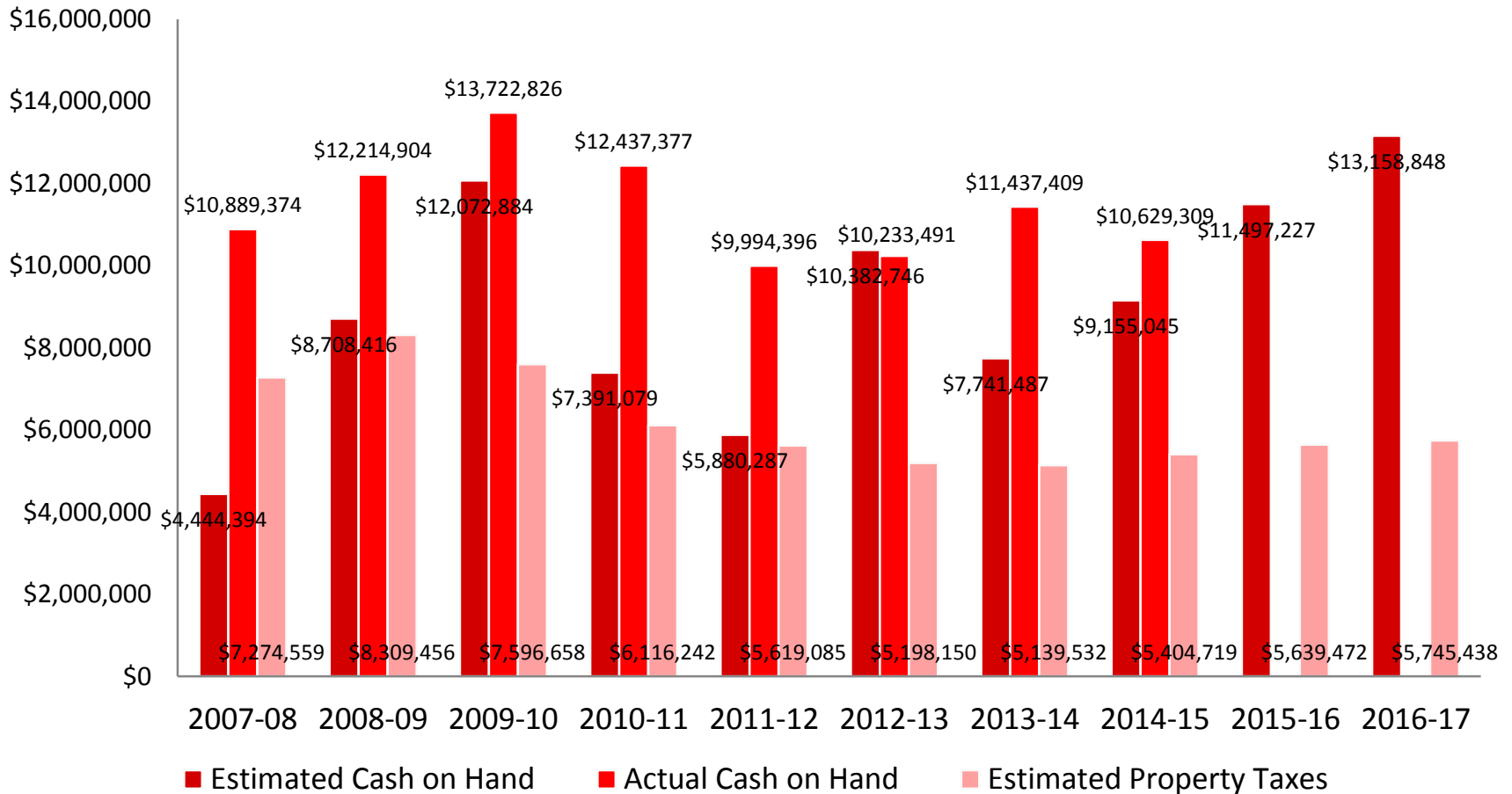
Fluidity in Higher Education Budgets

- ▶ The 2011 appropriations bill (AB580) consolidated higher education appropriations
 - This budget maneuver allowed NSHE to move funds between budgets without IFC approval
 - In 2012-13, Cooperative Extension's budget was cut by \$3.4 million
 - In 2012-13, UNR Statewide Programs' budget was increased by \$3.5 million

