

# **Nevada System of Higher Education**

## **2025-27 Biennial State Budget**

**NSHE Board of Regents Meeting**

**August 23, 2024**

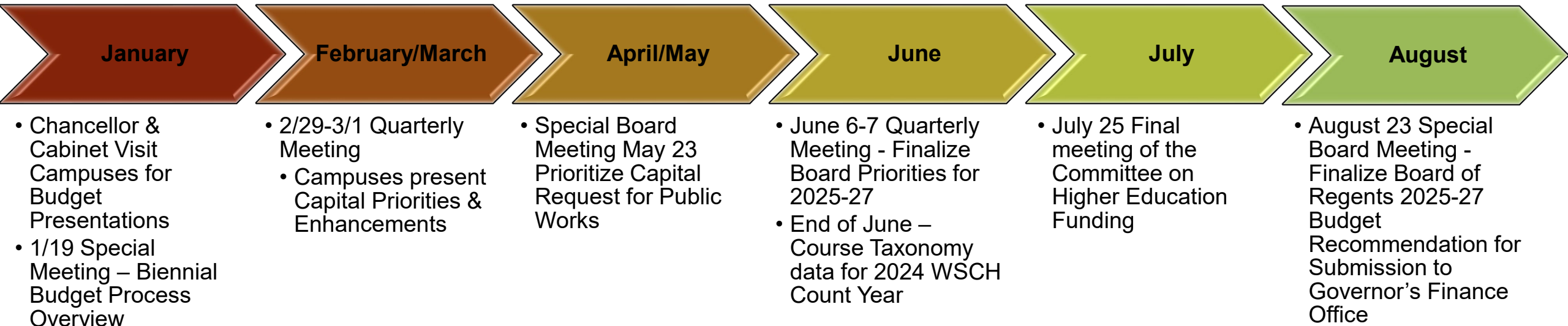


# Topics for today

1. NSHE Budget Preparation Process Timeline
2. 2025-27 Governor's Finance Office Agency Budget Request Spending Limit
3. NSHE Operating Budget Initial Adjusted Base Budgets
4. NSHE Operating Budget Items for Special Consideration
5. Ad hoc Committee on Higher Education Funding Formula



# NSHE Budget Preparation Timeline: 2025-27 Biennial Budget



***Agency budget requests are due to Governor's Finance Office by 4PM on Friday, August 30***



# **2025-27 Governor's Finance Office Agency Request Spending Limit**



# Base + Maintenance – Formula Budgets

## Legislative direction from 2023 session closing:

*Given the potential for a new funding methodology to be presented during the 2025 Legislative Session as a result of the approved funding formula study over the 2023-24 Interim, and the uncertainty of what direction may come out of the study, **the Legislature recommended that NSHE present and submit a budget for the 2025-27 biennium in a manner consistent with the approach approved by the Legislature for the 2023-25 biennium** in the event that a new funding formula or methodology has not been developed in preparing the 2025-27 biennium budget, and/or in order to compare the impacts of a recommendation to implement a new funding formula/methodology.*

*Following this direction, NSHE Agency Request has been developed including maintenance adjustments but not the WSCH re-allocation which is consistent with the 2023 Legislative budget closing*

# Base + Maintenance Adjustments

**Preliminary base based on FY25 Legislatively approved appropriations**

**Maintenance adjustments include:**

➤ **Formula Budgets:**

- Small Institution Factor
- Research O&M
- Caseload (WSCH)

➤ **All Budgets:**

- FY24 & FY25 Cost of Living Adjustments
- Other statewide inflation (GFO determines)

**Note:** Figures will continue to be revised as statewide inflation items such as PERS and PEBP are added to budgets by GFO



# 2025-27 Caseload Adjustment

## Weighted Student Credit Hours (WSCH)

Institution	2022		2024		WSCH Change	WSCH % Change	Alloc. % Change
UNLV	1,150,059	37.9%	1,210,638	38.2%	60,579	5.0%	0.3%
UNR	764,757	25.2%	763,647	24.1%	(1,109)	(0.1)%	(1.1)%
NSU	179,730	5.9%	183,813	5.8%	4,083	2.2%	(0.1)%
CSN	565,222	18.6%	593,871	18.7%	28,649	4.8%	0.1%
GBC	82,081	2.7%	78,363	2.5%	(3,718)	(4.7)%	(0.2)%
TMCC	204,001	6.7%	234,861	7.4%	30,860	13.1%	0.7%
WNC	89,534	2.9%	102,673	3.2%	13,139	12.8%	0.3%
Total	3,035,382	100%	3,167,865	100%	132,483	4.2%	

