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**UNIVERSITY AND COMMUNITY COLLEGE  
SYSTEM OF NEVADA**

**SINGLE AUDIT REPORT**

**FOR THE YEAR ENDED JUNE 30, 2004**



University of Nevada, Reno  
Community College of Southern Nevada  
Western Nevada Community College

University of Nevada, Las Vegas  
Great Basin College  
Desert Research Institute

Nevada State College  
Truckee Meadows Community College  
System Administration

## BOARD OF REGENTS

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**Mark Alden** ..... Las Vegas  
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## ADMINISTRATION

**James E. Rogers, LL.M.** ..... Interim Chancellor  
University and Community College System of Nevada

**Carol C. Harter, Ph.D.** ..... President  
University of Nevada, Las Vegas

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**Patricia K. Miltenberger, Ed.D.** ..... Interim President  
Nevada State College

**Stephen G. Wells, Ph.D.** ..... President  
Desert Research Institute

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SINGLE AUDIT REPORT**

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**UNIVERSITY & COMMUNITY COLLEGE SYSTEM OF NEVADA  
SINGLE AUDIT REPORT  
FOR THE YEAR ENDED JUNE 30, 2004**

**INTRODUCTION**

**BACKGROUND**

The University and Community College System of Nevada (UCCSN) is a state-supported, land grant institution established by the Nevada State Constitution of 1864. It began instruction in 1874. UCCSN is fully accredited by the Northwest Association of Schools and Colleges. Nine separate institutions comprise the UCCSN and include:

- University of Nevada, Reno (UNR)
- University of Nevada, Las Vegas (UNLV)
- Nevada State College (NSC)
- Desert Research Institute (DRI)
- Truckee Meadows Community College (TMCC)
- Community College of Southern Nevada (CCSN)
- Western Nevada Community College (WNCC)
- Great Basin College (GBC)
- University and Community College System of Nevada Administration

There are seven controllers' offices within the UCCSN located in Reno, Carson City, Elko and Las Vegas.

The controllers' offices are responsible for the financial management of research grants. The Office of Contracts and Grants within the respective controllers' offices are responsible for the maintenance of financial records and compliance with terms and conditions of the grants that are generally applicable. Compliance with terms and conditions applicable to certain grants and other agreements is the specific responsibility of the relevant principal investigator.

In addition to the controllers' offices, one business center (Business Center North (BCN) in Reno) and purchasing offices at UNLV and CCSN provide the purchasing and property management functions for the UCCSN institutions.

The major units of UNR include the College of Agriculture, College of Arts and Science, College of Business Administration, College of Education, College of Engineering, College of Human and Community Services, School of Journalism, School of Medicine, School of Mines, School of Nursing and the Graduate School. UNR offers major fields of study leading to baccalaureate and advanced degrees through the academic departments in the various schools and colleges.

UNLV offers major fields of study in different academic departments leading to baccalaureate and advanced degrees through academic departments in the following colleges and schools: Arts and Letters, Business and Economics, Education, Hotel Administration, Science, Mathematics and Engineering and the Graduate College.

Research activities are conducted primarily at UNR, UNLV and DRI. UCCSN has been awarded research grants by various Federal agencies. The primary agencies from which these funds were received during the year ended June 30, 2004 were:

Department of Agriculture (USDA)

Department of Commerce (Commerce)

Department of Defense (Defense)

Department of Education (Education)

Department of Energy (Energy)

Department of Health and Human Services (HHS)

Department of Housing and Urban Development (HUD)

Department of Interior (Interior)

National Aeronautics and Space Administration (NASA)

National Science Foundation (NSF)

Department of Labor (DOL)

Department of Transportation (DOT)

Environmental Protection Agency (EPA)

In addition, student financial aid funds were received under the Federal campus-based and Pell programs.

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# **University and Community College System of Nevada Financial Statements**



## **June 30, 2004**

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Nevada State College  
Stephen G. Wells, Ph.D. .... President  
Desert Research Institute

The University and Community College System of Nevada does not discriminate on the basis of sex, race, color, religion, handicap, or national origin in the educational programs or activities which it operates.

**University and Community College System of Nevada  
Financial Statements and Report of Independent Auditors  
As of and for the Year Ended June 30, 2004**

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

The University and Community College System of Nevada's (the "System") Management's Discussion and Analysis (MD&A) of its financial condition provides an overview of financial activity, identifies changes in financial position and assists the reader in focusing on significant financial issues during the year ended June 30, 2004. This discussion provides summary level financial information; therefore it should be read in conjunction with the accompanying financial statements and footnotes. The financial statements, footnotes and this discussion are the responsibility of management.

## SYSTEM RELATED ORGANIZATIONS

The annual financial report and statements include the institutions of the System and certain other organizations that have a significant relationship with the institutions. The statements also include the discretely presented system related organizations of the institutions that are related tax exempt organizations primarily founded to foster and promote the growth, progress and general welfare of the institutions and to solicit, receive and administer gifts and donations for such purposes. The System related organizations are as follows:

University of Nevada, Reno Foundation  
University of Nevada School of Medicine Practice Plans  
University of Nevada, Las Vegas Foundation  
Nevada State College Foundation  
Community College of Southern Nevada Foundation  
Truckee Meadows Community College Foundation  
Western Nevada Community College Foundation  
Great Basin College Foundation  
Desert Research Institute Foundation

## FINANCIAL HIGHLIGHTS

- Total net assets increased \$150,904,000; an 11.3% increase.
- Total long-term debt increased from \$247,410,000 to \$273,281,000; a 10.5% increase.
- Operating revenues increased 9.5% to \$556,655,000.
- Operating expenses increased 10.0% to \$1,036,974,000.

## USING THIS REPORT

This report consists of a series of financial statements, prepared in accordance with the Governmental Accounting Standards Board in Statement No. 35, *Basic Financial Statements-and Management's Discussion and Analysis-for Public Colleges and Universities*. These statements focus on the financial condition of the System, the results of operations and cash flows of the System as a whole.

One of the most important questions asked about System finances is whether the System as a whole is better off or worse off as a result of the year's activities. The key to understanding this question is the Statement of Net Assets, Statement of Revenues, Expenses and Changes in Net Assets and the Statement of Cash Flows. These statements present financial information in a form similar to that used by corporations. The System's net assets (the difference between assets and liabilities) is one indicator of the improvement or erosion of the System's financial health. Over time, increases or decreases in net assets is one indicator of the System's financial health when considered with non-financial facts such as enrollment levels and the condition of the facilities.

The Statement of Net Assets includes all assets and liabilities. It is prepared under the accrual basis of accounting, whereby revenues and assets are recognized when the service is provided and expenses and liabilities are recognized when others provide the services, regardless of when cash is exchanged.

The Statement of Revenues, Expenses and Changes in Net Assets presents the revenues earned and expenses incurred during the year. Activities are reported as either operating or nonoperating. All things being equal, a public university system's dependency on state appropriations will result in operating deficits. This is because the financial reporting model classifies State appropriations as nonoperating revenues. The utilization of long-lived assets, referred to as Capital Assets, is reflected in the financial statements as depreciation, which amortizes the cost of an asset over its expected useful life.

Another important factor to consider when evaluating financial viability is the System's ability to meet financial obligations as they mature. The Statement of Cash Flows presents information related to cash inflows and outflows summarized by operating, capital financing, noncapital financing and investing activities.

## CONDENSED FINANCIAL INFORMATION

### System net assets (thousands of dollars)

	<u>2004</u>	<u>2003</u>
Assets		
Current assets	\$ 530,515	\$ 377,363
Capital assets, net	1,156,183	1,048,117
Other assets	<u>242,745</u>	<u>297,228</u>
Total assets	<u>1,929,443</u>	<u>1,722,708</u>
Liabilities		
Current Liabilities	134,920	110,978
Noncurrent Liabilities	<u>305,036</u>	<u>273,147</u>
Total Liabilities	<u>439,956</u>	<u>384,125</u>
Net assets		
Invested in capital assets, net of debt	914,587	842,722
Restricted, nonexpendable	55,980	129,461
Restricted, expendable	325,094	211,715
Unrestricted	<u>193,826</u>	<u>154,685</u>
Total net assets	<u>\$1,489,487</u>	<u>\$1,338,583</u>

Total assets of the System increased by \$206.7 million. A review of the Statement of Net Assets will reveal that the increase was due to several factors. The increase is primarily due to the increase cash and cash equivalents, short-term investments, the receivable from the State of Nevada and capital assets. Cash and cash equivalents and short-term investments increased by \$126.1 million mainly due to increased cash available for construction projects, an increase in summer school revenue, and the issuance of general revenue bonds in March 2004. The receivable from the State of Nevada increased by \$20.2 million due to due to the biennial appropriations approved by the legislature for capital construction. Capital assets, net of accumulated depreciation increased by \$108.1 million, which reflects the System's continuing investment in its physical facilities. The decrease in endowment investments of \$58.2 million was primarily a result of the changes in funding of the estate tax.

Total liabilities for the year increased \$55.8 million due to an increase of \$23.9 million in current liabilities, and an increase of \$31.9 million in noncurrent liabilities. The increase in current liabilities resulted mainly from an increase in accounts payable for construction projects and an increase in deferred revenue. The increase in noncurrent liabilities was primarily due to the System issuing revenue bonds and notes payable.

Net assets are divided into three major categories. The first category, invested in capital assets, net of debt, provides the System's equity in property, plant and equipment owned by the System. The next asset category is restricted net assets, which is divided into two categories, nonexpendable and expendable. The corpus of nonexpendable restricted

resources is only available for investment purposes. Expendable restricted net assets are available for expenditure by the System but must be spent for purposes as determined by donors and/or external entities that have placed time or purpose restrictions on the use of the assets. The final category is unrestricted net assets. Unrestricted assets are available to the System for any lawful purpose of the institution.

### **Invested in capital assets**

Net assets invested in capital assets, net of related debt represent the System's capital assets net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets. The \$71.9 million decrease reflects the System's expenditures for development and renewal of its capital assets in accordance with its long-range plan offset by depreciation expense on capital assets and a net increase in long-term debt.

### **Restricted, nonexpendable/expendable**

The System's endowment funds consist of both permanent endowments and funds functioning as endowments, or quasi endowments.

Permanent endowments are those funds received from donors with the stipulation that the principal remain inviolate and be invested in perpetuity to produce income which is to be expended for the purposes stipulated by the donor.

Funds functioning as an endowment consist of amounts (restricted gifts or unrestricted funds) that have been allocated by the System for long-term investment purposes, although, amounts are not subject to donor restrictions requiring the System to preserve the principal in perpetuity. Programs supported by the endowment include scholarships, fellowships, professorships, research efforts and other important programs and activities.

### **Unrestricted Net Assets**

Although unrestricted net assets are not subject to externally imposed stipulations, substantially all of the System's unrestricted net assets have been designated for various academic and research programs and initiatives, as well as capital projects.

**System Related Organizations net assets (thousands of dollars)**

	<u>2004</u>
Assets	
Current assets	\$ 56,271
Endowment assets	132,566
Other assets	<u>22,270</u>
Total assets	<u>211,107</u>
Liabilities	
Current Liabilities	4,381
Noncurrent Liabilities	<u>12,575</u>
Total Liabilities	<u>16,956</u>
Net assets	
Invested in capital assets, net of debt	2,289
Restricted, nonexpendable	100,302
Restricted, expendable	69,458
Unrestricted	<u>22,102</u>
Total net assets	<u>\$194,151</u>

**Statement of Revenues, Expenses and Changes in Net Assets**

Changes in total net assets as presented on the Statement of Net Assets are based on the activity presented in the Statement of Revenues, Expenses, and Changes in Net Assets. The purpose of the statement is to present the revenues received by the System, both operating and nonoperating, and the expenses paid by the institution, operating and nonoperating, and any other revenues, expenses, gains and losses received or spent by the System.

Generally speaking, operating revenues are received for providing goods and services to the various customers and constituencies of the System. Operating expenses are those expenses paid to acquire or produce the goods and services provided in return for the operating revenues, and to carry out the mission of the System. Nonoperating revenues are revenues received for which goods and services are not provided. For example state appropriations are nonoperating because they are provided by the Legislature to the institution without the Legislature directly receiving commensurate goods and services for those revenues.

**System Revenues, Expenses and Changes in Net Assets (thousands of dollars)**

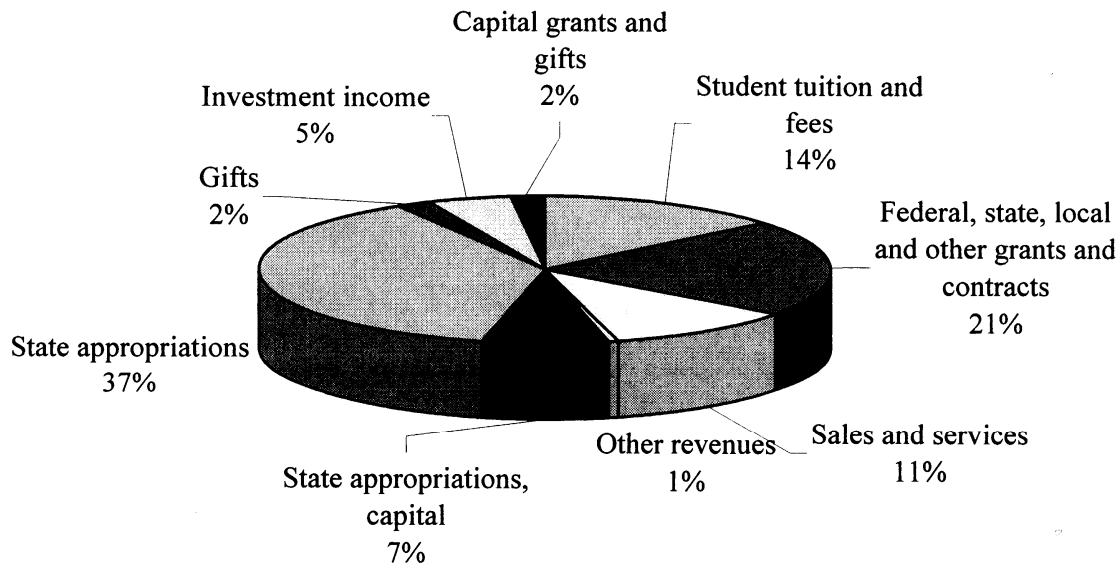
	<u>2004</u>	<u>2003</u>
Operating revenues		
Student tuition and fees, net	\$ 166,107	\$148,651
Grants and contracts, federal	178,125	162,389
Grants and contracts, other	77,423	70,298
Sales and services	129,696	122,399
Other	<u>5,304</u>	<u>4,747</u>
Total operating revenues	<u>556,655</u>	<u>508,484</u>
Operating expenses		
Instruction	357,715	333,612
Research	110,315	100,897
Public Service	55,663	49,079
Academic support	84,568	75,320
Institutional support	114,194	101,006
Student services	73,833	66,391
Operation and maintenance of plant	77,002	67,841
Scholarships and fellowships	41,494	35,004
Auxiliary enterprises	63,322	57,190
Other expenditures	79	95
Deprecation	<u>58,789</u>	<u>55,985</u>
Total operating expenses	<u>1,036,974</u>	<u>942,420</u>
Operating loss	<u>(480,319)</u>	<u>(433,936)</u>
Nonoperating revenues and expenses		
State appropriations	499,026	376,102
Refund to state	(45,837)	-
Gifts	24,492	24,686
Investment income (loss)	56,186	19,476
Disposal of capital assets	(3,204)	(6,060)
Interest expense	(12,466)	(10,828)
Other nonoperating revenues	<u>1,020</u>	<u>1,229</u>
Net nonoperating revenues	<u>519,217</u>	<u>404,605</u>
Total other revenues	<u>112,006</u>	<u>19,044</u>
Increase in net assets	150,904	(10,287)
Net assets, beginning of year	<u>1,338,583</u>	<u>1,348,870</u>
Net assets, end of year	<u>\$1,489,487</u>	<u>\$1,338,583</u>

The Statement of Revenues, Expenses, and Changes in Net Assets reflects a positive year with an increase in the net assets at the end of the year.

Operating revenues increased by 9.5% and operating expenses increased by 10.0%, resulting in an increase in the operating loss of 10.7%. Student tuition and fees increased 11.7% to \$166.1 million. Federal grants and contracts increased 9.7% to \$178.1 million and other grants and contracts increased 10.1% to 77.4 million. In addition, sales and services increased 6.0% to \$129.7 million. Research expenses increased 9.3% to \$110.3 million. Operating expenses scholarships and fellowships increased 18.5% to \$41.5 million. Academic support expenses increased 12.3%, student services expenses increased 11.2%, operation and maintenance of plant increased 13.5% and auxiliary enterprises expenses increased 10.7%.

Nonoperating net revenues increased by 28.3% to \$519.2 million primarily due increases in state appropriations and investment income. Total other revenues includes state appropriations for capital purposes. The \$86.5 million appropriation is a biennium appropriation (fiscals 2004 and 2005). Investment income went from \$19.5 million to \$56.2 million due to improved investment performance. The investment returns were higher than expected and returns were better than related benchmarks upon which performance comparisons have been made.

#### Revenues by Source



**System Related Organizations****Revenues, Expenses and Changes in Net Assets (thousands of dollars)**

	<u>2004</u>
Operating revenues	
Patient revenue	\$ 38,207
Contract revenue	6,101
Contributions	32,844
Campus support	1,753
Other operating revenue	<u>1,149</u>
Total operating revenues	<u>80,054</u>
Operating expenses	
Program expenses, System related organizations	27,828
Other operating expenses	656
Deprecation	<u>22,338</u>
Total operating expenses	<u>50,822</u>
Operating income	<u>29,232</u>
Nonoperating revenues and expenses	
Payments to UCCSN institutions	(34,145)
Other nonoperating revenues	<u>14,367</u>
Net nonoperating revenues	<u>(19,778)</u>
Total other revenues	<u>9,525</u>
Increase in net assets	18,979
Net assets, beginning of year	<u>175,172</u>
Net assets, end of year	<u>\$194,151</u>

**System Cash Flows**

	<u>2004</u>	<u>2003</u>
Cash Used in		
Operating activities	\$(415,543)	\$(381,317)
Non-capital financing activities	491,398	400,715
Capital and related financing activities	(58,355)	(34,406)
Investing activities	<u>(4,208)</u>	<u>23,583</u>
Net increase in cash and cash equivalents	13,292	8,575
Cash and cash equivalents – Beginning of year	<u>170,596</u>	<u>162,021</u>
Cash and cash equivalents – End of year	<u>\$ 183,888</u>	<u>\$ 170,596</u>

Cash flows from operating activities decreased 9.0% primarily due to increases in expenses for payments for employee compensation and benefits, supplies and services and scholarships and fellowships offset by increases in receipts for student tuition and fees, grants and contracts and sales and services of educational and auxiliary departments.



Cash flows from non-capital financing activities increased by 22.6% primarily due to an increase in state appropriations, receipts and disbursements under federal student loan programs and agency transactions. Cash flows used in capital financing activities increased \$23.9 million due to increased expenditures of proceeds from capital debt and increased capital appropriations.

Cash from investing activities decreased by \$27.8 million primarily due to more purchases of investments in 2004 as compared to 2003.