Fluidity in Higher Education Budgets

- ▶ These changes have been included in subsequent budgets
 - Cooperative Extension's budget has varied between \$3.4 and \$3.7 million
 - UNR's Statewide Programs budget has varied between \$7.8 and \$8.1 million
 - \$561,861 of UNR's Statewide Programs budget is appropriated for UNR's "Southern Office of Prospective Students" housed in the Cooperative Extension building
 - UNLV's Statewide Programs budget has varied between \$2.8 and \$3.5 million
 - UNR's Statewide Programs budget is 3.2 times greater than UNLV's Statewide Programs budget on a per WSCH basis

County Appropriations



Data from "Clark County Final Budget FY 2007-08," "Clark County Final Budget FY 2008-09," "Clark County Final Budget FY 2009-10," "Clark County Final Budget FY 2010-11," "Clark County Final Budget FY 2011-12," "Clark County Final Budget FY 2012-13," "Clark County Final Budget FY 2013-14," "Clark County Final Budget FY 2015-16," and "Clark County Final Budget FY 2016-17," data are unadjusted for inflation

What To Do With All That Money?

- ▶ Paying down bond debt
 - The current Clark County Coop Extension building was funded with \$10 million in bonds that were issued in 2004
 - Increases in property taxes during the 2000s generated substantial revenue for Clark County Cooperative Extension
 - In 2009, \$5.5 million in surplus revenue was used to pay down the more quickly, saving \$3.3 million over the remaining 24 years of bond payments

What To Do With All That Money?

“In fiscal years 2005-2008 there were substantial increases in property values in Clark County which, in turn, resulted in substantial increases in revenues from the County to UNCE. As UNCE did not believe these increased levels of valuation and revenue were sustainable, it did not increase the number of permanent employees and programs and instead elected to ‘bank’ much of the new revenue.”

“The yearly savings in reduced debt service will be used to expand Cooperative Extension educational programs in Clark County, without requiring additional one-time or ongoing state or System funding, to a population that has grown substantially.”

Board of Regents of the University of Nevada, Business & Finance Committee, (December 3, 2009)

What To Do With All That Money?

Year	Classified			Professional		
	Total Salaries	FTE	Salary per FTE	Total Salaries	FTE	Average Salary
2008-09	\$2,348,764	52.68	\$44,585	\$499,452	4.88	\$102,346.72
2009-10	\$2,424,635	55.15	\$43,964	\$628,241	5.88	\$106,843.71
2010-11	\$2,403,715	54.62	\$44,008	\$961,422	8.88	\$108,268.24
2011-12	\$1,964,503	48.44	\$40,555	\$818,028	9.48	\$86,289.87
2012-13	\$1,781,739	42.90	\$41,532	\$1,216,482	13.60	\$89,447.21
2013-14	\$1,771,603	42.95	\$41,248	\$1,063,625	12.67	\$83,948.30
2014-15	\$1,785,360	42.42	\$42,088	\$1,019,605	11.35	\$89,833.04
2015-16	\$1,827,062	42.19	\$43,306	\$1,044,919	11.93	\$87,587.51

Data from "Nevada System of Higher Education 2007-08 Self-Supporting Budget," "Nevada System of Higher Education 2008-09 Self-Supporting Budget," "Nevada System of Higher Education 2009-10 Self-Supporting Budget," "Nevada System of Higher Education 2010-11 Self-Supporting Budget," "Nevada System of Higher Education 2011-12 Self-Supporting Budget," "Nevada System of Higher Education 2012-13 Self-Supporting Budget," "Nevada System of Higher Education 2014-15 Self-Supporting Budget," and "Nevada System of Higher Education 2015-16 Self-Supporting Budget;" data are unadjusted for inflation

Conclusion

- ▶ Clark County is “different” from the rest of Nevada
 - Economic activity in Clark County generates the vast majority of state and county funding and the county’s population helps to induce federal funding
- ▶ Nevada’s governance institutions were not designed for a large, urban, and diverse metro region
 - Clark County has little say in how these funds are used and in some instances, these assets are used to undermine the county’s interests
- ▶ Current policy is ineffective in meeting the county’s needs
 - County residents are either being over taxed or under served by current arrangements
- ▶ Other considerations:
 - Protecting the University of Nevada’s land holdings
 - SB255 (2013) and SB283 (1981)

Thank You