Note: Now includes summer teaching WSCH consistent with enhancement approved by the 2023 Legislature



# 2025-27 Agency Request Caseload Adjustment

Institution	WSCH Change	FY25 Rate \$173.29/WSCH	+FY24 & FY25 COLA	Total (Annual)
UNLV	60,579	\$10,497,796	\$2,162,683	\$12,660,479
UNR	(1,109)	(192,213)	(39,598)	(231,811)
NSU	4,083	707,543	145,763	853,306
CSN	28,649	4,964,585	1,022,769	5,987,354
GBC	(3,718)	(644,223)	(132,718)	(776,941)
TMCC	30,860	5,347,643	1,101,684	6,449,327
WNC	13,139	2,276,857	469,062	2,745,919
<b>Total</b>	<b>132,483</b>	<b>\$22,957,988</b>	<b>\$4,729,645</b>	<b>\$27,687,633</b>



# 2025-27 Agency Request

## Small Institution Factor (SIF) Adjustment

- Current small institution factor is calculated as \$30 per WSCH gap from actual to 100,000 WSCH

	FY22 SIF	FY24 WSCH	FY26 & FY27 SIF (Annual)	SIF Adjustment
GBC	\$551,580	78,363	\$649,110	\$ 97,530
WNC	313,980	102,673	0	(313,980)
Total	\$865,560		\$649,110	\$(216,450)

# 2025-27 Agency Request Research O&M Adjustment

- UNLV and UNR receive O&M funding for dedicated research space square footage at each university.
- The FY26 & FY27 adjusted amount is based on FY24 actual state funded O&M expenditures and maintained gross square feet and is institution specific

	FY24 & FY25 Research O&M (Annual)	FY24 Actual State Funded O&M/GSF	Dedicated Research GSF	FY26 & FY27 Research O&M (Annual)	Research O&M Adjustment
UNLV	\$ 4,493,978	\$12.86	425,500	\$5,470,298	\$ 976,320
UNR	\$ 5,575,112	\$8.50	808,859	\$6,877,076	\$1,301,962
Total	\$10,069,090			\$12,347,374	\$2,278,282

# Spending Limit: COLA Adjustment

- The Legislature approved COLA funds for NSHE state-supported budgets at the same proportion as state appropriation to total revenue in the state-supported budgets resulting in funding approximately 66%
- The Governor's Finance Office spending limit for the 2025-2027 biennial budget process provided COLA funding at the proportion of state appropriation to total revenue in the state-supported budget account but not less than 80%

***Governor's Finance Office spending limit includes COLA funded at not less than 80%***



# 2025-27 Agency Request Calculations

## *State Appropriation*

<b>FY25 State Appropriation</b>	<b>\$862,041,081</b>
COLA Adjustment (80% minimum)	23,329,118
UNLV Kirk Kerkorian School of Medicine SB457	4,600,000
Behavioral Health Institute AB37	1,369,321
Native American Fee Waiver AB150	457,449
M150 (State adjustments to base expenditures)	4,660,940
<b>FY26 Spending Limit / Base Request</b>	<b>\$896,457,909</b>
Research O&M	2,278,282
Small Institution Factor	(216,450)
Caseload FY25 WSCH	22,957,988
Caseload FY24 and FY25 COLA Adjustment	4,729,645
<b>FY26 Total State Appropriation</b>	<b>\$926,207,374</b>



# 2025-27 Agency Request Base + Maintenance

## *State Appropriation*

State Appropriation	FY25 (incl. COLA)	FY26	% Incr	FY27	2025-27 Biennial Total
Instructional Formula	\$646,616,810	\$704,562,174	9.0%	\$704,893,220	\$1,409,456,010
Professional Schools	118,835,497	124,804,589	5.0%	124,804,589	249,609,178
Desert Research Institute	10,277,359	10,289,941	0.0%	10,289,941	20,579,882
Other Non-Formula	86,311,415	86,550,670	0.3%	86,556,641	173,107,311
<b>NSHE Total</b>	<b>\$862,041,081</b>	<b>\$926,207,374</b>	<b>7.4%</b>	<b>\$926,545,007</b>	<b>\$1,852,752,381</b>

Includes caseload adjustment, but prior to statewide inflation, additional state adjustments (benefits, etc.)

