Nevada System of Higher Education

Budget Reduction Response Committee

NSHE Funding Overview

December 11, 2020
Overview of the NSHE Budget Structure

• State Supported Operating Budgets
  • Instructional Institutions (Formula Funded)
  • Professional Schools
  • DRI
  • Non-Formula Budgets

• Non-State Budgets
  • Self-Supporting
  • Grants, Contracts, Loans, Endowments
State Supported Operating Budgets

• Instructional Budgets (Formula)
  • University of Nevada, Las Vegas
  • University of Nevada, Reno
  • Nevada State College
  • College of Southern Nevada
  • Truckee Meadows Community College
  • Great Basin College
  • Western Nevada College
  • Performance Funding Pool

• Professional School Budgets
  • UNLV School of Medicine
  • UNLV Law School
  • UNLV Dental School
  • UNR School of Medicine
  • Desert Research Institute
State Supported Operating Budgets

- Non-Formula Budgets
  - System Administration
  - Special Projects
  - System Computing Services
  - Silver State Opportunity Grant Program
  - Prison Education Program
  - Education for Dependent Children
  - Business Center North
  - Health Laboratory and Research
  - University Press

- Non-Formula Budgets (Cont.)
  - UNLV – Intercollegiate Athletics
  - UNLV – Statewide Programs
  - Business Center South
  - UNR – Statewide Programs
  - Agricultural Experiment Station
  - UNR – Intercollegiate Athletics
  - Cooperative Extension Service
  - 2017 UNR Engineering Building Debt Service
State Operating vs. Non-State

• State Operating Budgets
  • State Appropriations
    • Funding reverts to state
  • Registration Fees
    • Excess of budgeted can be rolled forward one fiscal year

• Non-State
  • Self-Supporting, Grants, Contracts, Loans, Endowments
    • Balances carry forward every year
    • Student fee accounts cannot carry forward more than one year of revenue without board approval
    • Revenue and expenditures are generally dedicated to specific purpose
Nevada System of Higher Education

Total Revenue and Operating Expenses

(State Operating Budget plus Non-State Funds)
All Funds - Sources of Revenue
Fiscal Year 2020

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Appropriations</td>
<td>$668,289,000</td>
<td>33.7%</td>
</tr>
<tr>
<td>Grants and Contracts</td>
<td>$438,938,000</td>
<td>22.1%</td>
</tr>
<tr>
<td>Tuition and Fees</td>
<td>$475,552,000</td>
<td>24.0%</td>
</tr>
<tr>
<td>Sales and Services</td>
<td>$239,975,000</td>
<td>12.1%</td>
</tr>
<tr>
<td>Gifts</td>
<td>$79,355,000</td>
<td>4.0%</td>
</tr>
<tr>
<td>Extraordinary Items</td>
<td>$43,294,000</td>
<td>2.2%</td>
</tr>
<tr>
<td>Investment Income</td>
<td>$22,240,000</td>
<td>1.1%</td>
</tr>
<tr>
<td>Other</td>
<td>$15,531,000</td>
<td>0.8%</td>
</tr>
<tr>
<td>Total Sources of Revenue</td>
<td>$1.98 billion</td>
<td></td>
</tr>
</tbody>
</table>

Source: NSHE Financial Statements, As of June 30, 2020
All Funds – Operating Expenses by Type
Fiscal Year 2020

Employee Compensation and Benefits
$1,350,549,000
67%

Supplies and Services
$402,815,000
20%

Scholarships and Fellowships
$131,527,000
7%

Depreciation
$114,989,000
6%

Total Operating Expenses
$1.99 billion

Source: NSHE Financial Statements, As of June 30, 2020
Nevada System of Higher Education

State Operating Budget

Revenue and Expenses
State Operating Budget - Sources of Revenue
Fiscal Year 2020

- State Appropriations: $668,289,000 (64.8%)
- Tuition and Fees: $357,979,000 (34.7%)
- Federal Funds: $3,030,000 (0.3%)
- Other Revenue: $1,626,000 (0.2%)

Total Sources of Revenue: $1.03 billion

Source: NSHE Financial Statements, As of June 30, 2020 and 2019-20 State Operating Budget
State Operating Budget – Operating Expenses
Fiscal Year 2020

Employee Compensation and Benefits
$845,167,507
81.7%

Supplies and Services
$153,841,574
14.9%

Scholarships and Fellowships
$35,030,856
3.4%

Total Operating Expenses
$1.03 billion

Source: NSHE Financial Statements, As of June 30, 2020 and 2019-20 State Operating Budget
Nevada System of Higher Education

Non-State Revenue and Expenses
Non-State Funds - Sources of Revenue

Fiscal Year 2020

- **Self-Supporting**
- **Grants & Contracts**
- **Plant**
- **Endowment**

<table>
<thead>
<tr>
<th>Revenue Source</th>
<th>Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuition and Fees</td>
<td>$117,573,000</td>
<td>12.3%</td>
</tr>
<tr>
<td>Grants and Contracts</td>
<td>$435,908,000</td>
<td>45.8%</td>
</tr>
<tr>
<td>Sales and Services</td>
<td>$239,975,000</td>
<td>25.2%</td>
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<tr>
<td>Gifts</td>
<td>$79,355,000</td>
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<td>Investment Income</td>
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<td>Extraordinary Items</td>
<td>$43,294,000</td>
<td>4.5%</td>
</tr>
<tr>
<td>Other</td>
<td>$13,905,000</td>
<td>1.5%</td>
</tr>
<tr>
<td><strong>Total Sources of Revenue</strong></td>
<td><strong>$952 million</strong></td>
<td></td>
</tr>
</tbody>
</table>

Source: NSHE Financial Statements, As of June 30, 2020 and 2019-20 State Operating Budget
Non-State Funds – Operating Expenses
Fiscal Year 2020

- Employee Compensation and Benefits $505,381,493 52.3%
- Supplies and Services $248,973,426 25.8%
- Scholarships and Fellowships $96,496,144 10.0%
- Depreciation $114,989,000 11.9%

Total Operating Expenses $965.8 million

Source: NSHE Financial Statements, As of June 30, 2020 and 2019-20 State Operating Budget
Questions?