

BOARD OF REGENTS BRIEFING PAPER

1. AGENDA ITEM TITLE: Handbook Policy Proposal – Fee Account Balances

MEETING DATE: June 8-9, 2017

2. BACKGROUND & POLICY CONTEXT OF ISSUE:

At the request of Chairman Trachok, System staff, in consultation with campus representatives, prepared the attached draft policy regarding the threshold for account balances in various student fee supported accounts. At the request of the Chair, the policy was drafted to make clear the Board's intention that any fees collected from students be utilized for the direct benefit of the student groups from which they are collected.

The proposed policy also requires that balances in all student fee funded accounts including, but not limited to, student fees, special course fees, differential program fees, health center fees, technology fees, excess credit fees and registration fees (including student access, capital improvements, general improvement, and activities and programs fees) be expended within the year collected or carried forward for no more than one year unless a waiver or longer period of time is granted by the Board as further set forth in the Board policy.

3. SPECIFIC ACTIONS BEING RECOMMENDED OR REQUESTED:

Board review and approval of the attached policy with an effective date of July 1, 2018 to allow for implementation.

4. IMPETUS (WHY NOW?):

This Policy Proposal was prepared at the request of Chairman Trachok for review by the Board.

5. BULLET POINTS TO SUPPORT REQUEST/RECOMMENDATION:

- This proposed policy makes clear the Board's intention that any fees collected from students be utilized for the direct benefit of the student groups from which they are collected.
- Existing Board policy allows fees to be collected 'up to' approved rates. This policy would provide clear direction, by way of maximum balance thresholds, for institutions to adjust fees downward as conditions dictate.

6. POTENTIAL ARGUMENTS AGAINST THE REQUEST/RECOMMENDATION:

- Some entities, such as credit rating agencies, consider NSHE cash balances in total and a balance reduction in one area such as fee accounts could be noted in future ratings discussions, however it is not anticipated this change would be a material impact in ratings. Likewise accrediting bodies consider cash reserves as well.

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

- Significant discussion among the campuses occurred with regard to the one year carry forward. For this proposed policy the Board could deny, approve, or approve with a different carry-forward timeframe (1 semester, 90 days, etc).

8. COMPLIANCE WITH BOARD POLICY:

<input type="checkbox"/> Consistent With Current Board Policy: Title #_____ Chapter #_____ Section #_____
X Amends Current Board Policy: Title #_10_____ Chapter #_10___ Section #_New 19_____
Amends Current Procedures & Guidelines Manual: Chapter #_ Section #____
<input type="checkbox"/> Other: _____
<input type="checkbox"/> Fiscal Impact: Yes_____ No_____
Explain: _____

POLICY PROPOSAL
TITLE 4, CHAPTER 10, NEW SECTION 19
Fee Account Balances
EFFECTIVE DATE: JULY 1, 2018

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

Section 19. Fee Account Balances

- 1. It is the intention of the Board of Regents that any fees collected from students be utilized for the direct benefit of the student groups from which they are collected. All fees, including but not limited to student fees, special course fees, differential program fees, health center fees, technology fees, excess credit fees, and registration fees (including student access, capital improvement, general improvement, and activities and programs fees) that remain unexpended as of June 30th of the fiscal year in which they are collected may be carried forward for up to one fiscal year unless a waiver or longer period of time is granted by the Board as further set forth in the Board policy.*
- 2. Except as otherwise provided in this subsection, this policy applies to the fees listed in subsection 1 and approved by the Board of Regents under Chapter 7 of the Procedures and Guidelines Manual. The policy does not apply to the fee account balances associated with self-supporting programs.*
- 3. Exceptions for anticipated capital, residence life operations, and equipment expenditures requiring a multi-year carry-forward may be approved by the president, in consultation with student government. Such exceptions, including a description and the justification for the reserves, must be reported to the Chancellor by September 30th of each year.*

RENUMBER SECTIONS 19 THROUGH 33 AS SECTIONS 20 THROUGH 34.