# 2025-27 Agency Request Base + Maintenance

## *All Revenues by Revenue Category*

	FY25 (Incl COLA)	FY26	% Incr	FY27	% Incr	2025-27 Biennial Total	% Total
<b>Total State Appropriation</b>	<b>\$ 862,041,081</b>	<b>\$ 926,207,374</b>	<b>7.4%</b>	<b>\$ 926,545,007</b>	<b>0.0%</b>	<b>\$1,852,752,381</b>	<b>67.2%</b>
<u>Non-State Revenue Sources:</u>							
Registration Fees	306,947,840	337,463,631	9.9%	356,528,501	5.6%	693,992,132	25.2%
Non-Resident Tuition	68,712,941	66,795,737	(2.8)%	70,364,158	5.3%	137,159,895	5.0%
Misc Student Fees	2,699,471	2,099,744	(22.2)%	2,103,018	0.2%	4,202,762	0.2%
County Funds	641,727	703,547	9.6%	726,091	3.2%	1,429,638	0.1%
Federal Funds	3,469,751	4,031,150	16.2%	4,031,150	0.0%	8,062,300	0.3%
Transfer from Hospital Affiliate	26,436,437	28,106,668	6.3%	28,106,668	0.0%	56,213,336	2.0%
Miscellaneous	1,664,728	1,271,927	(23.6)%	1,272,880	0.1%	2,544,807	0.1%
Balance Forward	25,441	66,428	161.1%	74,990	12.9%	141,418	0.0%
<b>Total Other Sources</b>	<b>\$ 410,598,336</b>	<b>\$ 440,538,832</b>	<b>7.3%</b>	<b>\$ 463,207,456</b>	<b>5.1%</b>	<b>\$ 903,746,288</b>	<b>32.8%</b>
<b>Total Revenues</b>	<b>\$1,272,639,417</b>	<b>\$1,366,746,206</b>	<b>7.4%</b>	<b>\$1,389,752,463</b>	<b>1.7%</b>	<b>\$2,756,498,669</b>	<b>100.0%</b>

Includes caseload adjustment, but prior to statewide inflation, additional state adjustments (benefits, etc.)

**Note:** Includes State-Supported Operating Budgets Only



# 2025-27 Agency Request Base + Maintenance

## *All Revenues By Budget Type*

All Revenues	FY25 (incl. COLA)	FY26	% Incr	FY27	% Incr	2025-27 Biennial Total
Instructional Formula	\$997,320,920	\$1,081,019,172	8.4%	\$1,102,696,228	2.0%	\$2,183,715,400
Professional Schools	174,066,655	183,525,799	5.4%	184,812,442	0.7%	368,338,241
Desert Research Institute	10,425,845	10,438,427	0.1%	10,438,427	0.0%	20,876,854
Other Non-Formula	90,825,997	91,762,808	1.0%	91,805,366	0.0%	183,568,174
<b>NSHE Total</b>	<b>\$1,272,639,417</b>	<b>\$1,366,746,206</b>	<b>7.4%</b>	<b>\$1,389,752,463</b>	<b>1.7%</b>	<b>\$2,756,498,669</b>

Includes caseload adjustment, but prior to statewide inflation, additional state adjustments (benefits, etc.)