## **CAPITAL ASSET AND DEBT ADMINISTRATION**

At June 30, 2004, the System had invested \$1,156.2 million in a broad range of capital assets, including equipment, buildings, machinery and equipment, library books and media, collections and land. This represents a net increase (including additions and deletions) of \$108.1 million, or 10.3%, over last year. As of June 30, 2004 estimated costs to complete current construction projects were approximately \$267.1 million. These costs will be funded by State appropriations, private donations, available resources and/or long-term borrowings.

During fiscal 2004, the System issued \$32.5million of new bonds and \$9.4 new notes. New bonds were issued for a UNLV Science, Engineering and Technology building. As of June 30, 2004 the coverage on University Revenue Bonds (pledged revenues to maximum annual debt service) was 4.64 (4.58 as of June 30, 2003). For statutory purposes, the coverage was 1.87, above the required minimum of 1.10.

## **FUTURE FINANCIAL AFFECTS**

Growth of System assets has been strong in recent years. We have seen an increase in enrollment with the funding of the Millennium Scholarship program by the State from tobacco settlement funds. State appropriations decreased from 77.4% of our budget in fiscal year 2004 to 76.8% in fiscal year 2005. The System portion of the total state budget increased from 22.6% in fiscal year 2004 to 23.3% in fiscal year 2005. The difference was mainly due to Estate Tax receipts of \$43.4 million for fiscal year 2005 replaced with State general funds in exchange for the UCCSN transferring to the State, on a monthly basis, the estate tax revenues deposited to the estate tax endowment. The UCCSN proposed and the Legislature approved shifting the risk of declining estate tax receipts to the State.

The System's 2004-05 original operating budget for State appropriation and authorized expenditures (the "State Supported Operating Budget") totals \$660.2 million. This budget represents a 17.3% increase in the authorized funding level as compared to the approved \$623.5 million budget for fiscal year 2003-4. State appropriations for fiscal year 2004-5 total \$506.7 million, representing 76.8% of the State Supported Operating Budget. This compares to \$482.7 million budgeted for fiscal year 2003-4 and represents a 5.0% increase. The percentage increase was mainly due to the appropriation of \$7.97

million for a 2.0% cost of living adjustment for UCCSN employees in fiscal year 2004-05. Other budgeted revenue sources, including student fees, tuition, federal funds, indirect cost recovery, discretionary funds, training grants and estate tax proceeds, account for the remaining budgeted amount.

Pursuant to State law, the Governor has broad authority to reduce appropriations when necessary to maintain a balanced budget. Accordingly, should the State economy experience a significant downturn and cause State revenues to decrease below predicted levels, the Governor may rescind a portion of the State appropriation for the biennium. For the 2005-07 biennium, additional funding of \$122.2 million was Legislatively approved for growth in student enrollments based on the funding formulas. The UCCSN formulas were funded at 84.45% for fiscal year 2003-04 and 84.09% for fiscal year 2004-05 compared to 80.29% in fiscal year 2002-03.

The System supplemented the state-supported budget with available estate taxes prior to fiscal year 2002-03. Pursuant to State statute, one-half of the estate taxes collected in the State (less administrative costs and a 5% reserve allowance) are deposited in the System's endowment funds and are authorized for expenditure by the Legislature each biennium. For the 2005-07 biennium, the Legislature authorized funding estate tax related expenditures of \$89.2 million with general fund revenues due to Federal tax legislation enacted phasing out the State's estate tax over four years beginning in fiscal year 2001-02. In exchange for State general funds the UCCSN will transfer to the State the budgeted estate tax revenues deposited in the System's endowment in fiscal years 2003-04 and 2004-05.

The 72<sup>nd</sup> regular Legislative session and the 2<sup>nd</sup> special session authorized an \$838.55 million new tax package for the 2005-07 biennium funding public schools and state government, including higher education. The two main new taxes are the general business payroll tax and the financial institutions' payroll tax.

## **CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS**

Certain information provided by the System, including written as outlined above or oral statements made by its representatives, may contain forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts, which address activities, events or developments that the System expects or anticipates will or may occur in the future contain forward-looking information.

In reviewing such information it should be kept in mind that actual results may differ materially from those projected or suggested in such forward-looking information. This forward-looking information is based upon various factors and was derived using various assumptions. The System does not undertake to update forward-looking information contained in this report or elsewhere to reflect actual results, changes in assumptions or changes in other factors affecting such forward-looking information.

## Report of Independent Auditors

To the Board of Regents of the University and  
Community College System of Nevada

In our opinion, based on our audits and the reports of other auditors, the accompanying statements of net assets and the related statements of revenues, expenses and changes in net assets of the University and Community College System of Nevada (the "System") and its aggregate discretely presented component units, and the statement of cash flows of the System, which collectively comprise the financial statements of the System, present fairly, in all material respects, the respective financial position of the System and its aggregate discretely presented component units at June 30, 2004, and the respective revenues, expenses and changes in net assets, and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the System's management. Our responsibility is to express an opinion on these financial statements based on our audits. We did not audit the financial statements of the University of Nevada, Reno Foundation, University of Nevada, Las Vegas Foundation, Nevada State College Foundation, Community College of Southern Nevada Foundation, Inc., Truckee Meadows Community College Foundation, Western Nevada Community College Foundation, Great Basin College Foundation, and the DRI Research Foundation (collectively referred to as the "Foundations"), which represent 92 percent, 93 percent and 45 percent, respectively, of the assets, net assets, and operating revenues of the aggregate discretely presented component units under the caption "System Related Organizations" in the accompanying financial statements. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Foundations, is based solely on the reports of the other auditors. We conducted our audits of these statements in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits and the reports of other auditors provide a reasonable basis for our opinions.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 1, 2004 on our consideration of the System's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects, in relation to the basic financial statements taken as a whole.

*Princetonham Cagans LLP*

October 1, 2004

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**UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA**  
**STATEMENTS OF NET ASSETS**  
**AS OF JUNE 30, 2004**

<b>ASSETS</b>	<b>System</b>	<b>System Related Organizations</b>
<i>Current Assets</i>		
Cash and cash equivalents	\$ 109,199,000	\$ 34,794,000
Restricted cash and cash equivalents	1,004,000	1,372,000
Short-term investments	278,242,000	8,045,000
Accounts receivable, net	26,778,000	786,000
Receivable from U.S. Government	31,326,000	-
Receivable from State of Nevada	74,970,000	-
Current portion of pledges receivable, net	-	3,904,000
Patient accounts receivable, net	-	6,377,000
Current portion of loans receivable, net	2,373,000	-
Inventories	5,460,000	-
Deposits and deferred expenditures, current	1,163,000	346,000
Other	-	647,000
Total Current Assets	<u>530,515,000</u>	<u>56,271,000</u>
<i>Noncurrent Assets</i>		
Cash held by State Treasurer	73,685,000	-
Endowment investments	156,368,000	132,566,000
Deposits and deferred expenditures	3,225,000	-
Pledges receivable, net	-	12,680,000
Loans receivable, net	9,061,000	-
Capital assets, net	1,156,183,000	4,581,000
Other noncurrent assets	406,000	5,009,000
Total Noncurrent Assets	<u>1,398,928,000</u>	<u>154,836,000</u>
<b>TOTAL ASSETS</b>	<u>1,929,443,000</u>	<u>211,107,000</u>
<b>LIABILITIES</b>		
<i>Current Liabilities</i>		
Accounts payable	41,529,000	1,417,000
Accrued payroll and related liabilities	19,665,000	1,037,000
Unemployment insurance and workers' compensation liability	3,403,000	-
Current portion of compensated absences	22,191,000	6,000
Current portion of long-term debt	8,973,000	901,000
Current portion of obligations under capital leases	1,851,000	168,000
Accrued interest payable	6,118,000	-
Deferred revenue	27,083,000	-
Funds held in trust for others	4,107,000	-
Due to affiliates	-	728,000
Other	-	124,000
Total Current Liabilities	<u>134,920,000</u>	<u>4,381,000</u>
<i>Noncurrent Liabilities</i>		
Refundable advances under federal loan programs	7,586,000	-
Compensated absences	10,216,000	-
Deferred revenue	783,000	7,757,000
Long-term debt	273,281,000	3,084,000
Obligations under capital leases	13,170,000	185,000
Other noncurrent liabilities	-	1,549,000
Total Noncurrent Liabilities	<u>305,036,000</u>	<u>12,575,000</u>
<b>TOTAL LIABILITIES</b>	<u>439,956,000</u>	<u>16,956,000</u>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	914,587,000	2,289,000
Restricted:		
Nonexpendable	55,980,000	100,302,000
Expendable:		
Scholarships, research and instruction	154,267,000	68,618,000
Loans	4,706,000	-
Capital projects	164,013,000	840,000
Debt service	2,108,000	-
Unrestricted	<u>193,826,000</u>	<u>22,102,000</u>
<b>TOTAL NET ASSETS</b>	<u>\$1,489,487,000</u>	<u>\$ 194,151,000</u>

The accompanying notes are an integral part of these financial statements.

**UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA**  
**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED JUNE 30, 2004**

	<u>System</u>	<u>System Related Organizations</u>
<i>Operating Revenues</i>		
Student tuition and fees (net of scholarship allowances of \$43,719,000)	\$ 166,107,000	\$ -
Federal grants and contracts	178,125,000	-
State grants and contracts	43,093,000	-
Local grants and contracts	15,904,000	-
Other grants and contracts	18,426,000	-
Campus support	-	1,753,000
Sales and services of educational departments (including \$915,000 from System related organizations)	60,125,000	-
Sales and services of auxiliary enterprises (net of scholarship allowances of \$3,028,000)	69,571,000	-
Contributions	-	32,844,000
Patient revenue	-	38,207,000
Contract revenue	-	6,101,000
Special events and fundraising	-	542,000
Interest earned on loans receivable	173,000	-
Other operating revenues	5,131,000	607,000
Total operating revenues	<u>556,655,000</u>	<u>80,054,000</u>
<i>Operating Expenses</i>		
Employee compensation and benefits	663,587,000	20,436,000
Utilities	26,178,000	-
Supplies and services	246,926,000	1,902,000
Scholarships and fellowships	41,494,000	-
Program expenses, System related organizations	-	27,828,000
Depreciation	58,789,000	656,000
Total operating expenses	<u>1,036,974,000</u>	<u>50,822,000</u>
Operating (loss) income	<u>(480,319,000)</u>	<u>29,232,000</u>
<i>Nonoperating Revenues (Expenses)</i>		
State appropriations	499,026,000	-
Refund to State	(45,837,000)	-
Gifts (including \$19,270,000 from System related organizations)	24,492,000	-
Investment income, net	56,186,000	13,621,000
Disposal of capital assets	(3,204,000)	-
Interest expense	(12,466,000)	(36,000)
Payments to System campuses and divisions	-	(34,145,000)
Other nonoperating revenues	1,020,000	782,000
Net nonoperating revenues (expenses)	<u>519,217,000</u>	<u>(19,778,000)</u>
Income before other revenue, expenses, gains or losses	<u>38,898,000</u>	<u>9,454,000</u>
State appropriations restricted for capital purposes	86,507,000	-
Capital grants and gifts (including \$13,089,000 from System related organizations)	23,642,000	-
Additions to permanent endowments (including \$871,000 from System related organizations)	1,857,000	9,525,000
Total other revenues	<u>112,006,000</u>	<u>9,525,000</u>
Increase in net assets	<u>150,904,000</u>	<u>18,979,000</u>
<i>Net Assets</i>		
Net assets – beginning of year	1,338,583,000	175,172,000
Net assets – end of year	<u>\$ 1,489,487,000</u>	<u>\$ 194,151,000</u>

The accompanying notes are an integral part of these financial statements.

**UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2004**

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	<b><u>System</u></b>
<i>Cash Flows from Operating Activities</i>	
Student tuition and fees	\$ 167,714,000
Grants and contracts	252,106,000
Payments for supplies and services	(240,793,000)
Payments for utilities	(25,691,000)
Payments for employee compensation and benefits	(661,536,000)
Payments for scholarships and fellowships	(41,311,000)
Loans issued to students and employees	(4,625,000)
Collection of loans to students and employees	3,041,000
Sales and services of educational departments	58,464,000
Sales and services of auxiliary enterprises	71,638,000
Other receipts	5,450,000
Net cash used by operating activities	<u>(415,543,000)</u>
<i>Cash Flows from Noncapital Financing Activities</i>	
State appropriations	503,093,000
State appropriations refunded	(38,197,000)
Gifts and grants for other than capital purposes	24,834,000
Gifts for endowment purposes	1,857,000
Receipts under federal student loan programs	82,065,000
Disbursements under federal student loan programs	(81,372,000)
Other	1,007,000
Agency transactions	(1,889,000)
Net cash provided by noncapital financing activities	<u>491,398,000</u>
<i>Cash Flows from Capital Financing Activities</i>	
Proceeds from capital debt	42,118,000
Payments for debt issuance costs	(575,000)
Capital appropriations	61,720,000
Capital grants and gifts received	17,676,000
Purchases of capital assets	(151,960,000)
Proceeds from sale of property and equipment	2,000
Principal paid on capital debt and leases	(16,795,000)
Interest paid on capital debt and leases	(10,541,000)
Net cash used by capital financing activities	<u>(58,355,000)</u>
<i>Cash Flows from Investing Activities</i>	
Proceeds from sales and maturities of investments	76,688,000
Purchase of investments	(85,305,000)
Interest and dividends on investments	11,769,000
Net decrease in cash equivalents, noncurrent investments	(7,360,000)
Net cash used by investing activities	<u>(4,208,000)</u>
Net increase in cash and cash equivalents	13,292,000
Cash and cash equivalents, beginning of year	170,596,000
Cash and cash equivalents, end of year	<u>\$ 183,888,000</u>

The accompanying notes are an integral part of these financial statements.

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**UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA**  
**STATEMENT OF CASH FLOWS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2004**

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	<u><b>System</b></u>
<i>Reconciliation of Operating Loss to Net Cash Used by Operating Activities</i>	
Operating loss	\$ (480,319,000)
Adjustments to reconcile operating loss to net cash used by operating activities:	
Depreciation expense	58,789,000
Changes in assets and liabilities:	
Accounts receivable, net	(6,261,000)
Loans receivable, net	(1,455,000)
Inventories	(78,000)
Deposits and deferred expenditures	213,000
Accounts payable	6,711,000
Accrued payroll and related liabilities	466,000
Unemployment insurance and workers' compensation liability	(246,000)
Deferred revenue	5,001,000
Refundable advances under federal loan program	184,000
Compensated absences	1,452,000
Net cash used by operating activities	<u>\$ (415,543,000)</u>
<i>Supplemental Noncash Activities Information</i>	
Capital assets acquired by incurring capital lease obligations and construction accounts payable	\$ <u>11,526,000</u>
Loss on disposal of capital assets	\$ <u>3,204,000</u>
Capital assets acquired by gifts	\$ <u>6,015,000</u>
Capital lease obligations converted to an operating lease	\$ <u>1,038,000</u>

The accompanying notes are an integral part of these financial statements.

# UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2004

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### NOTE 1 – Organization:

The financial statements present a consolidation of the financial statements of the various divisions and campuses of the University and Community College System of Nevada (the “System”), which include:

- University of Nevada, Reno (“UNR”)
- University of Nevada, Las Vegas (“UNLV”)
- Nevada State College (“NSC”)
- Community College of Southern Nevada (“CCSN”)
- Truckee Meadows Community College (“TMCC”)
- Western Nevada Community College (“WNCC”)
- Great Basin College (“GBC”)
- Desert Research Institute (“DRI”)
- University and Community College System of Nevada Administration

The System is an agency of the State of Nevada (the “State”) and receives significant support from, and has significant assets held by, the State, as set forth in the accompanying financial statements. The System Related Organizations column in these financial statements is comprised of data of the System’s discretely presented campus foundations and medical school practice plans (see Note 16). These System related organizations are included as part of the System’s financial statements because of the nature and the significance of their financial relationship with the System.

The System related organizations include campus foundations which are related tax exempt organizations founded to foster and promote the growth, progress, and general welfare of the System, and are reported in a separate column to emphasize that they are Nevada not-for-profit organizations legally separate from the System. During the year ended June 30, 2004 the foundations distributed \$33,261,000 to the System for both restricted and unrestricted purposes. Complete financial statements for the foundations can be obtained from Sandra K. Cardinal at UCCSN, 2601 Enterprise Rd., Reno, NV 89512.

The System related organizations also include three legally separate non-profit organizations, together known as the medical school practice plans. The practice plans include the University of Nevada School of Medicine Multispecialty Group Practice North, Inc., University of Nevada School of Medicine Group Practice South, Inc., and Nevada Family Practice Residency Program, Inc. The practice plans were established for the benefit of the University of Nevada School of Medicine and its faculty physicians who are engaged in patient care activities. During the year ended June 30, 2004 the practice plans distributed \$884,000 to the System for restricted purposes. Complete financial statements for the practice plans can be obtained from Sandra K. Cardinal at UCCSN, 2601 Enterprise Rd., Reno, NV 89512.

### NOTE 2 – Summary of Significant Accounting Policies:

The significant accounting policies followed by the System are described below to enhance the usefulness of the financial statements to the reader.

### BASIS OF PRESENTATION

The financial statements have been prepared in accordance with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (“GASB”), including Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*, and Statement No. 35, *Basic Financial Statements and Management’s Discussion and Analysis of Public Colleges and Universities*.

Statement No. 35 established a fundamentally new financial reporting model for all public colleges and universities. The financial statements required by Statement No. 35 are the statement of net assets, the statement of revenues, expenses and changes in net assets and the statement of cash flows. Financial reporting requirements also include Management’s Discussion and Analysis of the System’s financial position and results of operations.

The System has also adopted GASB Statement No. 37, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments: Omnibus*, and GASB Statement No. 38, *Certain Financial Statement Note Disclosures*. Statement No. 37 clarifies guidance to be used in preparing Management’s Discussion and Analysis and Statement No. 38 modifies, adds and deletes various note disclosure requirements.

# UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2004

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### NOTE 2 – Summary of Significant Accounting Policies (continued):

The GASB has issued Statement No. 39, *Determining Whether Certain Organizations are Component Units*, effective for years beginning July 1, 2003. Effective on July 1, 2003, the System adopted Statement No. 39 which requires the System's legally separate campus foundations and medical school practice plans to be presented discretely in the System's financial statements.

### BASIS OF ACCOUNTING

The financial statements have been prepared on the accrual basis of accounting whereby all revenues are recorded when earned and all expenses are recorded when incurred. All significant transactions between various divisions and campuses of the System have been eliminated in the consolidation of the financial statements. The System has the option to apply all Financial Accounting Standards Board ("FASB") pronouncements issued after November 30, 1989, unless FASB conflicts with GASB. The System has elected not to apply FASB pronouncements issued after the applicable date.

### CASH EQUIVALENTS

All highly liquid investments with an original maturity of three months or less are considered to be cash equivalents.

