

# Nevada System of Higher Education

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**TO:** NSHE Board of Regents  
**FROM:** Fred Egenberger, NSHE Budget Director  
**SUBJECT:** NSHE Self-Supporting Budget, Fiscal Year 2017-18

Presented for your review and approval is the fiscal year 2017-18 NSHE Self-Supporting Budget.

Self-supporting budgets are non-state appropriated accounts established for specific activities and programs that are approved by the Board of Regents. Any self-supporting account with planned expenditure activity of \$25,000 or more must be budgeted and approved by the Board of Regents. Excluded from the reporting process are grants & contracts which are separately budgeted and monitored and the expenditure activities are restricted and controlled by the granting agencies. Also, plant, student loan, and endowment funds are excluded because the funds are restricted by donors or outside agencies as to the purpose for which they may be expended and are not available to provide a product or service that supports the primary or support objectives of the institution (Instruction, Academic Support, Student Services, etc.) and are classified as non-operating funds.

Self-supporting accounts typically generate revenue through the sale of goods or provision of services, student fees, investment income and indirect cost recovery funds. These accounts include such activities as motor pools, resident halls, central stores, athletics, event centers, book stores, summer session programs, continuing education programs and child care centers as well as many departmental sales and service accounts. Since these accounts are not funded by the state, they depend upon the revenues they generate to cover the costs of their operations.

Unlike state funds, cash balances (or deficits) in any fiscal year carry over as the opening cash balance for the succeeding fiscal year.

This report contains budgeted revenues (sources) and expenditures (uses), including beginning and ending balances and net changes in funds balance for the NSHE in total and for each campus/unit of the NSHE that report self-supporting activity for fiscal 2017-18.

The system summary tables of sources and uses of funds are displayed on pages 7 through 12 of the report followed by each area's (campus/unit) self-supporting budgets beginning on page 13. A summary table is included at the end of each area's (campus/unit) budgets.

The System summary table on pages 7 through 9 of the report shows for each campus/unit of the NSHE, a summary of each area's planned revenue sources and expenditures, opening account balances, net increases or decreases in funds, and projected ending account balances.

- The projected opening account balance for all NSHE self-supporting accounts reported for fiscal year 2017-2018 is \$245.0 million (page 9). Revenues (sources) of \$605.6

million and expenditures (uses) of \$645.1 million, resulting of a <\$39.6> million decrease in funds for an ending balance of \$205.4 million for fiscal year 2016-17.

The System summary table on page 10 of the report shows the total budgeted revenues and expenditures of all self-supporting accounts per appropriated area of the System including the number of accounts and number of full time equivalent (FTE) employee positions budgeted per area. The total budget for each area and for the System is determined by either, combining budgeted revenues and opening balance or by combining budgeted expenditures and ending account balance. The total number of self-supporting accounts reported in FY 2017-18 of 1,698 is a 6.7% decrease over the FY 2016-17 reported accounts of 1,819 and the number of full time equivalent (FTE) employee positions budgeted in FY 2017-18 of 2,765 is a 1.9% increase over the FY 2016-17 budgeted FTE positions of 2,713.

The two System wide summary tables of Revenue by Source (page 11) and Expenditures by Object (page 12) present the same revenue and expenditure information as is provided in the Revenue and Expenditure Summary by Appropriation Area (pages 7-9) with the difference being, the System's budgeted revenues (sources) and budgeted expenditures (uses) for FY 2017-18 are displayed separately by appropriation area and that both the revenues (sources) and expenditures (uses) balance to each other by appropriation area and System total. The revenue (page 11) and expenditure budgets (page 12) each total \$850.5 million for FY 2017-18. Self-supporting budget activity will be monitored by the NSHE institutions throughout the fiscal year 2017-18 and will be subject to quarterly exception review, and as suggested by the NSHE financial policies, will be subject to a year end budget to actual analysis as well as a review of budget revisions to revenue and expenditure budgets.