**Note:** Includes State-Supported Operating Budgets Only



# Summary Agency Request – All Expenses

Function	FY25	FY26	% Incr	FY27	% Incr	2025-27 Biennial Total	% Total
Instruction	\$ 472,470,339	\$ 627,517,669	32.8%	\$ 634,442,109	1.1%	\$1,261,959,778	45.8%
Research	24,112,822	30,859,469	28.0%	30,894,176	0.1%	61,753,645	2.2%
Public Service	12,599,020	16,915,277	34.3%	16,963,948	0.3%	33,879,225	1.2%
Academic Support	167,445,353	182,409,401	8.9%	183,443,511	0.6%	365,852,912	13.3%
Student Services	84,655,677	108,160,846	27.8%	108,876,925	0.7%	217,037,771	7.9%
Institutional Support	152,563,144	209,491,867	37.3%	221,810,571	5.9%	431,302,438	15.6%
O&M	126,066,120	153,167,154	21.5%	155,050,931	1.2%	308,218,085	11.2%
Scholarships and Fellowships	35,606,141	38,224,523	7.4%	38,270,292	0.1%	76,494,816	2.8%
<b>NSHE Total</b>	<b>\$1,272,639,417</b>	<b>\$1,366,746,206</b>	<b>7.4%</b>	<b>\$1,389,752,463</b>	<b>1.7%</b>	<b>\$2,756,498,669</b>	<b>100.0%</b>

**Note:** Includes State-Supported Operating Budgets Only



# **2025-27 NSHE Operating Budget Items for Special Consideration**



# Governor's 3-Year Plan Priorities

- Education and Workforce
- Economic Growth and Business Development
- Health and Wellness
- Public Safety and Infrastructure
- Governmental Support Services
- Rural and Natural Resources

NSHE  
Alignment



# Operating Priorities: System-Wide

NSHE SYSTEM-WIDE	WNC	NSU	DRI	TMCC	CSN	GBC	UNLV	UNR	SA	NSHE Biennial Total
Safety/Campus Security - One Shot	\$1,435,000	743,750	650,000	1,000,000	4,000,000	360,000	27,328,100	2,653,565	-	\$38,170,415
Safety/Campus Security – Recurring	400,000	256,250	-	-	-	40,000	10,985,942	4,027,096	-	15,709,288
Inflationary Adjustment – Utilities	410,000	200,000	663,518	600,000	7,714,056	492,000	9,000,000	10,000,00	-	29,079,574
Continuation of Nursing Expansion	1,000,000	5,000,000	-	1,000,000	1,200,000	1,025,000	5,820,000	6,900,000	-	21,945,000
Unfunded Mandate Fee Waiver Support	156,000	325,000	-	600,000	476,000	428,000	4,500,000	10,000,00	-	16,485,000
WINN Funding Renewal	1,471,400	-	-	1,500,000	2,800,000	990,000	-	-	-	6,761,400
Increased Student Support / Food & Housing	-	1,000,000	-	250,000	-	-	600,000	476,800	-	2,326,800
Mental Health Resources	-	-	-	200,000	189,922	471,400	2,311,596	783,440	100,000	4,055,958
Prison Program Expansion Funding	852,000	-	-	-	1,822,892	530,000	-	-	200,000	3,404,892
UNLV/UNR Graduate Medical Education	-	-	-	-	-	-	10,000,000	10,000,000	-	20,000,000
Equity in Athletics Funding – ICA	-	-	-	-	-	-	5,000,000	10,000,00	-	15,000,000
<b>SUBTOTAL</b>	<b>\$5,724,400</b>	<b>\$7,525,000</b>	<b>\$1,313,518</b>	<b>\$5,150,000</b>	<b>\$18,202,870</b>	<b>\$4,336,000</b>	<b>\$75,545,638</b>	<b>\$54,840,901</b>	<b>\$300,000</b>	<b>\$172,938,327</b>



# 2025-27 System-Wide Operating Priorities: Campus Safety

- Facility, Equipment and Technology investments **\$38.2 M**
- Recurring staff, maintenance, and licensing costs **\$15.7 M**

*Governor's Priority: Public Safety and Infrastructure*



# 2025-27 System-Wide Operating Priorities: Student Support

- Student Food and Housing Insecurity      **\$ 2.3 M**
- Mental Health Resources      **\$ 4.1 M**

*Governor's Priorities: Education & Workforce, Health & Wellness*



# 2025-27 System-Wide Operating Priorities: Workforce Development

Continuation and additional Workforce priorities:

- Nursing Expansion **\$21.9 M**
- Medical Residents **\$20.0 M**
- GOED/WINN Funds **\$ 6.8 M**

*Governor's Priorities: Education & Workforce, Health & Wellness, Economic Growth & Development*



