BOARD OF REGENTS
BRIEFING PAPER

1. Agenda Item Title: Use of Capital Improvement Fees

Meeting Date: September 5/6, 2013

2. BACKGROUND & POLICY CONTEXT OF ISSUE:

As noted in two of the formula budget implementation plans, modification of language in the existing Capital Improvement Fee policy is requested to allow institutions to use those funds for related salary and benefit expenses, to the extent those expenses are part of a Board approved operating budget.

3. SPECIFIC ACTIONS BEING RECOMMENDED OR REQUESTED:

Approve amendment to Handbook Title 4, Chapter 10, Section 12: Capital Improvement Fees to allow utilization of the Capital Improvement Fees for related salary and benefit expenses. This amendment is effective until June 30, 2015.

4. IMPETUS (WHY NOW?):

This is part of two institutional formula implementation plans for FY14.

5. BULLET POINTS TO SUPPORT REQUEST/RECOMMENDATION:

- Enables this option for institutions that have identified this as a part of their FY 14 budget plans.
- CIF revenues are institutional specific and do not impact other institutions.

6. POTENTIAL ARGUMENTS AGAINST THE REQUEST/RECOMMENDATION:

- None known

7. ALTERNATIVE(S) TO WHAT IS BEING REQUESTED/RECOMMENDED:

- No changes to existing policy

8. COMPLIANCE WITH BOARD POLICY:

- ☐ Consistent With Current Board Policy: Title #_____ Chapter #_____ Section #_______
- ☒ Amends Current Board Policy: Title #_4__ Chapter #_10__ Section #_12___
- ☐ Amends Current Procedures & Guidelines Manual: Chapter #_____ Section #______
- ☐ Other:____
- ☐ Fiscal Impact: Yes__ __ No_X____
  Explain:

Revised: June 2010

PROPOSED REVISION TO

Board of Regents Handbook

Title, 4, Chapter 10, Section 12

Additions appear in ***boldface italics***; deletions are [~~stricken~~ and bracketed]

Section 12. Use of the Capital Improvement Fee

1. A portion of the registration fee established pursuant to Title 4, Chapter 17, for all credit-bearing courses, shall be allotted for capital projects and will be referred to as the "Capital Improvement Fee."

2. Funds generated from the Capital Improvement Fee shall be deposited into a Capital Improvement Fee Fund for each institution that is maintained separately.

3. Funds generated by the Capital Improvement Fee may be expended on projects of $100,000 or less that have been approved by the president and if for the following purposes:

   a. For the service of revenue bonds when a revenue bond issue is authorized by the Nevada State Legislature and approved by the Board of Regents. Such revenue bonds may be issued for the purpose of construction and furnishing of facilities.

   b. For the necessary supplementation of capital projects that have been approved by the Nevada State Legislature.

   c. For loans on residence and dining hall bond indebtedness service when funds are not otherwise available to meet the required annual payments.

   d. For remodeling projects and related furniture, fixtures, and equipment as are urgently needed for the accommodation of students in buildings, but which cannot be funded from other institutional funds or State Public Works Board Capital Improvement Funds.

   e. For programming, planning, design, and feasibility studies pertaining to capital projects, which require consulting services in order to carry out the institution's basic responsibilities in developing long-range programs and plans.

   f. For real property improvements as are necessary.

   g. For the purchase of land or buildings adjacent to a campus or branch campus and within the master plan areas as such land or buildings become available and are offered for sale.

   h. For other purposes approved by the Board of Regents.

4. Expending funds generated by the Capital Improvement Fee for projects or expenses in excess of $100,000 requires approval by the Board of Regents.

5. Funds generated by the Capital Improvement Fee may also be spent on salary and benefit expenses related to Capital Improvement Fee projects, to the extent those expenses are part of a Board approved operating budget and do not exceed $250,000 per year. [This amendment is effective only until June 30, 2015.]