College of Southern Nevada

<u>Fees</u>	FY 12	FY 13	FY 14	FY 15	FY 16	FY 17 <i>Projected</i>
Special Course Fees						
Ending Balance:	\$950,582.83	\$794,132.53	\$699,972.48	\$717,673.09	\$687,594.84	\$742,187.90
Differential Program Fees						
Ending Balance:	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Health Center Fees						
Ending Balance:	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Technology Fees						
Ending Balance:	\$6,947,482.32	\$4,679,981.30	\$3,755,380.50	\$3,169,707.05	\$3,093,503.01	\$2,576,716.31
Excess Credit Fees						
Ending Balance:	\$0.00	\$0.00	\$0.00	\$1,266,171	\$2,021,269.44	\$2,401,322.29
Student Access Fees						
Ending Balance:	\$1,733,463.12	\$2,405,584.79	\$988,860.95	\$318,072.22	\$332,880.45	\$397,551.10
Capital Improvement Fees						
Ending Balance:	\$9,333,626.07	\$10,259,224.78	\$10,088,873.07	\$9,013,790.28	\$7,485,621.85	\$4,851,956.78
General Improvement Fees						
Ending Balance:	\$11,869,471.28	\$15,414,837.14	\$18,984,230.64	\$17,439,194.07	\$17,224,710.75	\$14,179,710.86
Activities and Program Fees						
Ending Balance:	\$1,224,594.04	\$1,332,761.82	\$1,463,181.95	\$1,348,756.82	\$1,212,750.06	\$885,424.13

Great Basin College

<u>Fees</u>	FY 12	FY 13	FY 14	FY 15	FY 16	FY 17 <i>Projected</i>
Special Course Fees						
Ending Balance:	\$257,262.24	\$199,018.73	\$174,857.07	\$245,765.17	\$298,069.65	\$352,069.65
Differential Program Fees						
Ending Balance:	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$32,422.00
Health Center Fees						
Ending Balance:	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Technology Fees						
Ending Balance:	\$276,901.08	\$287,038.32	\$207,712.81	\$167,684.48	\$180,797.03	\$250,797.03
Excess Credit Fees						
Ending Balance:	\$0.00	\$0.00	\$0.00	\$8,878.20	\$21,635.36	\$29,550.64
Student Access Fees						
Ending Balance:	\$12,108.50	\$19,488.70	\$26,515.34	\$8,854.40	\$10,294.65	\$15,294.65
Capital Improvement Fees						
Ending Balance:	\$1,106,915.34	\$1,196,449.92	\$1,083,953.72	\$952,260.21	\$1,008,303.07	\$900,000.07
General Improvement Fees						
Ending Balance:	\$503,997.74	\$674,691.59	\$745,569.93	\$799,598.83	\$941,085.22	\$800,085.22
Activities and Program Fees						
Ending Balance:	\$13,034.02	\$12,146.90	\$8,839.48	-\$3,349.79	\$0.00	\$0.00

Truckee Meadows Community College

<u>Fees</u>	FY 12	FY 13	FY 14	FY 15	FY 16	FY 17 <i>Projected</i>
Special Course Fees						
Ending Balance:	\$414,193.00	\$410,158.00	\$539,674.00	\$622,827.00	\$652,877.00	\$829,816.00
Differential Program Fees						
Ending Balance:	\$0.00	\$0.00	\$0.00	\$17,061.00	\$26,039.00	\$80,401.00
Health Center Fees						
Ending Balance:	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Technology Fees						
Ending Balance:	\$2,325,890.00	\$1,602,990.00	\$1,284,318.00	\$716,798.00	\$497,505.00	\$598,586.00
Excess Credit Fees						
Ending Balance:	\$0.00	\$0.00	\$0.00	\$124,745.00	\$113,418.00	\$165,309.00
Student Access Fees						
Ending Balance:	\$384,095.00	\$585,659.00	\$455,148.00	\$345,927.00	\$491,616.00	\$627,340.00
Capital Improvement Fees						
Ending Balance:	\$4,981,472.00	\$5,145,169.00	\$5,747,533.00	\$5,860,352.00	\$3,705,769.00	\$1,793,962.00
General Improvement Fees						
Ending Balance:	\$6,683,587.00	\$7,908,282.00	\$8,367,022.00	\$8,550,722.00	\$8,498,757.00	\$7,585,714.00
Activities and Program Fees						
Ending Balance:	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Western Nevada College