### INVESTMENTS

Investments are primarily stated at fair value. Fair value of investments is determined from quoted market prices, quotes obtained from brokers or reference to other publicly available market information. Interests in private equity partnerships are based upon valuations provided by the general partners of the respective partnerships as of March 31, adjusted for cash receipts, cash disbursements and securities distributions through June 30. The System believes the carrying amount of these financial instruments is a reasonable estimate of fair value. Because the private equity partnerships are not readily marketable, their estimated value is subject to uncertainty and, therefore, may differ significantly from the value that would have been used had a ready market for such investments existed. Investment transactions are recorded on the date the securities are purchased or sold (trade-date). Realized gains or losses are recorded as the difference between the proceeds from the sale and the average cost of the investment sold. Dividend income is recorded on the ex-dividend date and interest income is accrued as earned.

### INVENTORIES

Inventories consist primarily of bookstore and agricultural inventories, and other items held for sale and are stated at either cost or lower of estimated cost or market. Cost is calculated primarily on the first-in, first-out method.

### PLEDGES

In accordance with GASB Statement No. 33, *Accounting and Reporting for Non-Exchange Transactions*, private donations are recognized when all eligibility requirements are met, provided that the promise is verifiable, the resources are measurable and collection is probable. Pledges receivable are recorded at net present value using the appropriate discount rate. An allowance for uncollectible pledges is estimated based on collection history and is netted against the gross pledges receivable.

### CAPITAL ASSETS

Capital assets are defined as assets with an initial unit cost of \$2,000 or more and an estimated useful life in excess of one year. Such assets are stated at cost at the date of acquisition or fair market value at date of donation in the case of gifts. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Capital assets acquired through federal grants and contracts where the federal government retains a reversionary interest are capitalized and depreciated. Accumulated depreciation is computed on a straight-line basis over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	6 to 40
Land improvements	10 to 15
Machinery and equipment	3 to 18
Library books	5

# UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2004

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### NOTE 2 – Summary of Significant Accounting Policies (continued):

Collections are capitalized at cost or fair value at the date of donation. The System's collections are protected, preserved and held for public exhibition, education or research and include art and rare book collections which are considered inexhaustible and are therefore not depreciated.

### DEFERRED REVENUE

Deferred revenue primarily includes amounts received from grant and contract sponsors that have not been earned under the terms of the agreement and other revenue billed in advance of the event, such as student tuition and fees and fees for housing and dining services, and advanced ticket sales for athletic and other events.

### COMPENSATED ABSENCES

The System accrues annual leave for employees at rates based upon length of service and job classification and compensatory time based upon job classification and hours worked. Such accrued expenses have been classified as a component of employee compensation and benefits in the accompanying Statements of Revenues, Expenses and Changes in Net Assets.

### FEDERAL REFUNDABLE LOANS

Certain loans to students are administered by the System campuses, with funding primarily supported by the federal government. The System's Statements of Net Assets include both the notes receivable and the related federal refundable loan liability representing federal capital contributions owed upon termination of the program.

### NET ASSETS

Net Assets are classified as follows:

*Invested in capital assets, net of related debt:* This represents the total investment in capital assets, net of outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of invested in capital assets, net of related debt.

*Restricted net assets – nonexpendable:* Nonexpendable restricted net assets consist of endowment and similar type funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purposes of producing present and future income, which may either be expended or added to principal.

*Restricted net assets – expendable:* Restricted expendable net assets include resources which must be expended in accordance with restrictions imposed by external third parties.

*Unrestricted net assets:* Unrestricted net assets represent resources that are not subject to externally imposed restrictions. These resources are used for transactions relating to educational and general operations and may be used to meet current expenses for any purpose.

### OPERATING AND NONOPERATING REVENUES AND EXPENSES

#### SYSTEM

Revenues and expenses are classified as operating if they result from providing services and producing and delivering goods. They also include other events that are not defined as capital and related financing, noncapital financing, or investing activities. Grants and contracts representing an exchange transaction are considered operating revenues.

Revenues and expenses are classified as nonoperating if they result from capital and related financing, noncapital financing, or investing activities. Appropriations received to finance operating deficits are classified as noncapital financing activities, therefore, they are reported as nonoperating revenues. Grants and contracts representing nonexchange receipts are treated as nonoperating revenues.

#### PRACTICE PLANS

Net patient service revenue is reported when services are provided to patients at the estimated net realizable amounts from patients, third-party payors including Medicare and Medicaid, and others for services rendered, including estimated retroactive audit adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related

# UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2004

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### NOTE 2 – Summary of Significant Accounting Policies (continued):

services are rendered and adjusted in future periods as final settlements are determined. Contractual allowances are recorded as deductions from professional fee revenue to arrive at net professional revenues. Contractual allowances include differences between established billing rates and amounts reimbursable under various contractual agreements. Normal differences between final reimbursements and estimated amounts accrued in previous years are recorded as adjustments of the current year's contractual allowances.

Substantially all of the operating expenses are directly or indirectly related to patient care.

### FOUNDATIONS

Donations, gifts and pledges are recognized as income when all eligibility requirements are met, provided that the promise is verifiable, the resources are measurable and collection is probable.

### SCHOLARSHIP ALLOWANCES

Student tuition and fee revenues, and certain other revenues from students, are reported net of scholarship allowances in the Statements of Revenues, Expenses and Changes in Net Assets. Scholarship allowances are the difference between the stated charge for goods and services provided by the institutions, and the amount that is paid by students and/or third parties making payments on the students' behalf. Payments of financial aid made directly to students are classified as scholarships and fellowships expenses.

### GRANTS-IN-AID

Student tuition and fees revenue include grants-in-aid charged to scholarships and fellowships and grants-in-aid for faculty and staff benefits charged to the appropriate expenditure programs to which the applicable personnel relate. Grants-in-aid for fiscal 2004 were \$6,387,000.

### TAX EXEMPTION

The System and its discretely presented System related organizations are qualified tax-exempt organizations under the provisions of Section 501(c) (3) of the Internal Revenue Code and are exempt from federal and state income taxes on related income.

### USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual amounts could differ from those estimates.

### NEW ACCOUNTING PRONOUNCEMENTS

The GASB has issued Statement No. 40, *Deposit and Investment Risk Disclosures*, an amendment of GASB Statement No. 3, *Statement No. 40 modified or eliminates certain disclosures required by GASB Statement No. 3, Deposits with Financial Institutions, Investments (including Repurchase Agreements) and Reverse Repurchase Agreements*. The provisions of GASB Statement No. 40 are effective for financial statements for periods beginning after June 15, 2004.

In November 2003, the GASB issued Statement No. 42, *Accounting and Reporting for Impairment of Capital Assets and for Insurance Recoveries*, which requires an evaluation of prominent events or changes in circumstances to determine whether an impairment loss should be recorded and that any insurance recoveries be netted with the impairment loss. The provisions of GASB Statement No. 42 are effective for fiscal years beginning after December 15, 2004.

In April 2004, the GASB issued Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, which supersedes the interim guidance included in Statement No. 26, *Financial Reporting for Postemployment Healthcare Plans Administered by Defined Benefit Pension Plans* and requires specific reporting framework and measurement parameters to be applied for defined benefit plans. The provisions of GASB Statement No. 43 are effective for fiscal years beginning after December 15, 2004.

In August 2004, the GASB issued Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, which requires accrual-based measurement, recognition and disclosure of other postemployment benefit ("OPEB") expense, such as retiree medical and dental costs, over the employees' year of service, along with the related liability, net of any plan assets. The provisions of GASB Statement No. 45 are effective for fiscal years beginning after December 15, 2006.

# UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2004

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### NOTE 3 – Cash and Cash Equivalents:

Cash and cash equivalents are stated at cost, which approximates market, and consists primarily of deposits in money market funds, which are not federally insured. Restricted cash includes the unexpended proceeds of certain bond issuances which are accessible only through an independent trustee. These funds are periodically released by the trustee for use by the System to pay for certain assets under construction. Cash held by State Treasurer represents the funds from certain state appropriations, which were enacted to provide the System with the funds necessary for the construction of major assets. Such amounts are controlled by the Nevada Public Works Board. All of the above are included in cash and cash equivalents in the accompanying Statement of Cash Flows.

### NOTE 4 – System Investments:

Investments are stated at fair value. The historical cost and market value (fair value) of System investments at June 30, 2004 is as follows:

	<u>Cost</u>	<u>Market Value</u>
Mutual Funds	\$276,719,000	\$288,374,000
Stocks	21,490,000	26,045,000
U.S. Government bonds	412,000	429,000
Corporate bonds	1,159,000	1,216,000
Endowment cash and cash equivalents	9,336,000	9,336,000
Other investments (primarily private equity partnerships)	<u>75,227,000</u>	<u>109,210,000</u>
	<u>\$384,343,000</u>	<u>\$434,610,000</u>

Mutual funds consist of investments in shares of mutual funds with six separate fund managers. Investments held by the various mutual funds, in the approximate proportions of the System's ownership of such mutual funds, as of June 30, 2004 were stocks (36%), U.S. Government bonds (28%), corporate bonds (1%), international securities (26%), and cash and equivalents (9%).

As of June 30, 2004, the System had entered into various investment agreements with private equity partnerships. Under the terms of certain of these investment agreements, the System is obligated to make additional investments in these private equity partnerships of \$13,913,000.

For purposes of applying GASB Statement No. 3, the majority of the System's investments (other than mutual fund investments, which are not categorized) are uninsured and unregistered, with the securities held by the System's agents.

### NOTE 5 – System Endowment Pool:

Approximately \$146,547,000 of endowment fund investments at June 30, 2004 are pooled on a unit market value basis. As of June 30, 2004, the endowment pool is comprised of investments in mutual funds (62%), stocks (10%), private equity partnerships (24%) and other investments (4%). Each individual endowment fund acquires or disposes of units on the basis of the market value per unit on the preceding quarterly valuation date. The unit market value at June 30, 2004 was \$399.66.

The System utilizes a spending rule for its pooled endowments, which determines the endowment income to be distributed currently for spending. For the year ended June 30, 2004 the endowment spending policy, as approved by the Board of Regents, authorized a distribution of 4.5% of the average unit market value for the previous twenty calendar quarters. Under the provisions of this spending rule, during 2004, \$16.68 was distributed to each time-weighted unit for a total spending rule distribution of \$9,180,000. The 2004 distributions were made from investment income of \$4,278,000 and \$4,902,000 from cumulative gains of pooled investments.

The System's policy is to retain the endowment's realized and unrealized appreciation with the endowment after the annual income distribution has been made. Such realized and unrealized appreciation retained in endowment investments was \$91,613,000 at June 30, 2004 and is available to meet future spending needs subject to the approval of the Board of Regents.

Nevada State law provides that a portion of total estate tax revenues collected by the State are appropriated to the System. During the year ended June 30, 2004 the System received \$12,273,000 from such appropriations. Effective July 1, 2003 Nevada State law was amended to no longer require estate tax receipts to be maintained in an endowment, therefore, the entire balance of the estate tax endowment investments was reclassified to short-term investments in the statement of net assets as of June 30, 2004. Also, due to the phase-out of estate taxes in the State of Nevada, effective July 1, 2003 the Legislature approved an appropriation from the State's general fund to the System in

# UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2004

### NOTE 5 – System Endowment Pool (continued):

the amount of \$45,837,000 for expenditures for certain unrestricted purposes during the year ending June 30, 2004. In addition, Nevada Revised Statute 375A.705 was amended whereby the System will reimburse the State for such amounts appropriated by making specific monthly payments using funds in the estate tax endowment until the estate tax endowment fund reaches \$0. Subsequently, any estate tax distributions received by the System from the State must be reverted to the State until the remaining unpaid balance of the total appropriation has been repaid. Under the requirements of the revised statute, the System has recorded an expense of amounts repaid and accrued during the year ended June 30, 2004 of \$45,837,000, which is presented as Refund to State in the accompanying financial statements.

### NOTE 6 – System Accounts and Loans Receivable:

System accounts receivable consist primarily of amounts due from students for tuition and fees and from local and private sources for grant and contract agreements. System accounts receivable are presented on the accompanying Statements of Net Assets net of allowances for uncollectible amounts of \$4,853,000 as of June 30, 2004.

Loans receivable from students bear interest primarily between 3% and 12% per annum and are generally repayable in installments to the various campuses over a five to ten year period commencing nine months from the date of separation from the institution. A provision for possible uncollectible amounts is recorded on the basis of the various institutions' estimated future losses for such items. The loans receivable and corresponding allowance for uncollectible loan balances as of June 30, 2004 are as follows:

Loans receivable	\$ 11,914,000
Less: Allowance for doubtful loans	<u>(480,000)</u>
Net loans receivable	11,434,000
Less current portion	<u>(2,373,000)</u>
Noncurrent loans receivable	<u>\$ 9,061,000</u>

### NOTE 7 – System Capital Assets:

System capital asset activity for the year ended June 30, 2004 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Construction in progress	\$ 62,625,000	\$ 102,636,000	\$ (48,424,000)	\$ 116,837,000
Land	49,199,000	9,397,000	-	58,596,000
Collections	4,835,000	602,000	(37,000)	5,400,000
Total capital assets, not being depreciated	<u>116,659,000</u>	<u>112,635,000</u>	<u>(48,461,000)</u>	<u>180,833,000</u>
Capital assets, being depreciated:				
Buildings	1,106,002,000	65,231,000	-	1,171,233,000
Land improvements	72,222,000	3,688,000	-	75,910,000
Machinery and equipment	208,470,000	32,050,000	(18,706,000)	221,814,000
Library books and media	81,178,000	4,885,000	(2,341,000)	83,722,000
Total cost	<u>1,467,872,000</u>	<u>105,854,000</u>	<u>(21,047,000)</u>	<u>1,552,679,000</u>
Less accumulated depreciation for:				
Buildings	(290,768,000)	(28,045,000)	-	(318,813,000)
Land improvements	(47,166,000)	(4,042,000)	-	(51,208,000)
Machinery and equipment	(133,465,000)	(20,017,000)	15,533,000	(137,949,000)
Library books and media	(65,015,000)	(6,685,000)	2,341,000	(69,359,000)
Total accumulated depreciation	<u>(536,414,000)</u>	<u>(58,789,000)</u>	<u>17,874,000</u>	<u>(577,329,000)</u>
Total capital assets being depreciated, net	<u>931,458,000</u>	<u>47,065,000</u>	<u>(3,173,000)</u>	<u>975,350,000</u>
Capital assets, net	<u>\$ 1,048,117,000</u>	<u>\$ 159,700,000</u>	<u>\$ (51,634,000)</u>	<u>\$ 1,156,183,000</u>

The estimated cost to complete property authorized or under construction at June 30, 2004 is \$267,134,000. These costs will be financed by State appropriations, private donations, available resources and/or long-term borrowings.

# UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2004

### NOTE 8 – System Long-Term Debt:

System long-term debt activity for the year ended June 30, 2004 is as follows:

	Annual Interest Rate	Fiscal Year Final Payment Due	Beginning Balance	Additions	Reductions	Ending Balance	Current
Universities Refunding Revenue Bonds, Series 1994	4.00% to 5.60%	2004	\$ 935,000	\$ -	\$ (935,000)	\$ -	\$ -
Universities Refunding Revenue Bonds, Series 1993	4.12% to 5.00%	2004	355,000	-	(355,000)	-	-
University Superior Lien Refunding Revenue Bonds, Series 1997	4.50% to 6.00%	2007	6,865,000	-	(1,825,000)	5,040,000	1,915,000
Universities Subordinate Lien Revenue Bonds, Series 1992	3.95% to 6.70%	2008	1,395,000	-	(245,000)	1,150,000	260,000
Universities Revenue Bonds, Series 1995	3.95% to 5.25%	2011	865,000	-	(90,000)	775,000	95,000
Universities Revenue Bonds, Series 1992	6.20% to 6.40%	2014	740,000	-	(360,000)	380,000	380,000
Universities Revenue Bonds, Series 1998	4.00% to 5.25%	2014	6,715,000	-	(160,000)	6,555,000	165,000
Community College Revenue Bonds, Series 1996	3.80% to 5.70%	2017	940,000	-	(45,000)	895,000	50,000
Universities Revenue Bonds, Series 2003A	2.00% to 5.00%	2017	23,140,000	-	-	23,140,000	1,310,000
Universities Revenue Bonds, Series 2000	5.10% to 5.88%	2021	14,380,000	-	(145,000)	14,235,000	290,000
Universities Revenue Bonds, Series December 2000	5.00% to 5.375%	2021	26,470,000	-	(955,000)	25,515,000	995,000
Taxable University Revenue Bonds, Series 2002C	4.00% to 5.50%	2022	8,150,000	-	-	8,150,000	325,000
SNSC Phase II Lease Revenue Bonds	7.58%	2023	8,460,000	-	(90,000)	8,370,000	210,000
Universities Revenue Bonds, Series April 2000	5.00% to 5.88%	2030	14,430,000	-	(255,000)	14,175,000	265,000
Shadow Lane – Dental School Bond, Series 2001	4.25% to 5.25%	2032	19,200,000	-	(340,000)	18,860,000	345,000
Universities Revenue Bonds, Series 2002A	3.87% to 5.40%	2032	31,000,000	-	-	31,000,000	-
Universities Revenue Bonds, Series 2002B	4.75% to 5.00%	2032	10,905,000	-	-	10,905,000	-
Universities Revenue Bonds, Series 2003B	2.00% to 5.00%	2034	50,890,000	-	-	50,890,000	-
Universities Revenue Bonds, Series 2004A	2.00% to 4.50%	2034	-	32,450,000	-	32,450,000	-
Premiums			1,911,000	263,000	(136,000)	2,038,000	-
Total Bonds Payable			227,746,000	32,713,000	(5,936,000)	254,523,000	6,605,000
Notes Payable			27,414,000	9,405,000	(9,088,000)	27,731,000	2,368,000
Total			\$255,160,000	\$ 42,118,000	\$ (15,024,000)	\$282,254,000	\$8,973,000



# UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2004

### NOTE 8 – System Long-Term Debt (continued):

The revenue bonds are collateralized by tuition and fees, auxiliary enterprises revenues and certain other revenues as defined in the bond indentures.

There are a number of limitations and restrictions contained in the various bond indentures. The System is in compliance with the terms, covenants, provisions and conditions of the various bond indentures as they relate to the payment of bond interest and principal when due and maintenance of insurance coverage.

The most restrictive covenants of the various bond indentures require the various divisions and campuses of the System to maintain minimum levels of revenues, as defined in the indentures.

Scheduled maturities of long-term debt for the years ending June 30 are as follows:

	<u>Principal</u>	<u>Interest</u>
2005	\$ 8,973,000	\$ 13,496,000
2006	10,812,000	12,949,000
2007	12,073,000	12,563,000
2008	12,215,000	11,952,000
2009	11,008,000	11,428,000
2010-2014	59,254,000	49,002,000
2015-2019	51,921,000	35,891,000
2020-2024	41,803,000	22,442,000
2025-2029	38,292,000	12,763,000
2030-2034	35,903,000	3,152,000
Total	<u>\$282,254,000</u>	<u>\$185,638,000</u>

In September 2004, the System issued Universities Revenue Bonds, Series 2004B of \$10 million. The bonds bear interest from 3.0% to 4.75% and mature on various dates from 2008 to 2029. The proceeds from the bonds will be used to fund the construction of a new 42,000 square foot building to be located in Las Vegas, Nevada. The building will be primarily used as a life-long learning center for the Clark County office of the University of Nevada Cooperative Extension.