# 2025-27 System-Wide Operating Priorities: Unfunded Mandates

- Unfunded Fee Waivers **\$16.5 M**
  - Nevada National Guard
  - Native American

*Governor's Priorities: Education & Workforce, Health & Wellness*



# 2025-27 System-Wide Operating Priorities: State Collaboration

- DRI Cloud Seeding **\$1.2 M**
- Prison Expansion **\$3.4 M**

*Governor's Priorities: Rural & Natural Resources, Public Safety & Infrastructure*



# Budget Priorities: 2-Year Institutions

2025-27 Biennial Total	CSN	GBC	TMCC	WNC
Student Advising	1,800,000	-	-	-
Summer Academy	576,131	-	-	-
Ability to Benefit (Workforce Program)	590,998	-	-	-
CRM Support	-	82,000	-	-
Content Management System	-	102,000	-	-
IT Infrastructure Support	-	400,000	-	-
High Tech Classrooms	-	200,000	1,000,000	-
Career and Technical Institute Enhanced Marketing	-	-	600,000	-
Part Time Salary Enhancement	-	-	500,000	-
Autism Service Enhancement Program	-	-	800,000	-
<b>SUBTOTAL</b>	<b>\$2,967,129</b>	<b>\$784,000</b>	<b>\$2,900,000</b>	<b>\$ -</b>

# Operating Priorities: 4-Year Institutions and DRI

University of Nevada, Las Vegas	2025-27 Total
K-12 Teacher Pipeline	\$41,000,000
PRACTICE Community Mental Health	2,400,000
Tourist Safety Institute AB341	1,000,000
Thomas & Mack Legal Clinic AB328	2,000,000
Discrimination in Real Estate SB368	150,000
Immersive Learning	1,050,000
UNLV Young Executive Scholars (YES)	520,000
UNLV Research One Shot	1,200,000
UNLV Research	6,100,000
Lee Business School	2,120,000
Cannabis Institute	3,000,000
William S Boyd Law School Student Success	2,000,000
UNLV Information Technology	32,000,000
Statewide Academic Health Center	1,000,000
<b>SUBTOTAL</b>	<b>\$95,540,000</b>

University of Nevada, Reno	2025-27 Total
Digital Wolf Pack Initiative	8,000,000
Regional Technology and Innovation Hub	365,716
Online Learning Initiative	2,550,000
NAGPRA Compliance and Enhancement Initiative	2,218,909
Healthcare Workforce Expansion	1,599,224
Nevada Health Advancement and Integration	1,741,673
Nevada Center for Patient Safety and Simulation	2,251,588
<b>SUBTOTAL</b>	<b>\$18,727,110</b>
Nevada State University	2025-27 Total
North Las Vegas Site	2,500,000
Enhanced Transfer Function	1,500,000
Campus Commuter	1,000,000
Reduced Textbook Costs	550,000
<b>SUBTOTAL</b>	<b>\$5,550,000</b>
Desert Research Institute	2025-27 Total
Cloudseeding Program	1,200,000
<b>SUBTOTAL</b>	<b>\$1,200,000</b>



# **Ad Hoc Committee on Higher-Ed Funding Formula Recommendations**



# Committee Overview

## Committee Established in the Fall 2023:

### Voting Members:

- Regents
- Governor's Office Appointments (including Chair)
- Senate and Assembly
- Chancellor (Vice Chair)
- Chancellor Appointments

### Advisory Members:

- Governor's Finance Office
- NSHE President
- NSHE Faculty Senate Chairs
- NSHE Classified Staff Council
- Current or Recent Graduate (NV Student Alliance nomination)
- NSHE Business Officer
- NSHE Chief Financial Officer



# Committee Timeline

- Meetings Held from November 2023 through July 2024
- July 2024 Work Session concluded with Committee Recommendations
- Committee Report Delivered to Chancellor ~ August 19
- Report Transmitted to Governor's Office, Legislature, Board of Regents by August 31
- Presentation of Committee's work and Recommendations planned for September 5-6 Quarterly Board of Regents Meeting
- Committee Recommendations not incorporated in NSHE's Budget Request at this time

# Questions?

**Chris Viton**

**Vice Chancellor of Budget and Finance  
& Chief Financial Officer  
Nevada System of Higher Education**

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