

NSHE Business Services Overview

**Board of Regents
Fiscal Sustainability Committee**

March 18, 2021

NSHE Business Services

Centralized

- Administered by System Administration
- Funding: Combination of SA budget, campus assessments

Shared

- Administered by SCS, regional centers
- Funding: Combination of SCS, service center budgets, campus assessments

Collaborative

- Administered through MOUs
- Funding: Inter-campus recharge

NSHE System Level Centralized Services

Examples:

- Financial reporting and annual audit
- Internal Audit
- Cash and investment management
- Banking services
- Merchant gateway services
- Insurance (property/earthquake, med-malpractice, workers comp, unemployment)

NSHE Shared Services

Centrally Managed

- System Computing Services – addressed in separate presentation
- NSHE Payroll Services – administratively managed by UNR, with oversight by the business officers

Regional Shared Services

- Northern Command / Southern Command Police Services
- Business Center North / Business Center South

NSHE Payroll Services

- Collaborative model for operation and governance of systemwide service; payroll operations formerly operated under BCN and BCS were consolidated.
- Approved by Board of Regents, March 2019, and incorporated into Procedures and Guidelines Manual concerning NSHE payroll services (Chapter 5, Section 17).
- Funding model:
 - Business center funds allocated back to each respective institution based on state funded FTE.
 - Institutions are billed using a recharge model that distributes with costs of delivering services based on level of activity and scales with growth.
 - As future efficiencies are realized the savings will accrue proportionally to the institutional budgets funding NSHE Payroll Services.

NSHE Payroll Services

Services provided for all NSHE institutions:

- Maintaining payroll records and payment distribution
- Federal and state tax law compliance and reporting
- Deduction administration, including withholding, payments to third parties, reconciliation and reporting
- Employee help desk monitoring and customer service
- Integration handling and support
- System configuration and testing

NSHE Payroll Services: 2020 Activity

Total payments processed	497,680
W2s processed	28,935
System-wide payroll expense	\$998 million
Total payroll budget	\$1.4 million
% of total payroll expenses	.14%
Total cost per payment	\$2.87
Help desk tickets	620

NSHE Payroll Services: 2020 Improvements

- Established system-wide help desk
- Brought W-2 processing in-house, resulting in \$75k in savings
- Implemented furlough configuration in Workday to support mandated budget reductions
- Participated in various Workday configuration changes, including discussions, decision support and testing

NSHE Regional Business Centers

History of Business Centers

- The regional business centers were created in the 1977 legislative session in response to decreases in funding
- Centers were tasked with providing purchasing, benefits and classified staff support
- In 1996, CSN established its own purchasing function due to its rapidly growing size

Funding:

- The business centers are funded through separate appropriations and budget accounts
- UNR, UNLV and CSN subsidize the business centers from their operating budgets as the budgets have been insufficient for many years

Business Center Services

Examples of services provided:

- Purchasing
 - Purchasing
 - Contracting
 - Asset Management
- HR Shared Services
 - Benefits, Retirement
 - Worker's Compensation
 - Classified staff HR services (Under Delegation Agreement with State of Nevada of Human Resources management)

Regional Business Centers - Overview

Fiscal Year FY20 compared to FY08

Prior to the 4% reduction

	FY20	FY08	Difference
SSOB supported	\$1,056,211,207	\$826,338,612	27.8%
Business Center Appropriation	\$4,166,072	\$4,640,760	(10.2%)
Budget / \$1M SSOB	\$ 3,944	\$5,616	(\$1,672)
Budget as % of SSOB	.39%	.56%	(30.4%)

Regional Business Centers - HR Overview

Classified Human Resources

- Delegation Agreement with State of Nevada of Human Resources management
- Transaction volume for fiscal year July 1, 2019 - June 30, 2020

Headcount - 11/01/2019	2,846
Compensation Changes	4,782
Hires	339
Job Changes	691
Terminations	365

Regional Business Centers Purchasing

Purchase Orders	13,802
Charge Order	4,481
Total Spend	\$367,843,053

- Transaction volume for fiscal year FY20 (July 1, 2019 - June 30, 2020)

Purchasing: Current Collaborations

Systemwide Solicitations for:

- Contracts Management System
- On-Call Executive Search Firms
- PCard Provider
- Banking Services
- Credit / debit card processing services
- Student payment processing platform

Supply-chain diversity initiatives

Purchasing: Planned Activities

Systemwide Solicitations for:

- Temporary staffing services
- Search firms
- On-call professional services, such as architects, engineers
- Student athlete health insurance
- Pre-employment background checks

Observations

- NSHE is already leveraging the strength of the system through numerous centralized, shared and collaborative services
- These efforts have achieved increased standardization and consistency and have lowered costs
- The system office and institutions continually evaluate additional opportunities that can be effectively managed using centralized, shared service or collaborative models

Questions / Discussion