### NOTE 9 – System Obligations Under Capital Leases:

The System has entered into various non-cancellable lease agreements of land, buildings and improvements, and machinery and equipment expiring at various dates from fiscal year 2005 to 2019. Annual lease payments under these capital lease agreements range from \$2,000 to \$486,000.

System obligations under capital leases were as follows for the year ending June 30, 2004:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Current</u>
Capital lease obligations	<u>\$10,408,000</u>	<u>\$7,458,000</u>	<u>(\$2,845,000)</u>	<u>\$15,021,000</u>	<u>\$1,851,000</u>

The following System property included in the accompanying financial statements was leased under capital leases as of June 30, 2004:

Buildings and improvements	\$ 4,906,000
Machinery and equipment	<u>9,981,000</u>
Total	14,887,000
Less accumulated depreciation	<u>(2,342,000)</u>
Total	<u>\$12,545,000</u>

# UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2004

### NOTE 9 – System Obligations Under Capital Leases (continued):

Future net minimum rental payments, which are required under the System leases for the year ending June 30, are as follows:

2005	\$ 2,584,000
2006	2,582,000
2007	2,032,000
2008	1,819,000
2009	1,792,000
2010-2114	6,566,000
2015-2019	<u>966,000</u>
Total minimum lease payments	18,341,000
Less amount representing interest	<u>(3,320,000)</u>
Obligations under capital leases	<u>\$15,021,000</u>

Total interest expense under the System capital leases and included in the accompanying financial statements was \$843,000 during the year ended June 30, 2004.

### NOTE 10 – System Other Noncurrent Liability Activity:

The activity with respect to System other noncurrent liabilities for the year ended June 30, 2004 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Current
Refundable advances under federal loans program	\$ 7,378,000	\$ 741,000	\$ (533,000)	\$ 7,586,000	\$ -
Compensated absences	30,735,000	24,046,000	(22,374,000)	32,407,000	22,191,000
Deferred revenue	<u>22,491,000</u>	<u>27,667,000</u>	<u>(22,292,000)</u>	<u>27,866,000</u>	<u>27,083,000</u>
Total	<u>\$60,604,000</u>	<u>\$52,454,000</u>	<u>\$(45,199,000)</u>	<u>\$67,859,000</u>	<u>\$49,274,000</u>

### NOTE 11 – Extinguishment of Debt:

At June 30, 2004, debt in the amount of \$235,000 is considered to be extinguished through refunding of prior issues by a portion of the current issues. Sufficient proceeds were invested in state and local government securities and placed in escrow to assure the timely payment of the maturities of prior issues. Neither the debt nor the escrowed assets are reflected on the financial statements.

### NOTE 12 – Irrevocable Letter of Credit:

In connection with its workers compensation liability coverage, the System is required to maintain a \$2,125,000 standby letter of credit. There have been no advances under the letter of credit during the year ended June 30, 2004. In September 2004, the amount of the required letter of credit was reduced to \$1,280,000.

An additional letter of credit was established in April 2004 in connection with the System's self-insured workers' compensation liability coverage. The amount of this letter of credit is \$2,893,000. No advances were made under this letter of credit during the year ended June 30, 2004.

### NOTE 13 – System Pension Plans:

Substantially all permanent employees of the System are covered by retirement plans. Classified employees are covered by the State of Nevada Public Employees Retirement System ("PERS"), a cost-sharing multiple-employer public employee retirement system. Professional employees are covered under PERS or up to four Alternative Retirement Plans.

All permanent System classified employees are mandated by State law to participate in PERS. Employees who retire with 5 or more years of service at age 65, 10 or more years of service at age 60 or with 30 years or more of service at any age are entitled to a retirement benefit, payable monthly for life, equal to 2.67% percent of the employee's average compensation for each year of service up to 30 years, with a maximum of 75 percent. An employees' average compensation is the average of the employee's highest compensation for 36 consecutive months. A diminished benefit is provided to all eligible employees upon early retirement, if such employees have achieved the years of service required for regular retirement. PERS also provides death and disability benefits. Benefits are established by State statute.

# UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2004

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### NOTE 13 – System Pension Plans (continued):

The authority for establishing and amending the obligation to make contributions is provided by statute. Contribution rates are also established by statute. Active employees contribute to PERS at a rate of either 10.5% or 0% of annual covered wages depending on the contribution option selected. The System is required to contribute to PERS at a rate of either 10.5% or 20.25% of annual covered wages, depending on the option selected by the employee. The System is not liable for any unfunded liabilities of PERS.

PERS issues a comprehensive annual financial report that includes financial statements and required supplementary information. The report may be obtained by writing to PERS at 693 W. Nye Lane, Carson City, NV 89703-1599

In addition to PERS, certain exempt employees have the option of participating in various retirement plans provided through the Teachers Insurance and Annuity Association and the College Retirement Equities Fund, the American Century Family of Funds, VALIC, and Fidelity Investments. Under these defined contribution plans, the System and participants make annual contributions to purchase individual, fixed or variable annuities equivalent to retirement benefits earned or to participate in a variety of mutual funds.

The System's contribution to all retirement plans for the years ended June 30, 2004, 2003 and 2002 was approximately \$50,712,000, \$45,434,000 and \$41,357,000, respectively, equal to the required contribution for each year.

### NOTE 14 – System Contingent Liabilities:

The System is a defendant or co-defendant in legal actions. Based on present knowledge and advice of legal counsel, System management believes any ultimate liability in these matters, in excess of insurance coverage, will not materially affect the net assets, changes in net assets or cash flows of the System.

### NOTE 15 – Functional Classification of System Expenses:

The following is the functional classifications of expenses as reported on the Statements of Revenues, Expenses and Changes in Net Assets for the year ended June 30, 2004:

Instruction	\$357,715,000
Research	110,315,000
Public service	55,663,000
Academic support	84,568,000
Institutional support	114,194,000
Student services	73,833,000
Operation and maintenance of plant	77,002,000
Scholarships and fellowships	41,494,000
Auxiliary enterprises	63,322,000
Other expenditures	79,000
Depreciation	<u>58,789,000</u>
Total	<u>\$1,036,974,000</u>

# UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2004

### NOTE 16 – System Related Organizations:

As described in Note 1, the System Related Organizations column in these financial statements includes the financial data of the System's discretely presented campus foundations and medical school practice plans. Condensed combining financial data of the System related organizations is as follows:

#### UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA SYSTEM RELATED ORGANIZATIONS NET ASSETS AS OF JUNE 30, 2004

	UNR Foundation	Practice Plans	DRI Foundation	TMCC Foundation	WNCC Foundation	GBC Foundation	UNLV Foundation	CCSN Foundation	NSC Foundation	Total System Related Organizations
<b>ASSETS</b>										
<i>Current Assets</i>										
Cash and cash equivalents	\$19,853,000	\$8,050,000	\$ 36,000	\$123,000	\$ -	\$ 599,000	\$ 4,418,000	\$1,613,000	\$ 102,000	\$ 34,794,000
Short-term investments	7,795,000	-	250,000	-	-	-	-	-	-	8,045,000
Other current assets	1,814,000	7,275,000	-	23,000	361,000	1,115,000	2,416,000	396,000	32,000	13,432,000
Total Current Assets	29,462,000	15,325,000	286,000	146,000	361,000	1,714,000	6,834,000	2,009,000	134,000	56,271,000
<i>Noncurrent Assets</i>										
Capital assets, net	36,000	2,008,000	16,000	-	-	14,000	2,507,000	-	-	4,581,000
Endowment investments	54,759,000	-	-	68,000	2,347,000	2,685,000	70,894,000	688,000	1,125,000	132,566,000
Other noncurrent assets	5,311,000	-	-	-	-	129,000	12,249,000	-	-	17,689,000
Total Noncurrent Assets	60,106,000	2,008,000	16,000	68,000	2,347,000	2,828,000	85,650,000	688,000	1,125,000	154,836,000
<b>TOTAL ASSETS</b>	89,568,000	17,333,000	302,000	214,000	2,708,000	4,542,000	92,484,000	2,697,000	1,259,000	211,107,000
<b>LIABILITIES</b>										
<i>Current Liabilities</i>										
Due to affiliates	602,000	126,000	-	-	-	-	-	-	-	728,000
Current portion of long-term debt	373,000	213,000	-	-	-	-	315,000	-	-	901,000
Other current liabilities	16,000	2,554,000	-	51,000	-	14,000	99,000	-	18,000	2,752,000
Total Current Liabilities	991,000	2,893,000	-	51,000	-	14,000	414,000	-	18,000	4,381,000
<i>Noncurrent Liabilities</i>										
Long-term debt	1,529,000	-	-	-	-	-	1,555,000	-	-	3,084,000
Other noncurrent liabilities	7,757,000	185,000	-	-	-	-	532,000	-	1,017,000	9,491,000
Total Noncurrent Liabilities	9,286,000	185,000	-	-	-	-	2,087,000	-	1,017,000	12,575,000
<b>TOTAL LIABILITIES</b>	10,277,000	3,078,000	-	51,000	-	14,000	2,501,000	-	1,035,000	16,956,000
<b>NET ASSETS</b>										
Invested in capital assets, net of related debt	603,000	1,443,000	16,000	-	-	14,000	213,000	-	-	2,289,000
Restricted										
Nonexpendable	55,608,000	-	-	67,000	230,000	2,667,000	41,561,000	61,000	108,000	100,302,000
Expendable	19,031,000	36,000	65,000	1,000	2,386,000	1,162,000	46,361,000	384,000	32,000	69,458,000
Unrestricted	4,049,000	12,776,000	221,000	95,000	92,000	685,000	1,848,000	2,252,000	84,000	22,102,000
<b>TOTAL NET ASSETS</b>	\$79,291,000	\$14,255,000	\$302,000	\$163,000	\$2,708,000	\$4,528,000	\$89,983,000	\$2,697,000	\$ 224,000	\$194,151,000

# UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2004

### NOTE 16 – System Related Organizations (continued):

#### UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA SYSTEM RELATED ORGANIZATIONS

#### REVENUES, EXPENSES, AND CHANGES IN NET ASSETS FOR THE YEAR ENDED JUNE 30, 2004

	UNR Foundation	Practice Plans	DRI Foundation	TMCC Foundation	WNCC Foundation	GBC Foundation	UNLV Foundation	CCSN Foundation	NSC Foundation	Total System Related Organizations
<i>Operating Revenues</i>										
Patent revenue	\$ -	\$38,207,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$38,207,000
Contract revenue	-	6,101,000	-	-	-	-	-	-	-	6,101,000
Contributions	15,389,000	-	988,000	283,000	913,000	210,000	14,061,000	768,000	232,000	32,844,000
Campus support	1,313,000	-	217,000	91,000	-	132,000	-	-	-	1,753,000
Other operating revenue	515,000	-	139,000	35,000	-	68,000	368,000	24,000	-	1,149,000
Total operating revenues	17,217,000	44,308,000	1,344,000	409,000	913,000	410,000	14,429,000	792,000	232,000	80,054,000
<i>Operating Expenses</i>										
Program expenses	251,000	26,212,000	-	1,000	-	304,000	1,060,000	-	-	27,828,000
Depreciation	12,000	564,000	-	-	-	-	80,000	-	-	656,000
Other operating expenses	1,882,000	16,714,000	516,000	155,000	351,000	-	2,568,000	124,000	28,000	22,338,000
Total operating expenses	2,145,000	43,490,000	516,000	156,000	351,000	304,000	3,708,000	124,000	28,000	50,822,000
Operating income	15,072,000	818,000	828,000	253,000	562,000	106,000	10,721,000	668,000	204,000	29,232,000
<i>Nonoperating Revenues (Expenses)</i>										
Payments to System campuses and divisions	(17,643,000)	(884,000)	(1,914,000)	(237,000)	(166,000)	(292,000)	(12,189,000)	(625,000)	(195,000)	(34,145,000)
Other nonoperating revenues (expenses)	10,037,000	3,231,000	4,000	1,000	92,000	99,000	880,000	21,000	2,000	14,367,000
Total nonoperating expenses	(7,606,000)	2,347,000	(1,910,000)	(236,000)	(74,000)	(193,000)	(11,309,000)	(604,000)	(193,000)	(19,778,000)
Income (loss) before other revenue, expenses gains or losses	7,466,000	3,165,000	(1,082,000)	17,000	488,000	(87,000)	(588,000)	64,000	11,000	9,454,000
Additions to permanent endowments	2,497,000	-	-	67,000	-	229,000	6,732,000	-	-	9,525,000
Total other revenues	2,497,000	-	-	67,000	-	229,000	6,732,000	-	-	9,525,000
Increase (decrease) in net assets	9,963,000	3,165,000	(1,082,000)	84,000	488,000	142,000	6,144,000	64,000	11,000	18,979,000
Net assets - beginning of year	69,328,000	11,090,000	1,384,000	79,000	2,220,000	4,386,000	83,839,000	2,633,000	213,000	175,172,000
Net assets - end of year	\$79,291,000	\$14,255,000	\$ 302,000	\$163,000	\$2,708,000	\$4,528,000	\$89,983,000	\$2,697,000	\$224,000	\$194,151,000

# UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2004

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### NOTE 16 – System Related Organizations (continued):

#### UNR Foundation:

The UNR Foundation cash deposits are primarily on deposit with two financial institutions and several investment companies and are carried at fair value at \$19,853,000 of which \$1,290,000 is insured by the FDIC. The remaining balance is uncollateralized and is a category 3 level of risk, based on risk categories established by GASB.

Investments consist primarily of open-ended mutual funds through a single custodian. Debt and equity securities other than open-ended mutual funds are uncollateralized and are a category 3 level of risk, based on risk categories established by GASB.

Cash and cash equivalents at June 30, 2004, consists of:

Cash	\$ 883,000
Money Funds	8,000
Common Fund Short-term Investments	9,850,000
Certificates of Deposit	980,000
Treasury Bills	<u>8,132,000</u>
	<u>\$19,853,000</u>

The fair value of investments at June 30, 2004, are as follows:

Commonfund Bond	\$14,056,000
Commonfund Global Bond	638,000
Commonfund Equity	39,265,000
Commonfund International Equity	1,230,000
Commonfund Emerging Markets	1,079,000
Commonfund Capital Partners	167,000
Commonfund Real Estate Securities	574,000
Commonfund Realty Investors	1,804,000
Certificates of Deposit	2,149,000
U.S. Government Securities	<u>1,592,000</u>
	<u>\$62,554,000</u>

Investments are recorded in the following funds at June 30, 2004:

Unrestricted Fund	\$ 2,894,000
Restricted Fund	4,901,000
Endowment Fund	<u>54,759,000</u>
	<u>\$62,554,000</u>

The cumulative net appreciation of investments at June 30, 2004 is as follows:

Unrestricted Fund	\$ 68,000
Restricted Fund	94,000
Endowment Fund	<u>13,925,000</u>
	<u>\$14,087,000</u>

# UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2004

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### NOTE 16 – System Related Organizations (continued):

#### UNLV Foundation:

The UNLV Foundation discloses its deposits with financial institutions, investments, and reverse repurchase agreements in accordance with GASB Statement No. 3.

Investments include the following at June 30, 2004:

Cash and cash equivalents	\$ 3,961,000
Current investments in securities	1,353,000
Common Stock	26,357,000
U.S. government obligations	11,834,000
Corporate obligations	20,304,000
Asset-backed securities	<u>4,320,000</u>
Total marketable securities at cost	68,131,000
Net unrealized gain (loss) on noncurrent investments	<u>2,763,000</u>
Total fair value of noncurrent investments	<u>\$70,894,000</u>

In accordance with GASB Statement No. 3, securities must be segregated into the following three categories of credit risk:

1. Insured, registered, or held in the UNLV Foundation's name.
2. Uninsured, unregistered, and held in the UNLV Foundation's name.
3. Uninsured, unregistered, and not held in the UNLV Foundation's name.

Current investment in securities with a fair value of \$1,353,000 at June 30, 2004 consists of one treasury note, one government bond, and two corporate bonds. These securities are carried at cost, which approximates fair value.

During the year ended June 30, 2004, the UNLV Foundation realized a net gain of \$561,000 from the sale of investments. The calculation of realized losses is independent of the calculation of the net change in the fair value of investments. Realized gains and losses on investments that had been held in more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in the fair value of investments reported in the prior year. The net increase in the fair value of investments during the year ended June 30, 2004 was \$1,173,000. This amount takes into account all changes in fair value (including purchases and sales) that occurred during the year. The unrealized gain on investments held at year-end was \$2,763,000.

At June 30, 2004, the carrying amount of the UNLV Foundation's cash and cash equivalents was \$8,379,000, of which \$3,961,000 is endowment. Of the balance, \$117,000 was covered by federal depository insurance, and \$928,000 in cash as uninsured and uncollateralized. The amount of \$3,594,000 represents cash equivalents held in money market accounts, which are primarily invested in U.S. treasury bills and treasury notes. The remaining balance of \$3,741,000 represents fixed-income mutual funds and equity mutual funds.

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**Report of Independent Auditors on Internal Control Over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of Financial Statements Performed in  
Accordance with *Government Auditing Standards***

To the Board of Regents of the University and  
Community College System of Nevada:

We have audited the financial statements of the University and Community College System of Nevada (the "System") as of and for the year ended June 30, 2004, and have issued our report thereon dated October 1, 2004. In that report we indicated the extent of our reliance on the reports of other auditors in the conduct of the audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the System's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted, and the reports of other auditors disclosed, no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the System's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests and the reports of other auditors disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the System's Board of Regents, management, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

*PricewaterhouseCoopers LLP*

October 1, 2004

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**Report of Independent Auditors on Compliance with Requirements  
Applicable to each Major Program and on Internal Control Over Compliance  
in Accordance with OMB Circular A-133**

To the Board of Regents of the University and  
Community College System of Nevada

Compliance

We have audited the compliance of the University and Community College System of Nevada (the "System") with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2004, except as described in the second paragraph of this report. The System's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the System's management. Our responsibility is to express an opinion on the System's compliance based on our audit.

Except for the University of Nevada, Reno, we did not audit the System's compliance with the requirements governing Student Loan Billing and Due Diligence in Collection compliance requirements specified by the Federal Perkins Loan Program and described in the *OMB Circular A-133 Compliance Supplement*. Compliance with these requirements was audited by other auditors whose report thereon has been furnished to us, and our opinion expressed herein, insofar as it relates to the System's compliance with those requirements, is based solely on the report of the other auditors. Additionally, we did not audit the System's compliance with the requirements governing the reporting requirements over Student Status Confirmation Reports specified by the Federal Family Education Loans Program and described in the *OMB Circular A-133 Compliance Supplement*. Compliance with these requirements was audited by other auditors whose report thereon has been furnished to us, and our opinion expressed herein, insofar as it relates to the System's compliance with those requirements, is based solely on the report of the other auditors.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the System's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the System's compliance with those requirements.

In our opinion, based on our audit and the reports of other auditors, the System complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2004. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items UNLV #1 and UNLV #2.

#### Internal Control Over Compliance

The management of the System is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, except as noted in the following paragraph, we considered the System's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Except for the University of Nevada, Reno, we did not consider internal control over compliance with the Student Loan Billing and Due Diligence in Collection compliance requirements specified by the Federal Perkins Loan Program and described in the *OMB Circular A-133 Compliance Supplement*. Internal control over these compliance requirements was considered by the other auditors referred to above; and our report, insofar as it relates to the System's internal control over those compliance requirements, is based solely upon the report of the other auditors. Additionally, we did not consider internal control over compliance with the reporting requirements over Student Status Confirmation Reports specified by the Federal Family Education Loans Program and described in the *OMB Circular A-133 Compliance Supplement*. Internal control over these compliance requirements was considered by the other auditors referred to above; and our report, insofar as it relates to the System's internal control over those compliance requirements, is based solely upon the report of the other auditors.

Our consideration and the other auditors' consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure over compliance and its operation that we consider to be material weaknesses. Also, the reports of the other auditors noted no matters involving the internal control structure over compliance and its operation that they consider to be material weaknesses.

This report is intended solely for the information and use of the System's Board of Regents, management, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

*PrincetonhamCagers LLP*

October 1, 2004

UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA  
SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2004

PROGRAM TITLES		AMOUNT OF EXPENDITURES										TOTAL
FEDERAL CFDA NUMBER		UNR	UNLV	NSC	DRI	TMCC	CCSN	WNCC	GBC	SYSTEM		
MAJOR PROGRAMS												
Research and Development:												
U.S. Dept. of Agriculture												
Agriculture Research Service												
10.001	Ag. Research-Basic & Applied Res.	\$254,058									\$254,058	
Passed Through												
Biotech Res Dev Corp												
10.001	Ag. Research	249,683									249,683	
University of Florida												
10.001	Ag. Research				\$67,976						67,976	
University of Illinois												
10.001	Ag. Research				25,942						25,942	
Total Agriculture Research Service												
		\$503,741	\$0	\$0	\$93,918	\$0	\$0	\$0	\$0	\$0	\$597,659	
Cooperative State Educ. & Extension Svc.												
Agriculture Research Grants												
10.200	Hatch Funds	\$313,126									\$313,126	
10.203	Payments to Land-Grant Colleges	784,011									784,011	
10.205	Grants for Ag Research	469,274									469,274	
10.206	Animal Health and Disease Research	200,142	\$58,504								258,646	
10.207	Initiative for Future Ag and Food Systems	145,437									145,437	
10.302	Integrated Programs	1,115,213									1,115,213	
10.303	Cooperative Extension Service	222,664									222,664	
10.500	Passed Through	2,632									2,632	
University of California-Davis												
10.206	Bovine Abortion	21,045			\$9,952						30,997	
University of California-Santa Cruz												
10.206	Cooperative Research	521									521	
Utah State University												
Special Research												
10.200	Cooperative Extension Service	16,292									16,292	
10.500	University of Kentucky	15,502									15,502	
Cooperative Extension Service												
10.500		34,939									34,939	
Total Cooperative State Educ.& Extension Svc.												
		\$3,340,798	\$58,504	\$0	\$9,952	\$0	\$0	\$0	\$0	\$0	\$3,409,254	
Food & Consumer Nutrition												
Passed Through												
NV Dept of Human Resources												
10.551	Food Stamps	\$25,625									\$25,625	
10.564	Nutrition Education and Training Program	198,962									198,962	
Purdue University												
10.564	Nutrition Education and Training Program	75,050									75,050	
Total Food & Consumer Nutrition												
		\$299,637	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$299,637	
Forest Service												
10.652	Forestry Research	\$338,750	\$706,834		\$106,344						\$1,151,928	
10.664	Cooperative Forestry Assistance	117,395									117,395	
10.672	Rural Development	9,616									9,616	

UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA  
SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2004

PROGRAM TITLES	FEDERAL CFDA NUMBER	AMOUNT OF EXPENDITURES									
		UNR	UNLV	NSC	DRI	TMCC	CCSN	WNCC	GBC	SYSTEM	TOTAL
Passed Through Lincoln County Nevada Forestry Research	10.652	11,731									11,731
Nevada Dept of Transportation Erosion Control	10.652				190,128						190,128
UNR Biomass Management	10.664				7,183						7,183
Tahoe Regional Plan Urban Runoff BMP	10.652				9,657						9,657
NV Dept of Conservation/Natural Resources Forestry Research	10.652				67,013						67,013
Cooperative Forestry Assistance	10.664	37,489									37,489
Rural Development	10.672	2,172									2,172
Total Forest Service		\$517,153	\$706,834	\$0	\$380,325	\$0	\$0	\$0	\$0	\$0	\$1,604,312
Rural Business-Cooperative Service Passed Through Nevada Wildland Seed Production Technical Assistance to Coop	10.350	\$1,094									\$1,094
Total Rural Business		\$1,094	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,094
Total U.S. Dept. of Agriculture		\$4,662,423	\$765,338	\$0	\$484,195	\$0	\$0	\$0	\$0	\$0	\$5,911,956
U.S. Dept. of Commerce Economic Development Admin Economic Development-Tech	11.303	\$2,376									\$2,376
Total Economic Development Adm		\$2,376	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,376
National Institute Standards & Tech. Measurement & Engr Res & Stan Manufacturing Extension Partnership Passed Through GSE	11.609 11.611	\$117,653								\$1,058,091	\$117,653 1,058,091
Advanced Technology Program UCCSN	11.612									10,716	10,716
Manufacturing Extension Partnership Advanced Technology Program	11.611 11.612	(32,573) 10,716									(32,573) 10,716
Total National Institute Standards & Tech.		\$95,796	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,068,807	\$1,164,603
National Oceanic & Atmospheric Admin. Climate & Atmospheric Research CIASTA	11.431 11.432				\$85,762 1,429,996						\$85,762 1,429,996
Passed Through Info Manufacturing Corp NOAA Dataset	11.431				21,921						21,921
Univ of Corp Atmos Res UCAR Snowfall QPF	11.431				6,312						6,312

UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA  
SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2004

PROGRAM TITLES	FEDERAL CFDA NUMBER	AMOUNT OF EXPENDITURES											
		UNR	UNLV	NSC	DRI	TMCC	CCSN	WNCC	GBC	SYSTEM	TOTAL		
Univ. of California, San Diego Fire Weather	11.431				33,238							33,238	
Total National Oceanic & Atmospheric Admin.		\$0	\$0	\$0	\$1,577,229	\$0	\$0	\$0	\$0	\$0	\$0	\$1,577,229	
Total U.S. Dept. of Commerce		\$98,172	\$0	\$0	\$1,577,229	\$0	\$0	\$0	\$0	\$1,068,807	\$0	\$2,744,208	
U.S. Dept. of Defense													
Dept. of the Army, Office of Chief of Engineers	12.110	\$141,213										\$141,213	
Planning Assistance to States	12.114	206,961	\$849,519		\$723,368							1,779,848	
Collaborative R&D													
Passed Through													
GEO-Marine	12.114				17,000							17,000	
Collaborative R&D													
Huffman & Carpenter	12.114				1,671							1,671	
Collaborative R&D													
Parsons	12.114		(3,110)									(3,110)	
Collaborative R&D													
SAIC	12.114	79,767										79,767	
Collaborative Res and Develop													
West Virginia University	12.114	12,143										12,143	
Collaborative Res and Develop													
University of Redlands	12.114	29,845										29,845	
Collaborative Research and Development													
Total Dept. of the Army, Office Chief of Engineers		\$469,929	\$846,409	\$0	\$742,039	\$0	\$0	\$0	\$0	\$0	\$0	\$2,058,377	
Office of the Chief of Naval Research	12.300	\$556,242	\$42,891		\$181,438							\$780,571	
Basic & Applied Scientific Research													
Passed Through													
Adv Materials & Devices Inc	12.300	10,181										10,181	
Basic & Applied Scientific Res													
Encapco Tech	12.300				112,501							112,501	
DOD/Navy													
UNR	12.300		9,000									9,000	
Basic & Applied Scientific Research													
Total Office of the Chief of Naval Research		\$566,423	\$51,891	\$0	\$293,939	\$0	\$0	\$0	\$0	\$0	\$0	\$912,253	
U.S. Army Material Command	12.300		\$260,609									\$260,609	
Biocontaminant Strategies	12.431	\$8,960	85,900		\$1,833,574							1,928,434	
Basic Scientific Research	12.420		(346)									(346)	
Heat Shock Protein 27													
Passed Through													
CHARIS	12.431				47,174							47,174	
Basic Scientific Research													
GEO-Marine	12.431				20,000							20,000	
Basic Scientific Research													
Science Application Int'l Corp	12.431				18,727							18,727	
Basic Scientific Research													
Adv Materials & Devices Inc.	12.431	12,686										12,686	
Basic Scientific Research													

UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA  
SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2004

PROGRAM TITLES	FEDERAL CFDA NUMBER	AMOUNT OF EXPENDITURES												TOTAL
		UNR	UNLV	NSC	DRI	TMCC	CCSN	WNCC	GBC	SYSTEM				
Raytheon Svcs Inc Basic Scientific Research University of Redlands Basic Scientific Research	12.431 12.431	8,684			35,435								8,684 35,435	
Total U.S. Army Material Command		\$30,330	\$346,163	\$0	\$1,954,910	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,331,403	
U.S. Army Medical Command Military Medical R&D	12.420	\$115,402											\$115,402	
Total U.S. Army Medical Command		\$115,402	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$115,402	
Office of Secretary of Defense Basic Applied & Advanced Research Passed Through University of Utah Basic Applied & Advanced Research	12.630 12.630	\$16,286			\$806,166								\$822,452 16,476	
Total Office of Secretary of Defense		\$16,286	\$0	\$0	\$822,642	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$838,928	
Dept of Army, Aviation Applied Tech Passed Through 2Phase Tech Inc Integrated Helicopter Design Tools	12.640	\$5,798											\$5,798	
Total Dept of Army, Av Applied Tech		\$5,798	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,798	
Dept. of the Air Force, Material Command Defense Research Sciences Prog. Passed Through ST UT USAF/Utah University of New Mexico Air Force Defense Research Sciences	12.800 12.800 12.800	\$795,997 122,762			\$700,795 6,816								\$1,496,792 6,816 122,762	
Total Dept. of the Air Force, Material Command		\$918,759	\$0	\$0	\$707,611	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,626,370	
Total U.S. Dept. of Defense		\$2,122,927	\$1,244,463	\$0	\$4,521,141	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,888,531	
U.S. Dept. of Education Office of Vocational & Adult Education NV Department of Education	84.048		\$6,545										\$6,545	
Total of Office of Vocational & Adult Education		\$0	\$6,545	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,545	
Office of Elementary & Secondary Education Oliver Ranch School Eisenhower Prof Dev State Grants Passed Through UCCSN EPSCoR Office Space	84.000 84.281 84.000	(\$504)			\$9,463 2,176								\$9,463 (504) 2,176	



UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA  
SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2004

PROGRAM TITLES	FEDERAL CFDA NUMBER	AMOUNT OF EXPENDITURES										TOTAL
		UNR	UNLV	NSC	DRI	TMCC	CCSN	WNCC	GBC	SYSTEM		
Eisenhower Prof Development State	84.281	11,764									11,764	
Total of Office of Elementary & Secondary Educ.		\$11,260	\$0	\$0	\$11,639	\$0	\$0	\$0	\$0	\$0	\$22,899	
Office of Post Secondary Education												
Passed Through												
Nevada Department of Education	84.334	\$4,736									\$4,736	
Early Awareness for Undergrads												
Churchill County Nevada	84.342	114,052									114,052	
Preparing Tomorrow's Teachers												
Total Office of Post Secondary Education		\$118,788	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$118,788	
Total U.S. Dept. of Education		\$130,048	\$6,545	\$0	\$11,639	\$0	\$0	\$0	\$0	\$0	\$148,232	
U.S. Dept. of Energy												
Used Energy-Related Laboratory Equip	81.022	\$81,870									\$81,870	
Energy Related Inventions	81.036	238,098									238,098	
State Energy Program	81.041											
Office of Science Financial Assist.	81.049	299,800	\$4,577,739		\$124,028				\$216,210		5,577,082	
University Coal Research	81.057	18,905							575,515		18,905	
Scientific & Technical Information	81.064	64									64	
Nuclear Waste Disposal Siting	81.065		6,112,127								6,112,127	
Conservation Research & Development	81.086	849,533									849,533	
Renewable Energy Research & Develop.	81.087	5,197,710	(7,666)								5,190,044	
Fossil Energy Research and Development	81.089								223,509		223,509	
Science & Tech for Environmental Mgmt	81.104	219,651	819,512		5,533,495						6,572,658	
Epidemiology & Other Health Studies	81.108		3,250,869								3,250,869	
Stewardship Science Grant Program	81.112	116,945	2,222,615								2,339,560	
Defense Nuclear Nonproliferation Research	81.113	26,161									26,161	
Energy Efficiency & Renewable Energy	81.117		737,843								737,843	
Atomic Testing Museum	81.502				1,451,477						1,451,477	
Passed Through												
AEA Technology												
Office of Science Financial Assist.	81.049				48,079						48,079	
ATS												
Office of Science Financial Assist.	81.049				58,397						58,397	
Battelle												
Office of Science Financial Assist.	81.049				78,460						78,460	
Bechtel Nevada												
Office of Scientific & Technical Info.	81.064	34,936									34,936	
Nuclear Waste Disposal Siting	81.065	2,818									2,818	
Cornell University												
Univ. Nuclear Sci & Reactor Support	81.114	175,993									175,993	
DRI												
Renewable Energy Research & Develop.	81.087	71,504									71,504	
GE Energy & Environment Research Corp												
Office of Science Financial Assist.	81.049				173,122						173,122	
Lawrence Livermore National Lab												
Office of Science Financial Assist.	81.049		173,034		34,414						207,448	
Science & Tech for Environmental Mgmt	81.104	10,779									10,779	
DOE EPSCoR-Desert EcoSystems	81.089		86,386								86,386	
State Energy Program Special Projects	81.119	106,622									106,622	

UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA  
SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2004

PROGRAM TITLES	FEDERAL CFDA NUMBER	AMOUNT OF EXPENDITURES								TOTAL
		UNR	UNLV	NSC	DRI	TMCC	CCSN	WNCC	GBC	
Los Alamos National Lab										
Office of Science Financial Assist.	81.049									
Office of Scientific & Technical Info.	81.064		5,691		10,756					16,447
Renewable Energy Research & Develop.	81.087	39,340								39,340
Mactec										
Office of Science Financial Assist.	81.049				31					31
Massachusetts Inst of Tech										
Evaluation of Solid Solut Oxidation	81.121		48,709							48,709
Midwest Research Institute										
Renewable Energy Research & Develop.	81.087	247,956								247,956
National Energy Management Institute										
Measurement and Verification	81.087		399,818							399,818
National Renewable Energy Lab										
Renewable Energy Research & Develop.	81.087		646,011		874,790					1,520,801
NV-Office of the Governor										
State Energy Program Special Projects	81.119	2,180								41,129
State Energy Program	81.041	33,659			35,695				38,949	69,354
Nevada Department of Business & Industry										
Office of Science Financial Assist.	81.049	38,644								38,644
Nye County NV										
ICPMS Lab										
Nuclear Waste Disposal Siting	81.049				20,043					20,043
Nuclear Waste Disposal Siting	81.065	64,684								64,684
Conservation Research & Development	81.086	18,765								18,765
Sandia National Lab										
State Energy Program	81.041	56,407								56,407
Office of Science Financial Assist.	81.049	15,545	67,289		999					83,833
Conservation Research & Development	81.086	43,691								43,691
Renewable Energy Research & Develop.	81.087	38,348								38,348
Nuclear Energy Res, Dev & Demo	81.121	18,698								18,698
SAIC										
Solar Energy Partnership	81.118	30,000								30,000
Southwest Research Institute										
Gas Veh Exh	81.087				47,400					47,400
Stoller										
Monticello Soil Study	81.049				11,000					11,000
Technikon										
Dilution Samples										
UCCSN	81.049				27,362					27,362
State Energy Program										
Office of Science Financial Assist.	81.041	60,522	128,764							189,286
Fossil Energy Research & Development	81.049	433,069			69,723					502,792
UNR	81.089	79,127								79,127
Office of Science Financial Assist.										
Field Deployment	81.049				187,954					187,954
Renewable Energy Research & Develop.	81.065				131,882					131,882
Science & Tech for Environmental Mgmt	81.087				13,775					13,775
UNLV	81.104				24,014					24,014
Nuclear Waste Disposal Siting										
Univ. of Rochester	81.065	3,625,670			232,733					3,858,403
Office of Science Financial Assist.										
UT-Batelle, LLC	81.049	15,897								15,897
Virginia Polytechnic Institute	81.087	48,204								48,204
Fossil Energy Research & Development	81.089	128,251								128,251

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PROGRAM TITLES		FEDERAL CFDA NUMBER	UNR	UNLV	NSC	DRI	TMCC	CCSN	WNCC	GBC	SYSTEM	TOTAL
West Area Power Administration Renewable Energy Research & Develop. UCOP		81.087	3,010									3,010
State Energy Prog Spec Proj		81.119	3,624									3,624
Western Michigan University Office of Science Financial Asst.		81.049	45,309									45,309
Total U.S. Dept. of Energy			\$12,541,989	\$19,268,741	\$0	\$9,189,629	\$0	\$0	\$0	\$0	\$1,054,183	\$42,054,542
Environmental Protection Agency Office of Air & Radiation Ambient Air Monitoring Passed Through		66.001				\$6,815						\$6,815
Arizona Dept Environment Qual Vol Analysis		66.001				9,461						9,461
Central Region Air Planning Visibility Base		66.001				183,471						183,471
Compass Compass Emissions		66.001				95,521						95,521
Coordinating Research Council Environ Mobile		66.001				707						707
Eastern Research Group Mobile 6 Hwy		66.001				174,363						174,363
Health Effects Institute Exposure to Air Toxics		66.001				44,202						44,202
HUALAPAI Tribe Air Quality		66.001				59,684						59,684
National Jewish Hospital Jewish Lab Analysis		66.001				54,636						54,636
Palute Tribe Air Dev Program		66.001				3,151						3,151
Pechan Associates Pechan Source Profile		66.001				7,915						7,915
Pinal County Pinal County Spec & Source App		66.001				46,135						46,135
Reno Sparks Indian Colony Hungry Valley Air		66.001				10,516						10,516
Vistas Vistas Fire Particulate		66.001				52,304						52,304
Research Triangle Inst Organic Analysis		66.001				15,441						15,441
Science App Int'l Corp Sunrise Landfill		66.001				9,380						9,380
Southwest Clean Air Agency Columbia River Gorge		66.001				13,032						13,032
Texas Natural Resource CC Lab Analysis		66.001				586,276						586,276
Yerington Plute Tribe Lab Analysis		66.001				7,612						7,612
State of Oklahoma PM 2.5 Training		66.001				47,525						47,525
State of Nevada Tahoe Watersheds		66.001				45,992						45,992

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PROGRAM TITLES	FEDERAL CFDA NUMBER	AMOUNT OF EXPENDITURES									
		UNR	UNLV	NSC	DRI	TMCC	CCSN	WNCC	GBC	SYSTEM	TOTAL
State of Washington Columbia River Gorge	66.001										
Total Office of Air & Radiation		\$0	\$0	\$0	\$1,474,146	\$0	\$0	\$0	\$0	\$0	\$1,474,146
Office of Water											
Water Quality Cooperative Agreements	66.463	\$982									\$982
Wetlands Grants	66.461	16,025									16,025
Passed Through											
State Nv Dep											
Dep Oxygen Carson River	66.419				\$103,914						103,914
NV Dept. of Conservation & Nat Resources											
Wetlands Protection-Development	66.461	23,016									23,016
NV Department of Human Resources											
State Underground Water Source	66.433	(629)									(629)
UNR											
Water Quality	66.419				2,637						2,637
Vistas											
Baseline Data Collection	66.419				69,552						69,552
Pyramid Lake Paiute Tribe											
Water Pollution Control-State & Interstate	66.419	19,999									19,999
Southern Nevada Water Authority											
Wetlands Grants	66.461		\$18,177								18,177
Total Office of Water		\$59,393	\$18,177	\$0	\$176,103	\$0	\$0	\$0	\$0	\$0	\$253,673
Office of Prevention Pest & Toxic Substances											
Pollution Prevention	66.708	\$746									\$746
Total Office of Prev. Pest & Toxic Sub		\$746	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$746
Office of Solid Waste & Emergency Response											
Fresno-Phase II	66.807				\$86,735						\$86,735
Total Office of Solid Waste & Emer. Response		\$0	\$0	\$0	\$86,735	\$0	\$0	\$0	\$0	\$0	\$86,735
Office of Research & Development											
Environ Protection-Consol. Res.	66.500	\$322,114			\$129,145					\$15	\$451,274
Passed Through											
St Nv Dep											
Selenium Migration	66.460				97,148						97,148
Health Effects Inst											
Diesel Emission	66.500		\$64,475		15,900						80,375
McGinnis											
Air Quality	66.500				3,108						3,108
Miami University											
Environ Protection-Consol. Res.	66.500	(39)									(39)
Washington Univ											
St. Louis SuperSite	66.500				23,244						23,244

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PROGRAM TITLES	FEDERAL CFDA NUMBER	AMOUNT OF EXPENDITURES										TOTAL
		UNR	UNLV	NSC	DRI	TMCC	CCSN	WNCC	GBC	SYSTEM		
UCCSN Environ Protection-Consol. Res.	66.500		758								758	
Total Office of Research & Development		\$322,075	\$65,233	\$0	\$268,545	\$0	\$0	\$0	\$0	\$15	\$655,868	
Total Environmental Protection Agency		\$382,214	\$83,410	\$0	\$2,005,529	\$0	\$0	\$0	\$0	\$15	\$2,471,168	
U.S. Dept. of Health & Human Services Administration on Aging Passed Through												
NV Department of Human Resources Special Programs for the Aging -B	93.044	\$139,548									\$139,548	
Special Programs-for the Aging-IV	93.048	102,801									102,801	
Total Administration on Aging		\$242,349	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$242,349	
Center for Disease Control Injury Prevention & Control Research Assistance Programs for Chronic Disease Passed Through	93.136 93.945	\$456,551 972,469									\$456,551 972,469	
Albuquerque Area Indian Health Comm Wellness Proj Eval	93.240		\$13,493								13,493	
Center for Projects Workers' Rights Injuries and Cost Shifting	93.262		5,757								5,757	
Assoc. Teachers of Prev Medicine Investigations and Technical Assistance City & County Carson City, NV	93.283	21,152									21,152	
Investigations and Technical Assistance NV Department of Human Resources	93.283	9,958									9,958	
Investigations & Technical Assistance	93.283	240,419									240,419	
Total Center for Disease Control		\$1,700,549	\$19,250	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,719,799	
Health Resources & Services Administration Rural Telemedicine Grants	93.211		\$112,545								\$112,545	
Residencies in Practice of Pediatric Dentistry Health Care and Other Facilities	93.248 93.887	(\$29,838)	2,449,755								(29,838) 2,449,755	
Passed Through National Assoc of Health Data Intermountain BRIC Consortium	93.226		4,409								4,409	
Nevada Department of Human Resources Primary Care Services	93.130	2,068									2,068	
HIV Care Formula	93.917	29,923									29,923	
Total Health Resources & Services Admin.		\$2,153	\$2,566,709	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,568,862	
Substance Abuse and Mental Health Passed Through												
UNR Mountain West Addiction Tech	93.230		\$15,308								\$15,308	
Total Substance Abuse and Mental Health		\$0	\$15,308	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$15,308	

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PROGRAM TITLES	FEDERAL CFDA NUMBER	UNR	UNLV	NSC	DRI	TMCC	CCSN	WNCC	GBC	SYSTEM	TOTAL
Agency for Health Care Policy & Research Passed Through University of Washington Research on Healthcare Costs	93.226	\$11,732									\$11,732
Total Agency for Health Care Policy & Research		\$11,732									\$11,732
National Institutes of Health											
Biometry & Risk Estimation	93.115	\$591,290									\$591,290
Drug Abuse Research	93.279	257,197	\$99,951								357,148
Biomedical Technology	93.371	77,419									77,419
Research Infrastructure	93.389	4,789,207								\$2,381,208	7,170,415
Academic Research Enhancement Fund	93.390		37,484								37,484
Cancer Cause & Prevention	93.393	996,407									996,407
Cancer Treatment Research	93.395	290,232									290,232
Cancer Biology Research	93.396	492,692									492,692
Cancer Research Manpower	93.398	193,560									193,560
Cell Biology & Biophysics Research	93.821	197,761									197,761
Heart & Vascular Diseases	93.837	1,166,442									1,166,442
Lung Diseases	93.838	300,853									300,853
Blood Diseases and Resources Research	93.839	200,249									200,249
Arthritis, Musculoskeletal & Skin Diseases	93.846	609,576									609,576
Diabetes, Endocrinology & Metabolism	93.847	322,421									322,421
Digestive Diseases	93.848	2,347,583									2,347,583
Neurosciences & Neurological Disorders	93.853	295,731									295,731
Microbiology & Infectious Diseases	93.856	1,272,091									1,272,091
Pharm., Physiology, Biological Research	93.859	216,655									216,655
Research for Mothers & Children	93.865	497,918									497,918
Aging Research	93.866	258,653									258,653
Vision Research	93.867	202,584									202,584
Minority Access to Research Careers	93.880		18,840								18,840
Fogarty International Research Collaboration	93.934	60,666									60,666
Passed Through											
Assoc of Occupational Health Data											
Environmental Health Conf	93.283		6,628								6,628
Sleep Management Inc.											
National Center on Sleep Disorders	93.233	18,105									18,105
AECOM-Yeshiva University											
Clinical Research	93.333	19,210									19,210
UCCSN											
Suicide Surveillance Project	93.283		14,121								14,121
Research Infrastructure	93.389	1,348,984	926,010								2,274,994
Heart and Vascular Diseases Research	93.837										
NIH BRIN Training	93.889		53,904								53,904
Cooper Institute											
Cancer Control	93.399	135,811									135,811
Cancer Centers Support Grants	93.397	83,627									83,627
Harvard											
NIH /Harvard Lab Analysis	93.000				\$9,018						9,018
Klein Buendel Inc											
Cancer Control	93.399	4,848									4,848
Loma Linda University											
Heart and Vascular Diseases Research	93.837	16,874									16,874

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PROGRAM TITLES	FEDERAL CFDA NUMBER	AMOUNT OF EXPENDITURES											TOTAL
		UNR	UNLV	NSC	DRI	TMCC	CCSN	WNCC	GBC	SYSTEM			
University of Colorado	93.838	203,239										203,239	
Lung Diseases Research													
University of California-REI	93.855	76,572										76,572	
Allergy, Immunology & Transplantation	93.856	171,178										171,178	
Microbiology & Infectious Diseases													
University of California-LA	93.879	6,000										6,000	
Medical Library Assistance													
University of Florida	93.242		83,678									83,678	
Personality in Social Deviancy	93.394		18,823									18,823	
Skeletal Dosimetry													
Sierra Biomedical Research Corp	93.849	46,366										46,366	
Kidney Diseases, Urology & Hematology													
University of Louisville	93.853	638,362										638,362	
Research in Neurosciences													
University of California-SF	93.866	14,545										14,545	
Aging Research													
University of Pittsburgh	93.838	15,213										15,213	
Lung Diseases Research													
University of South Carolina	93.271		19,935									19,935	
Evidence of Based Treatment													
Wake Forest University	93.866	5,417										5,417	
Aging Research													
Science Applications International Corp	93.113	96,698										96,698	
Biological Response to Environmental Health	93.396	108,095										108,095	
Cancer Biology Research													
Total National Institutes of Health		\$18,646,331	\$1,279,374	\$0	\$9,018	\$0	\$0	\$0	\$0	\$2,381,208	\$22,315,931		
Total U.S. Dept. of Health & Human Svcs		\$20,603,114	\$3,880,641	\$0	\$9,018	\$0	\$0	\$0	\$0	\$2,381,208	\$26,873,981		
Department of Homeland Security	97.045	\$55,143									\$55,143		
Passed Through													
NV-Dept of Motor Vehicles													
Cooperating Technical Partners													
Total Dept of Homeland Security		\$55,143	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$55,143		
U.S. Dept. of the Interior	15.038	\$14,260									\$14,260		
Bureau of Indian Affairs													
Minerals and Mining on Indian Lands													
Total Bureau of Indian Affairs		\$14,260	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$14,260		
Bureau of Land Management	15.200												
Climate Monitoring	15.222	\$268,803	\$45,219		\$751,280						\$751,280		
Cooperative Inspection Agreements	15.224	27,411									314,022		
Cultural Resource Management	15.225	19,749									27,411		
Recreation Resource Management	15.228	89,168									19,749		
CEFA Infrastructure	15.244		1,073								89,168		
CA-BLM Research	15.200		77,450								1,073		
Water Quality Monitoring													
Passed Through													
Scripps													
Climate Monitoring					42,437						42,437		

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PROGRAM TITLES	FEDERAL CFDA NUMBER	AMOUNT OF EXPENDITURES										TOTAL
		UNR	UNLV	NSC	DRI	TMCC	CCSN	WNCC	GBC	SYSTEM		
URS Greiner Wave Measurement	15.200				20,124						20,124	
Clark County NV Reg Flood Control Cultural Resource Mgt	15.224	108,494									108,494	
Montana State University Cultural Resource Mgt	15.224	10,454									10,454	
Total Bureau of Land Management		\$524,079	\$123,742	\$0	\$813,841	\$0	\$0	\$0	\$0	\$0	\$1,461,662	
Bureau of Reclamation												
US Water Master Truckee River	15.000				\$4,097						\$4,097	
Water Reclamation and Reuse Prog	15.504	\$9,486			255,761						265,247	
Water Desalination Research & Devel. Passed Through	15.506	48,715									48,715	
Fernley												
GW Model YR2	15.504				28,480						28,480	
Southern Nevada Water Authority Water Reclamation and Reuse Program	15.504	47,107	\$33,151								80,258	
Total Bureau of Reclamation		\$105,308	\$33,151	\$0	\$288,338	\$0	\$0	\$0	\$0	\$0	\$426,797	
U.S. Fish & Wildlife Service												
Sport Fish Restoration	15.605	\$56,986			\$333						\$56,986	
Wildlife Restoration	15.600										333	
Fish and Wildlife Management Assistance	15.608	1,118,967									1,118,967	
Wildlife Restoration	15.611	1,431									1,431	
Passed Through												
Otis Bay												
Otis Bay/Moapa Thermal	15.600				5,102						5,102	
State of Nevada												
Management Assistance	15.608		\$1,481								1,481	
State of Alaska Fish & Game												
Sport Fish Restoration	15.605	41,322									41,322	
Total U.S. Fish & Wildlife Service		\$1,218,706	\$1,481	\$0	\$5,435	\$0	\$0	\$0	\$0	\$0	\$1,225,622	
Geological Survey												
Analysis & Sampling	15.800				\$158,677						\$158,677	
State Water Resources Res. Inst.	15.805				112,272						112,272	
Earthquake Hazards Reduction Prog.	15.807	\$617,226	\$50,669								667,895	
Research & Data Acquisition	15.808	163,192	319,468		24,082						506,742	
National Cooperative Geologic Mapping Passed Through	15.810	169,708									169,708	
DRI												
US Geological Survey-Research	15.808	31,628									31,628	
Geo-Hza												
US Geological Survey-Research	15.808				14,051						14,051	
Piedmont Geosciences												
US Geological Survey-Research	15.808				9,543						9,543	
San Diego State												
US Geological Survey-Research	15.808				2,159						2,159	
State of Nevada												
Long-Range Water Supply	15.805		22,197								22,197	



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PROGRAM TITLES	FEDERAL CFDA NUMBER	AMOUNT OF EXPENDITURES											SYSTEM	TOTAL
		UNR	UNLV	NSC	DRI	TMCC	CCSN	WNCC	GBC					
UCSD Research & Data Acquisition	15.808				16,495									16,495
UNR National Cooperative Geologic Mapping	15.810		20,707											20,707
Clark County Nevada National Cooperative Geologic Mapping	15.810	41,763												41,763
Total Geological Survey		\$1,023,517	\$413,041	\$0	\$337,279	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,773,837
National Park Service Research & Analysis	15.900				\$877,928									\$877,928
Historic Pres. Fund Grants-In-Aid	15.904		\$16,570											16,570
National Natural Landmarks	15.910	\$343												343
Technical Preservation Sciences	15.915		733,983											733,983
Outdoor Recreation-Acquisition.	15.916	798												798
Disposal of Federal Surplus Passed Through	15.918	67,385												67,385
State of Nevada Historic Preservation Fund	15.904		26,060											26,060
Total National Park Service		\$68,526	\$776,613	\$0	\$877,928	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,723,067
Total U.S. Dept. of the Interior		\$2,954,396	\$1,348,028	\$0	\$2,322,821	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,625,245
U.S. Dept. of Justice Office of Victims of Crime Passed Through	16.575	\$6,231												\$6,231
NV-Dept of Human Resources Crime Victim Assistance		\$6,231	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,231
Total Office of Victims of Crime														
Department of Justice Public Safety Partnership Grants Passed Through	16.710		\$121,233											\$121,233
National Opinion Research Stop Violence Against Women ADAM Program	16.588 16.590		8,221 46,806											8,221 46,806
Total Department of Justice		\$0	\$176,260	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$176,260
Total U.S. Department of Justice		\$6,231	\$176,260	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$182,491
Agency for International Development Passed Through Institute Int'l Education USAID	98.001				\$28,186									\$28,186
Total Agency for International Development		\$0	\$0	\$0	\$28,186	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$28,186
National Aeronautics & Space Administration Aerospace Education Service Program Technology Transfer	43.001 43.002	\$354,512 229,776			\$434,665								\$513,286	\$867,798 664,441

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PROGRAM TITLES	FEDERAL CFDA NUMBER	AMOUNT OF EXPENDITURES										TOTAL
		UNR	UNLV	NSC	DRI	TMCC	CCSN	WNCC	GBC	SYSTEM		
Passed Through UCCSN												
Aerospace Education Services Program Space Grant	43.001 43.002	562,790	\$100,958		201,169						663,748 201,169	
College of Holy Cross												
Aerospace Education Services Program Environmental Robots Inc	43.001	31,795									31,795	
Aerospace Education Services Program UNR	43.001	21,223									21,223	
Aerospace Education Services Program Jet Propulsion Lab	43.002				62,672						62,672	
Aerospace Education Services Program Technology Transfer	43.001 43.002	85,944 35,850									85,944 35,850	
University of Illinois McMurdo Dry Valleys	43.002				5,641						5,641	
University of Merced NICL 2003 Core Sampling	43.002				16,871						16,871	
UNLV NASA/UNLV	43.002				(21)						(21)	
Lockheed Martin												
Aerospace Education Services Program Malin Space Science Systems	43.001	544									544	
Aerospace Education Services Program	43.001	21,255									21,255	
Total National Aeronautics & Space Admin.		\$1,343,689	\$100,958	\$0	\$720,997	\$0	\$0	\$0	\$0	\$513,286	\$2,678,930	
National Foundation on the Arts & Humanities National Endowment for the Humanities Promotion of the Hum-Ed Dev	45.162	\$88,596									\$88,596	
Passed Through Nevada Humanities Committee Promotion of the Humanities	45.129	910									910	
Total Endow for the Humanities Total National Foundation on the Arts & Hum		\$89,506 \$89,506	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$89,506 \$89,506	
National Science Foundation Engineering Grants Mathematical & Physical Sciences Geosciences Computer & Info. Sci. & Engineering Biological Sciences Social, Behavioral, & Economic Sciences Education & Human Resources Polar Programs Passed Through Tufts University Engineering Grants Arizona State University Mathematical & Physical Science Computer & Info Science & Engineering	47.041 47.049 47.050 47.070 47.074 47.075 47.076 47.078	\$802,551 863,607 864,769 530,785 2,046,720 96,843 168,641 218,978	\$178,905 405,770 54,379 506,776 506,776 96,843 168,641 9,659		\$116,217 1,767,589 901,679 46,826 489,014				\$70,679 89,549 2,888,278		\$981,456 1,456,273 2,686,737 620,334 3,455,175 143,669 3,056,919 717,651	
	47.041	26,299									26,299	
	47.049 47.070		71 668		57,611						57,682 668	

UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA  
SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2004

PROGRAM TITLES	FEDERAL CFDA NUMBER	AMOUNT OF EXPENDITURES								TOTAL
		UNR	UNLV	NSC	DRI	TMCC	CCSN	WNCC	GBC	SYSTEM
College of Charleston RUI: Photometric Telescope	47.049		4,342							4,342
IRIS Geosciences	47.050		2,864							2,864
University Corp. Atmosphere Research Geosciences	47.050				8,051					8,051
DRI Biological Sciences	47.074	51,492								51,492
UNR Flood Study	47.050				66,321					66,321
Biological Sciences	47.074				44,889					44,889
EPSCoR Ring-True San Jose State University Foun.	47.076									
Education & Human Resources	47.076	4,246								4,246
State University of NY-Buffalo	47.041	135,340								135,340
Engineering Grants	47.050									
Women's Int'l Science Coll Prog Geosciences	47.050	4,864								4,864
UCCSN Mathematical & Physical Science	47.049	26,080								26,080
Education & Human Resources	47.076	736,461	726,029		1,221,419					2,683,909
University of Arizona	47.078				13,077					13,077
Firm S. Pole University of California-San Diego	47.050				40,654					40,654
Geosciences	47.078				6,801					6,801
University of California-Merced										
UC Greenland Core										
University of Florida	47.074	129,301								129,301
Biological Sciences										
University of Illinois	47.050				146,721					146,721
Geosciences	47.074	(2)								(2)
Biological Sciences										
Vanderbilt University										
Geosciences	47.050	3,416								3,416
University of Southern California										
Geosciences	47.050	79,896								79,896
University of Delaware										
Geosciences	47.050				62,381					62,381
University of Notre Dame										
Engineering Grants	47.041	12,931								12,931
University of Puerto Rico										
Biological Sciences	47.074		37,483							37,483
San Diego State Univ										
Deep Ice Core Drill					4,936					4,936
University of Utah	47.078									
Biological Sciences	47.074	35,181								35,181
Total National Science Foundation		\$6,838,399	\$1,926,946	\$0	\$4,994,186	\$0	\$0	\$0	\$0	\$3,048,506
										\$16,808,037

UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA  
SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
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PROGRAM TITLES	FEDERAL CFDA NUMBER	AMOUNT OF EXPENDITURES										TOTAL
		UNR	UNLV	NSC	DRI	TMCC	CCSN	WNCC	GBC	SYSTEM		
U.S. Department of State Bureau of Personnel Special Domestic Assignments	19.202	(\$3,123)									(\$3,123)	
Total Bureau of Personnel		(\$3,123)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$3,123)	
Total U.S. Department of State		(\$3,123)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$3,123)	
U.S. Dept of Transportation Federal Aviation Administration Aviation Education Passed Through	20.100	\$131,589									\$131,589	
Nv-Dept of Transportation Airport Improvement Program	20.106	19,201									19,201	
Embry-Riddle Aero University Aviation Research Grants	20.108	4,906									4,906	
Univ Corp Atmos Res Hot Plate Mod	20.108				\$19,924						19,924	
AES Canada Frozen Rain	20.108				19,420						19,420	
Total Federal Aviation Administration		\$155,696	\$0	\$0	\$39,344	\$0	\$0	\$0	\$0	\$0	\$195,040	
Federal Highway Administration Highway Planning and Construction Passed Through	20.205	\$23,814									\$23,814	
Arcadis Highway Coop	20.205				\$75,210						75,210	
South Dakota Dept of Trans Highway Planning & Construction	20.205	362									362	
Research Foundation SUNY Highway Planning & Construction	20.205	109,997									109,997	
Nevada Department of Transportation Highway Planning & Construction	20.205	137,550									137,550	
Highway Training & Education	20.215		\$129,372								129,372	
Total Federal Highway Administration		\$271,723	\$129,372	\$0	\$75,210	\$0	\$0	\$0	\$0	\$0	\$476,305	
Federal Transit Administration Emission Research Passed Through	20.512				\$213,066						\$213,066	
UNR Transit Vehicle Study	20.512				29,640						29,640	
Total Federal Transit Administration		\$0	\$0	\$0	\$242,706	\$0	\$0	\$0	\$0	\$0	\$242,706	
National Highway Traffic Safety Administration Passed Through												
Nevada Dept of Motor Vehicles State & Community Highway Safety	20.600		\$255,016								\$255,016	
Nevada Dept of Transportation No Exceptions, No Excuses	20.604		24,237								24,237	

UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA  
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FOR THE YEAR ENDED JUNE 30, 2004

PROGRAM TITLES	FEDERAL CFDA NUMBER	AMOUNT OF EXPENDITURES										TOTAL
		UNR	UNLV	NSC	DRI	TMCC	CCSN	WNCC	GBC	SYSTEM		
UNR DBE Outreach Position	20.905		1,824								1,824	
Total National Highway Traffic Safety Admin. Total U.S. Dept. of Transportation		\$0	\$281,077	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$281,077	
		\$427,419	\$410,449	\$0	\$357,260	\$0	\$0	\$0	\$0	\$0	\$1,195,128	
Tennessee Valley Authority TVA Lab Analysis	62.001				\$12,991						\$12,991	
Total Tennessee Valley Authority		\$0	\$0	\$0	\$12,991	\$0	\$0	\$0	\$0	\$0	\$12,991	
Department of Veterans Affairs Veterans Health Administration Veterans State Hospital Care	64.016	\$109,083									\$109,083	
		\$109,083	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$109,083	
		\$52,361,630	\$29,211,779	\$0	\$26,234,821	\$0	\$0	\$0	\$0	\$8,066,005	\$115,874,235	
STUDENT FINANCIAL ASSISTANCE												
U.S. Dept. of Education Office of Student Financial Assistance Programs Fed Sup. Education Opportunity Grants Federal Work-Study Program Perkins Loan Program Educational Opportunity Centers NSIG '04 Federal Pell Grant Program Passed Through Nevada Dept. of Education Grants to States for Student Incentives	84.007	\$909,807	\$999,890			\$92,293	\$347,415	\$41,629	\$34,914		\$2,425,948	
	84.033					132,955	400,005	57,853	37,406		628,219	
	84.038	19,391									19,391	
	84.066		31,300								31,300	
	84.069										205,143	
	84.063	4,259,327	10,981,191	\$232,864		3,287,268	14,008,694	1,391,269	1,244,721		35,405,334	
84.069	44,913							21,747	12,262		78,922	
Total U.S. Dept. of Education		\$5,233,438	\$12,012,381	\$232,864	\$0	\$3,554,799	\$14,918,974	\$1,512,498	\$1,329,303	\$0	\$38,794,257	
Total Student Financial Assistance		\$5,233,438	\$12,012,381	\$232,864	\$0	\$3,554,799	\$14,918,974	\$1,512,498	\$1,329,303	\$0	\$38,794,257	
OTHER MAJOR PROGRAMS												
U.S. Dept. of Education Office of Postsecondary Education Gaining Early Awareness & Readiness	84.334		\$5,610,967								\$5,610,967	
		\$0	\$5,610,967	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,610,967	
Total U.S. Dept. of Education												
U.S. Dept. of Health & Human Services Substance Abuse & Mental Health Svc. Admin. Consolidated Knowledge Dev & App	93.230	\$3,468,560									\$3,468,560	
Total U.S. Dept. of Health & Human Services Total Other Major Programs		\$3,468,560	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,468,560	
		\$3,468,560	\$5,610,967	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,079,527	

UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA  
SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2004

PROGRAM TITLES	FEDERAL CFDA NUMBER	AMOUNT OF EXPENDITURES										TOTAL
		UNR	UNLV	NSC	DRI	TMCC	CCSN	WNCC	GBC	SYSTEM		
NON MAJOR PROGRAMS												
U.S. Dept. of Agriculture												
Cooperative State Research Service	10.206	\$37,400									\$37,400	
Competitive Research Grants	10.500	1,617,985									1,617,985	
Cooperative Extension Service												
Passed Through												
University of Arizona	10.303	39,315									39,315	
Integrated Programs												
University of Kentucky	10.500	580									580	
Cooperative Extension Service												
University of Wyoming	10.206	448									448	
Ag Res Competitive Res Grants												
Utah State University	10.500	4,117									4,117	
Cooperative Extension Service												
Washington State University	10.215	3,697									3,697	
Sustainable Agriculture Res & Ed												
Kansas State University	10.500	18,944									18,944	
Cooperative Extension Service												
National 4H Council												
Cooperative Extension Service	10.500	3,500									3,500	
Total Cooperative State Research Service		\$1,725,986	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,725,986	
Food & Nutrition Service												
Passed Through												
NV-Dept of Human Resources	10.551	\$128,457									\$128,457	
Food Stamps	10.557	28,636									28,636	
Special Supplemental Nutrition Program	10.564	28,709									28,709	
Nutrition Ed & Training Prog												
Nevada Dept. of Education	10.556		\$1,663			\$3,952					5,615	
Special Milk Program for Children	10.558	23,632									23,632	
Child & Adult Care Food Program	10.559	6,251	23,223								29,474	
Summer Food Service Program for Children												
Team Nutrition Grants	10.574	7,066									7,066	
Total Food & Nutrition Service		\$222,751	\$24,886	\$0	\$0	\$3,952	\$0	\$0	\$0	\$0	\$251,589	
Forest Service												
Forestry Research	10.652	\$32,879									\$32,879	
Cooperative Forestry Assistance	10.664	2,884									2,884	
Passed Through												
Nevada Department of Conservation												
Forestry Research	10.652	20,425									20,425	
Cooperative Forestry Assistance	10.664	39,657									39,657	
NV-Dept of Agriculture												
Cooperative Forestry Assistance	10.664	9,605									9,605	
Lincoln County Nevada												
Rural Dev Forestry & Comm	10.672	12,000									12,000	
Total Forest Service		\$117,450	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$117,450	
Total U.S. Dept. of Agriculture		\$2,066,187	\$24,886	\$0	\$0	\$3,952	\$0	\$0	\$0	\$0	\$2,095,025	

UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA  
SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2004

PROGRAM TITLES	FEDERAL CFDA NUMBER	AMOUNT OF EXPENDITURES										SYSTEM	TOTAL
		UNR	UNLV	NSC	DRI	TMCC	CCSN	WNCC	GBC				
U.S. Dept of Commerce Economic Development Administration Economic Development-Technical Assistance	11.303	\$89,211											\$89,211
Total Economic Development Administration		\$89,211	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$89,211
Total U.S. Dept. of Commerce		\$89,211	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$89,211
U.S. Dept. of Education Office of Postsecondary Education FWS 2003.2004	84.033	\$267,293	\$2,117,519				\$223,173						\$2,117,519
Student Support Services	84.042		291,777										782,243
Talent Search	84.044		564,725										564,725
Upward Bound	84.047	606,890	735,975			\$329,459							1,672,324
Educational Opportunity Centers	84.066		400,403										400,403
Staff Training Program	84.103		215,871										215,871
Fund for Improvement of Postsecondary Ed	84.116	904,619	184,728			50,851							1,140,198
NDETR Survey	84.126		16,399										16,399
Naturalistic and Discrete Trial	84.128		3,956										3,956
McNair Program	84.217	107,707	252,548										360,255
Steppingstone of Technology	84.327		156,916										156,916
Child Care for Student Parents	84.335	21,177					14,291		\$7,451				42,919
Teachers Technology	84.342	325,285											325,285
Teachers Technology Passed Through	84.382		420,279										420,279
UCCSN													
Eisenhower	84.281		28,060										28,060
Nv Reading Excellence Act	84.338		373,369										373,369
University of California-Berkeley Nat'l Res. Ctr & Fellowships for Language	84.015	31,586											31,586
UNLV													
New Leadership Salary Support	84.116		31,401										31,401
NV-Dept of Education													
Occupational Skills Stand - 04	84.048		66,783										66,783
NSIG	84.069		101,615										101,615
Nevada Reading First	84.338		15,819										15,819
MSU Borderless Access to Ed	84.339		59,133										59,133
Developing Math Understanding	84.367		48,191										48,191
Early Awareness for Undergrad	84.334	130,357											130,357
EDFUND													
Higher Education-Institutional Aid	84.031	38,327											38,327
Prepare Tomorrow's Teachers to use Tech	84.342									\$13,069			13,069
Nevada Writers' Project													
So NV Writing Project	84.982		61,467										61,467
Total Office of Postsecondary Education		\$2,433,241	\$6,146,934	\$0	\$0	\$380,310	\$237,464	\$0	\$7,451	\$13,069		\$9,218,469	
Office of Bilingual Ed & Minority Language Affairs Bilingual Ed-Professional Development	84.195	\$227,140										\$227,140	
Total Office of Bilingual Ed & Minority Language		\$227,140	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$227,140	
Office of Special Ed & Rehab Services Special Ed-Personnel Prep	84.325	\$103,411										\$103,411	



UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA  
SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
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PROGRAM TITLES	FEDERAL CFDA NUMBER	AMOUNT OF EXPENDITURES									
		UNR	UNIV	NSC	DRI	TMCC	CCSN	WNCC	GBC	SYSTEM	TOTAL
Special Ed-Tech Assistance & Dissemination Passed Through Carson City Nevada School District Special Education-Grants to States UC Berkley	84.326	111,690									111,690
National Writing Project Nevada Dept. of Education	84.027	5,695									5,695
Special Education-State Grants Special Education-Preschool	84.928								\$48,568		48,568
Special Ed-State Program PHI-Pacific Public Health Inst.	84.027	320,111									320,111
Nat'l Institute Disability & Rehabilitation	84.173	22,202									22,202
	84.323	74,240									74,240
	84.133	4,695									4,695
Total Special Ed & Rehab Services		\$642,044	\$0	\$0	\$0	\$0	\$0	\$0	\$48,568	\$0	\$690,612
Office of Educational Research & Improvement 21st Century Comm Learning	84.287	\$52,775									\$52,775
Total Office of Educational Res. & Improvement		\$52,775	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$52,775
Office of Elementary & Secondary Education Eisenhower Improving Teacher Quality St Grants Passed Through NV Department of Education	84.281						\$5,944			\$238,755	\$244,699
Education Reading Excellence	84.367	\$33,294								5,516	5,516
Literacy thru School Libraries NV-Dept of Human Resources	84.338	19,928								1,365,925	1,365,925
Safe & Drug-Free Schools Elko County Nevada School District	84.364	48,782								19,928	19,928
Technology Literacy Challenge Fund Lincoln County Nevada School District	84.186										
Technology Literacy Challenge Fund UCCSN	84.318	1,184									1,184
Eisenhower Professional Development Reading Excellence	84.318	245,424									245,424
NeCoTIP-Bridging the GAP	84.281	66,337							\$1,558		67,895
	84.338	577,669									577,669
	84.367	40,650					32,584		17,843		91,077
Total Office of Elementary & Secondary Ed.		\$1,033,268	\$0	\$0	\$0	\$0	\$38,528	\$0	\$19,401	\$1,610,196	\$2,701,393
Office of Vocational & Adult Education Passed Through NV Department of Education	84.002										
Adult Ed State Grant Carl Perkins Basic Grant	84.048						\$700,611	\$1,059,493	\$383,319	\$286,053	\$2,429,476
Tech-Prep Education	84.243						285,739	1,209,553	423,324	156,662	2,075,278
							135,595	122,838	111,064	113,095	482,592
Total Office of Vocational & Adult Education		\$0	\$0	\$0	\$0	\$1,121,945	\$2,391,884	\$917,707	\$555,810	\$0	\$4,987,346
Total U.S. Dept. of Education		\$4,388,468	\$6,146,934	\$0	\$0	\$1,502,255	\$2,667,876	\$917,707	\$631,230	\$1,623,265	\$17,877,735
U.S. Dept. of Energy Renewable Energy Research & Develop.	81.087	\$27,551									\$27,551



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PROGRAM TITLES	FEDERAL CFDA NUMBER	AMOUNT OF EXPENDITURES									
		UNR	UNLV	NSC	DRI	TMCC	CCSN	WNCC	GBC	SYSTEM	TOTAL
Science & Technology for Environ. Mgmt	81.104	13,648									13,648
Energy Efficiency & Renewable Energy	81.117	33,978									33,978
Passed Through											
NV-Governor's Office	81.041	35,391									35,391
State Energy Program	81.087	14,734									14,734
Renewable Energy Res & Dev											
Total Off of Energy Efficiency & Renewable Energy		\$125,302	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$125,302
Total U.S. Dept. of Energy		\$125,302	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$125,302
Environmental Protection Agency											
Office of Air & Radiation											
Passed Through											
Nevada Dept of Conservation & Natural Resources	66.001	\$91,856									\$91,856
Air Pollution Control Program											
Total Office of Air & Radiation		\$91,856	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$91,856
Office of Water											
Passed Through											
NV Dept of Conservation & Natural Resources	66.419	\$27,077									\$27,077
Water Pollution Control	66.454	42,117									42,117
Water Quality Management Prog											
Total Office of Water		\$69,194	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$69,194
Office of Environmental Education											
Environmental Educ. & Training Program	66.950	\$1,561									\$1,561
Environmental Education Grants	66.951	8,853									8,853
Total Office of Environmental Education		\$10,414	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,414
Office of Prev, Pesticides & Toxic Sub											
Pollution Prevention	66.708	\$419,381									\$419,381
Total Office of Prevention, Pesticides & Toxic Sub		\$419,381	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$419,381
Total Environmental Protection Agency		\$590,845	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$590,845
U.S. Dept. of Health & Human Services											
Health Resources & Services Admin.											
Area Health Education Centers	93.107	\$313,465									\$313,465
EMS for Children	93.127	115,939									115,939
Nat'l Health Serv Corps	93.162	65,500									65,500
State Rural Hospital Flexibility Program	93.241	546,874									546,874
Rural Access to Emergency	93.259	369,597									369,597
Oral Health	93.283		\$12,399								12,399
Small Rural Hospital Improvement Grants	93.301	120,141									120,141
Professional Nurse Traineeship	93.358	21,799									21,799
Rural Health Outreach Grant Program	93.912								\$189,375		189,375
Grants St Oper Offices of Rural Health	93.913	188,884									188,884
Improving EMS/Trauma Care in Rural Areas	93.952	20,728									20,728
Nevada Geriatric Ed Center	93.969	222,851									222,851

UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA  
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FOR THE YEAR ENDED JUNE 30, 2004

PROGRAM TITLES	FEDERAL CFDA NUMBER	AMOUNT OF EXPENDITURES										TOTAL
		UNR	UNLV	NSC	DRI	TMCC	CCSN	WNCC	GBC	SYSTEM		
Passed Through												
UNR												
Model State Supported AHEC	93.107							\$52,123			52,123	
Special Programs for the Aging	93.044		64,371								64,371	
McKing Consulting												
NDPC Evaluation	93.135		25,960								25,960	
University of California-San Francisco												
AIDS Education & Training Centers	93.145	233,814									233,814	
Nevada Dept. of Human Resources												
Maternal & Child Health Consolidated	93.110	74,116									74,116	
Primary Care-Coordination	93.130	20,158									20,158	
Quentin N Burdick Programs	93.192	144,351									144,351	
Nevada Community Pass	93.779		33,518								33,518	
HIV Care Formula	93.917	42,790									42,790	
Rape Prevention Education	93.991		21,642								21,642	
Great Basin Primary Care Agency												
Rural Health Outreach	93.912	39,663									39,663	
GBC												
Improving EMS/Training Care Rural Areas	93.952	34,738									34,738	
Total Health Resources & Services Admin.		\$2,575,408	\$157,890	\$0	\$0	\$0	\$0	\$52,123	\$189,375	\$0	\$2,974,796	
Substance Abuse & Mental Health Svc. Admin.												
SAMHS-Projects of Reg & Nat'l	93.243	\$114,138									\$114,138	
Passed Through												
Nevada Department of Human Resources												
Cooperative Agreements for State	93.238	4,877									4,877	
Block Grant for Prevention/Treatment	93.959	723,382									723,382	
Total Substance Abuse & Mental Health Svc.		\$842,397	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$842,397	
Center for Disease Control												
Passed Through												
Nevada Department of Human Res												
Tuberculosis	93.116	\$76,309									\$76,309	
Centers for Res & Dev	93.135	1,082									1,082	
Health Prog. Toxic Sub & Diseases	93.161	15,304									15,304	
Human Health Studies	93.206	1,386									1,386	
Investigations & Technical Asst	93.283	904,441									904,441	
Am College Health Assoc	93.938		\$1,989								1,989	
Assistance Programs for Chronic Disease	93.945	5,399									5,399	
Coop Agreements for Diabetes	93.988	65,699									65,699	
Clark County Nevada												
Investigations and TechAssistance	93.283	23,553									23,553	
Total Center for Disease Control		\$1,093,173	\$1,989	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,095,162	
Administration for Children & Families												
Head Start	93.600	\$1,150,043									\$1,150,043	
Disabilities Univ. Affiliated Programs	93.632	374,401									374,401	
Passed Through												
Childrens Cabinet												
Child Care & Development	93.575	163,344									163,344	

UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA  
SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2004

PROGRAM TITLES	FEDERAL CFDA NUMBER	AMOUNT OF EXPENDITURES									
		UNR	UNLV	NSC	DRI	TMCC	CCSN	WNCC	GBC	SYSTEM	TOTAL
Social Services Block Grant	93.667	4,484									4,484
Nevada Dept. of Human Resources	93.556	33,904									33,904
Safe & Stable Families	93.568	5,955									5,955
Low-Income Home Energy Assistance	93.571		\$25,654								25,654
NCA	93.575		22,725								22,725
Child Care & Development	93.643	37,012									37,012
Children's Justice Grants to States	93.648	434,094	666,112								1,100,206
Child Welfare Training Program	93.667	34,985									34,985
Social Services Block Grant	93.669	23,446									23,446
Child Abuse and Neglect State Grants	93.674	211,963									211,963
Chafee Foster Care Indep Liv	93.959		30,959								30,959
BADA											
Washoe County Nevada School		204									204
Child Abuse & Neglect St Grants											
Total Administration for Children & Families		\$2,473,835	\$745,450	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,219,285
Administration on Aging											
Passed Through											
Nevada Department of Human Resources	93.044	\$366,822									\$366,822
Special Programs for Aging-III	93.048	47,705									47,705
Special Programs for Aging-IV	93.192		\$6,553								6,553
Natl'l Diabetes Prevention Ctr	93.052	112,222									112,222
Naion Family Caregiver Support Program											
Total Administration on Aging		\$526,749	\$6,553	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$533,302
National Institutes of Health											
National Institutes of Health	93.121		\$40,541								\$40,541
Passed Through											
UCCSN											
NECOTIP	93.389						\$26,674				26,674
Total National Institutes of Health		\$0	\$40,541	\$0	\$0	\$0	\$26,674	\$0	\$0	\$0	\$67,215
Total U.S. Dept. of Health & Human Services		\$7,511,562	\$952,423	\$0	\$0	\$0	\$26,674	\$52,123	\$189,375	\$0	\$8,732,157
U.S. Dept of Homeland Security											
Passed Through											
NV-Dept of Motor Vehicles	97.004	\$1,010									\$1,010
State Domestic Preparedness	97.045	57,607									57,607
Cooperating Technical Partners	97.047	21,407									21,407
Pre-Disaster Mitigation											
Total US Dept of Homeland Sec		\$80,024	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$80,024
U.S. Dept. of Housing & Urban Development											
Community Planning & Development			\$40,975								\$40,975
NV Science Technology Center	14.246										
Total Community Planning & Development		\$0	\$40,975	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$40,975

UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA  
SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2004

PROGRAM TITLES	FEDERAL CFDA NUMBER	AMOUNT OF EXPENDITURES										TOTAL
		UNR	UNLV	NSC	DRI	TMCC	CCSN	WNCC	GBC	SYSTEM		
Public & Indian Housing Passed Through City of Reno, Nevada Resident Opportunity & Sup	14.870	\$34,196										\$34,196
		\$34,196	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$34,196
		\$34,196	\$40,975	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$75,171
	Total U.S. Dept. of Housing & Urban Development											
Corp. for National & Community Service Senior Volunteer Program Passed Through Community Chest Inc Learn & Serve America	94.002	\$119,575										\$119,575
	94.005	66,356										66,356
	Total for Corp. for National & Community Service		\$185,931	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$185,931
Department of Justice Office of Victims of Crime Passed Through Nevada Depart of Human Resources Crime Victim Assistance	16.575	\$80,341										\$80,341
		\$80,341	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$80,341
	Total Office of Victims of Crime											
Civil Rights Division Anti Discrimination Provision Act	16.110	\$26,766										\$26,766
		\$26,766	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$26,766
	Total Civil Rights Division											
Bureau of Justice Assistance Passed Through Nevada Department Motor Vehicles Local Law Enforcement Program	16.592	(\$1,020)										(\$1,020)
		(\$1,020)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,020)
	Total Bureau of Justice Assistance											
Violence Against Women Grants Office Passed Through Nevada Office of Attorney General Formula Grants Arrest Policies & Enforcement	16.588	\$41,028	\$8,221									\$49,249
	16.590	22,251										22,251
	Total Violence Against Women Grants Office		\$63,279	\$8,221	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$71,500
Office of Community Oriented Policing Services Public Safety Partnership Grants	16.710		\$121,233									\$121,233
		\$0	\$121,233	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$121,233
	Total Office of Community Oriented Services		\$169,366	\$129,454	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$298,820
Total U.S. Dept. of Justice												

UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA  
SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2004

PROGRAM TITLES	FEDERAL CFDA NUMBER	AMOUNT OF EXPENDITURES										TOTAL
		UNR	UNLV	NSC	DRI	TMCC	CCSN	WNCC	GBC	SYSTEM		
Department of Labor Employment & Training Administration Job Training Partnership Act Center for Workplace Dev Passed Through City of Las Vegas Nevada Employment Services S. Nevada Work Investment Board Hotel/Casino Training Program Nevada Works Employment & Training Evaluation Projects WIA Youth Workforce Invest. Act-Youth Activities WIA DW Employment & Training Admin Pilots Total Employment & Training Admin Total U.S. Department of Labor	17.250	\$14,803	\$152,817									\$14,803
	17.261											152,817
	17.207	60,167										60,167
	17.258		76,037									76,037
	17.248	70,644										70,644
	17.258								\$11,289			11,289
	17.259	5,654							10,196			15,850
	17.260								14,082			14,082
	17.261							\$117,691				117,691
			\$151,268	\$228,854	\$0	\$0	\$0	\$0	\$117,691	\$35,567	\$0	\$533,380
		\$151,268	\$228,854	\$0	\$0	\$0	\$0	\$117,691	\$35,567	\$0	\$533,380	
U.S. Department of State Bureau of Ed & Cultural Affairs Educational Exchange-Grad	19.400	\$47,672									\$47,672	
Total Bureau of Ed & Cultural Affairs		\$47,672	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$47,672	
Total U.S. Department of State		\$47,672	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$47,672	
Agency for International Development Passed Through American Int'l Health Alliance Prog for Study of E Europe USAID	98.001	\$22,321									\$22,321	
Total Agency for Int'l Development		\$22,321	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$22,321	
U.S. Department of Interior Bureau of Land Management Wildland Urban Interface Comm	15.228	\$27,585									\$27,585	
Total Bureau of Land Management		\$27,585	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$27,585	
Geological Survey Research & Data Acquisition	15.808	\$13,701									\$13,701	
Total Geological Survey		\$13,701	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,701	
Total U.S. Department of Interior		\$41,286	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$63,607	
National Aeronautics & Space Admin Aerospace Education Services	43.001	\$600								\$326,928	\$327,528	

UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA  
SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2004

PROGRAM TITLES	FEDERAL CFDA NUMBER	AMOUNT OF EXPENDITURES									
		UNR	UNLV	NSC	DRI	TMCC	CCSN	WNCC	GBC	SYSTEM	TOTAL
Passed Through UNR											
Aerospace Education Services	43.001							\$25,725			25,725
UCCSN											
Aerospace Education Services	43.001					\$1,502					1,502
Total National Aeronautics & Space Admin.		\$600	\$0	\$0	\$0	\$1,502	\$0	\$25,725	\$0	\$326,928	\$354,755
National Foundation on Arts & Humanities											
National Endowment for the Arts											
Passed Through											
NV-Dept of Cultural Affairs											
Promotion Arts-State & Reg. Prog.	45.024	\$18,678									\$18,678
Nevada State Council on Arts											
Performing Arts-GBC Theater	45.024								\$1,552		1,552
Promotion of the Arts Partnership	45.025					\$4,402	\$8,684				13,086
Nevada Sources Project	45.129					4,247					4,247
Total National Endowment for the Arts		\$18,678	\$0	\$0	\$0	\$8,649	\$8,684	\$0	\$1,552	\$0	\$37,563
National Endowment for the Humanities											
Passed Through											
Nevada Humanities Committee	45.129	\$349,905	\$1,000				\$1,000				\$351,905
Promotion-Federal/State	45.130	1,000									1,000
Promotion-Challenge Grants											
Asian Studies Center	45.161		6,632								6,632
Total National Endowment for the Human.		\$350,905	\$7,632	\$0	\$0	\$0	\$1,000	\$0	\$0	\$0	\$359,537
Institute of Museum & Library Services											
Passed Through											
Nevada Arts Council											
Conna Beam FY 04	45.007		\$3,761								\$3,761
NV-Dept of Cultural Affairs											
State Library Program	45.310	\$509									509
Total Institute of Museum & Library Svcs		\$509	\$3,761	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,270
Total National Foundation Arts & Human.		\$370,092	\$11,393	\$0	\$0	\$8,649	\$9,684	\$0	\$1,552	\$0	\$401,370
National Science Foundation											
Engineering Grants	47.041	\$41,170									\$41,170
Education & Human Resources	47.076	8,530						\$7,500			16,030
Passed Through											
State University at New York-Buffalo											
Engineering Grants	47.041	31,717									31,717
UCCSN											
EPSCoR - Ring True	47.076	45,271					\$61,735				107,006
Total National Science Foundation		\$126,688	\$0	\$0	\$0	\$0	\$61,735	\$7,500	\$0	\$0	\$195,923



**UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA  
SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2004**

PROGRAM TITLES	FEDERAL CFDA NUMBER	AMOUNT OF EXPENDITURES									
		UNR	UNLV	NSC	DRI	TMCC	CCSN	WNCC	GBC	SYSTEM	TOTAL
Small Business Administration Program for Intl Educ & Train	59.000		\$2,279								\$2,279
Small Business Development Center Passed Through	59.037	\$640,875									640,875
UNR											
Small Business Development Center	59.037		102,514						\$51,275		153,789
Iowa State University											
Bus Dev Assistance-Sm Bus	59.005	15,373									15,373
Small Business Development Center	59.037	238,181							3,608		241,789
University of Texas-San Antonio											
Small Business Development Center	59.037	2,035									2,035
Total Small Business Administration		\$896,464	\$104,793	\$0	\$0	\$0	\$0	\$0	\$54,883	\$0	\$1,056,140
U.S. Dept. of Transportation Federal Highway Administration Highway Training & Education Passed Through	20.215	\$160,767									\$160,767
Research Foundation-SUNY Highway Planning & Construction	20.205	50,262									50,262
Nevada Dept. of Transportation Highway Training & Education	20.215	293,269									293,269
Total Federal Highway Administration		\$504,298	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$504,298
National Highway Traffic-Safety Admin. Passed Through											
Nevada Dept of Motor Vehicles State & Community Highway Safety Occupant Protection	20.600 20.602	\$3,841	\$87,968								\$87,968 3,841
Total National Highway Traffic Safety Admin.		\$3,841	\$87,968	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$91,809
Office of the Secretary Passed Through											
Nevada-Dept of Transportation Support Mechanisms Disadvantaged Bus Ent-Short Term Lending	20.903 20.905	\$19,886 32,957									\$19,886 32,957
Total Office of the Secretary		\$52,843	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$52,843
Total U.S. Dept. of Transportation		\$560,982	\$87,968	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$648,950
U.S. Dept. of Veterans Affairs Veterans Health Svcs & Research Admin. Veterans Medical Care Benefits Veterans Nursing Home Care Veterans State Medical Care	64.009 64.010 64.016	\$1,544,274 13,056 1,013,806									\$1,544,274 13,056 1,013,806

UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA  
SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2004

PROGRAM TITLES	FEDERAL CFDA NUMBER	AMOUNT OF EXPENDITURES									
		UNR	UNLV	NSC	DRI	TMCC	CCSN	WNCC	GBC	SYSTEM	TOTAL
Sharing Specialized Resources	64.018	69,506									69,506
Total U.S. Dept. of Veteran Affairs		\$2,640,642	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,640,642
Total Other Programs		\$20,099,107	\$7,727,680	\$0	\$0	\$1,516,358	\$2,765,969	\$1,120,746	\$912,607	\$1,950,193	\$36,092,660
Total Federal Assistance		\$81,162,735	\$54,562,807	\$232,864	\$26,234,821	\$5,071,157	\$17,684,943	\$2,633,244	\$2,241,910	\$10,016,198	\$199,840,679



**UNIVERSITY & COMMUNITY COLLEGE SYSTEM OF NEVADA**  
**SINGLE AUDIT REPORT**  
**FOR THE YEAR ENDED JUNE 30, 2004**  
**NOTES TO SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF**  
**FEDERAL AWARDS**

Note 1

The purpose of the Supplementary Schedule of Expenditures of Federal Awards is to present a summary of the activities of the University and Community College System of Nevada for the year ended June 30, 2004, which have been financed by the U.S. Government.

For purposes of this Schedule, Federal awards have been classified into two types:

- Direct Federal Awards
- Pass-through funds received from non-Federal organizations made under Federally sponsored programs coordinated by those organizations

Because the Schedule presents only a selected portion of the activities of the University and Community College System of Nevada, it is not intended to and does not present either the net assets, revenues, expenses, and changes in net assets, or cash flows of the University and Community College System of Nevada.

The University and Community College System of Nevada consists of the University of Nevada, Reno; the University of Nevada, Las Vegas; University and Community College System of Nevada Administration; the Desert Research Institute; Truckee Meadows Community College; the Community College of Southern Nevada; Western Nevada Community College; Great Basin College and Nevada State College at Henderson.

The Schedule is prepared on the accrual basis of accounting.

Note 2

The following schedule represents loans advanced by the System for the year ended June 30, 2004:

Federal Perkins Loan Advances (CFDA Number 84.038)	\$2,158,000
Nursing Student Loan Advances (CFDA Number 93.364)	132,000
Health Professions Student Loan Advances (CFDA Number 93.342)	<u>177,000</u>
	<u>\$2,467,000</u>

The Federal Perkins, Nursing Student Loan Programs ("NSL") and Health Professions Student Loan Programs ("HPSL") are administered directly by the System and balances and transactions relating to these programs are included in the System's financial statements. The balances of loans outstanding under the Perkins, NSL and HPSL programs were \$7,737,000, \$308,000 and \$491,000, respectively, as of June 30, 2004.

Note 3

For the fiscal year ended June 30, 2004, the System processed approximately \$108,634,000 in new loans under the Federal Family Education Loan Program (CFDA 84.032)(formerly known as the Guaranteed Student Loan Program). Loan amounts include subsidized and unsubsidized Federal Stafford Loans, Direct Lending Program Loans, and Federal Parent Loans for Undergraduate Students.

Note 4

The total value of the federal awards in the form of non-cash assistance during the fiscal year ended June 30, 2004 was \$0.

UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE  
YEAR ENDED JUNE 30, 2004

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Section I--Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: unqualified

Internal control over financial reporting:

Material weakness identified? ☐ yes ☒ no

Reportable condition identified  
not considered to be material weaknesses? ☐ yes ☒ none reported

Noncompliance material to financial statements noted? ☐ yes ☒ no

Federal Awards

Internal control over major programs:

Material weakness identified? ☐ yes ☒ no

Reportable condition identified  
not considered to be material weaknesses? ☐ yes ☒ none reported

Type of auditor's report issued on compliance  
for major programs: unqualified

Any audit findings disclosed that are required  
to be reported in accordance with  
Circular A-133, Section .510(a)? ☒ yes ☐ no

Identification of major programs or program clusters:

<u>Program</u>	<u>CFDA Number</u>
Research and Development	cluster
Student Financial Assistance	cluster
Consolidated Knowledge Dev & App	93.230
Gaining Early Awareness & Readiness	84.334

Dollar threshold used to distinguish  
between Type A and Type B programs: \$3,000,000

Auditee qualified as low-risk auditee? ☒ yes ☐ no

Section II--Financial Statement Findings

There were no findings or questioned costs related to the financial statements required to be reported in accordance with *Government Auditing Standards* for the fiscal year ended June 30, 2004.

### Section III—Federal Award Findings and Questioned Costs

#### **Finding – UNLV #1:**

**Questioned Costs: \$1,111.11**

<u>Granting Agency</u>	<u>CFDA #</u>	<u>Program</u>
Department of Transportation	20.215	Pedestrian Safety Program

As noted in OMB Circular A-21 salary expense must be associated with effort expended by the individual on each particular project. During our testing of payroll expenditures, we selected a sample of 13 awards for which Percentage of Effort forms were required, and noted one expenditure which was charged to the incorrect grant.

#### **Recommendation:**

We recommend that the Grants and Contracts department review all returned Percentage of Effort forms to ensure compensation expense is allocated to each grant based on efforts actually expended.

#### **Institution Response:**

We believe that obtaining an effective computer based effort reporting system will enhance our ability to monitor this process. The cited account was noted and the principal investigator had been requested to correct the error. However, we did not follow up to ensure that the correction was made. This was a procedural error that we believe will be less likely to occur once we have upgraded from a manual, paper intensive system to a computer based system.

#### **Finding - UNLV #2**

**Questioned Costs : \$0**

In the performance of its federal award programs, UNLV contracts for services from unrelated educational, for-profit and non-profit organizations when necessary. In such cases, OMB Circular A-133 (Subpart D, Section .400(d)(3)) requires the pass-through entity to monitor the activities of subrecipients to ensure that federal awards are used for authorized purposes in compliance with laws, regulations and the provisions of contracts or grant agreements and that performance goals are achieved. Based on our testing of 12 awards with subrecipients, we noted that UNLV did not receive the most recent Single Audit Report from three of the subrecipients.

#### **Recommendation:**

We recommend that UNLV enhance procedures to obtain and review, on at least an annual basis, the most recent Single Audit Report from all of its non-profit subrecipients who are subject to the compliance requirements of OMB Circular A-133.

#### **Institution Response:**

We are now able to access the Single Audit Reports for most of the institutions we collaborate via the internet. For those institutions that are not listed, we will note that as an exception in our databases and we will aggressively pursue the receipt of those audits. The ability to access these audit reports via the internet greatly enhances our ability to be compliant with this requirement.

# UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA

## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE YEAR ENDED JUNE 30, 2004

Fiscal Year	Finding Number	Finding	CFDA Number	Questioned Costs	Comments
2003	UNR #1	As noted in the OMB Circular A-133 Compliance Supplement, all laborers and mechanics employed by contractors or subcontractors to work on construction contracts in excess of \$2,000 financed by Federal assistance funds must be paid wages not less than those established for the locality of the project (prevailing wage rates). During our testing of compliance with the Davis-Bacon Act, we selected seven expenditures which qualified under the Davis-Bacon Act, and noted one instance where an expenditure was encumbered and paid, but the subcontractor did not provide the University with the Prevailing Wage report.	81.087F	\$1,995	We concur with the recommendation. The one expenditure in question involved payment for highly specialized parts and installation activity which required compliance with exact specifications and delivery to the facility (Nevada Terrawatt Facility) funded from federal grant funds with which the university Facilities Services Department had no direct involvement. We have made the university Purchasing Department aware of the need for the Facilities Department to review <u>all</u> construction contracts funded from federal grant funds to ensure compliance with the Davis Bacon Act. We have requested a copy of a prevailing wage report from the vendor.