<u>Fees</u>	FY 12	FY 13	FY 14	FY 15	FY 16	FY 17 <i>Projected</i>
Special Course Fees						
Ending Balance:	\$57,013.19	\$64,170.16	\$62,467.63	\$66,079.37	\$57,609.11	\$72,441.50
Differential Program Fees						
Ending Balance:	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$30,569.00
Health Center Fees						
Ending Balance:	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Technology Fees						
Ending Balance:	\$125,376.03	\$224,830.02	\$235,288.89	\$123,872.28	\$98,801.29	\$40,000.00
Excess Credit Fees						
Ending Balance:	\$0.00	\$0.00	\$0.00	\$46,649.90	\$81,974.30	\$104,671.93
Student Access Fees						
Ending Balance:	\$59,569.91	\$42,596.35	\$144,045.15	\$124,900.73	\$156,948.55	\$172,727.36
Capital Improvement Fees						
Ending Balance:	\$1,336,366.60	\$1,780,935.01	\$1,898,007.52	\$998,719.88	\$1,187,258.66	\$971,135.50
General Improvement Fees						
Ending Balance:	\$933,738.02	\$1,083,370.11	\$1,256,786.74	\$1,232,518.01	\$1,090,529.54	\$989,648.22
Activities and Program Fees						
Ending Balance:	\$235,599.03	\$325,532.15	\$382,669.50	\$283,759.48	\$311,285.33	\$165,883.43

Nevada State College

<u>Fees</u>	FY 12	FY 13	FY 14	FY 15	FY 16	FY 17 <i>Projected</i>
Special Course Fees						
Ending Balance:	\$227,526.70	\$129,156.08	\$130,471.11	\$131,405.46	\$201,197.16	\$159,264.40
Differential Program Fees						
Ending Balance:	\$8,663.68	\$99,660.16	\$98,943.81	\$12,197.22	\$331,479.36	\$250,180.93
Health Center Fees						
Ending Balance:	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Technology Fees						
Ending Balance:	\$31,085.98	\$137,248.71	\$58,219.03	\$55,201.25	\$85,438.75	\$168,627.26
Excess Credit Fees						
Ending Balance:	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Student Access Fees						
Ending Balance:	\$757,178.16	\$356,135.64	\$646,627.89	\$614,480.38	\$418,987.87	\$461,760.73
Capital Improvement Fees						
Ending Balance:	\$1,560,494.91	\$345,138.78	\$323,107.70	\$12,887.45	-\$127.84	\$69,008.48
General Improvement Fees						
Ending Balance:	\$2,118,675.17	\$1,065,239.00	\$1,916,720.12	\$1,556,327.45	\$1,719,163.29	\$1,521,185.24
Activities and Program Fees						
Ending Balance:	\$255,593.26	\$189,903.32	\$210,602.02	\$227,452.22	\$236,566.74	\$283,061.01

University of Nevada, Las Vegas

<u>Fees</u>	FY 12	FY 13	FY 14	FY 15	FY 16	FY 17 <i>Projected</i>
Special Course Fees						
Ending Balance:	\$1,549,806.00	\$1,806,843.00	\$2,066,014.00	\$2,380,795.00	\$2,387,142.00	\$2,391,053.34
Differential Program Fees						
Ending Balance:	\$1,231,179.00	\$2,124,626.00	\$2,346,944.00	\$2,665,638.00	\$1,950,678.91	\$1,918,513.89
Health Center Fees						
Ending Balance:	\$1,140,756.00	\$1,481,363.00	\$1,642,047.00	\$1,868,020.00	\$1,503,747.00	\$878,299.00
Technology Fees						
Ending Balance:	\$1,941,331.00	\$2,388,151.00	\$4,079,759.00	\$3,852,398.00	\$1,996,181.00	\$2,779,664.33
Excess Credit Fees						
Ending Balance:	\$0.00	\$0.00	\$0.00	\$648,354.00	\$543,579.00	\$265,642.00
Student Access Fees						
Ending Balance:	\$7,501,648.00	\$4,740,037.00	\$7,360,842.00	\$8,422,204.00	\$12,168,846.00	\$13,145,123.00
Capital Improvement Fees						
Ending Balance:	\$41,507,610.00	\$38,962,817.00	\$39,210,721.00	\$34,512,648.00	\$26,179,902.00	\$22,010,416.00
General Improvement Fees						
Ending Balance:	\$47,350,451.00	\$46,371,630.00	\$48,181,364.00	\$45,481,768.00	\$49,712,265.68	\$51,605,613.68
Activities and Program Fees						
Ending Balance:	\$385,947.00	\$353,193.00	\$185,938.00	\$132,308.00	\$115,536.00	\$131,637.96

University of Nevada, Reno

<u>Fees</u>	FY 12	FY 13	FY 14	FY 15	FY 16	FY 17 <i>Projected</i>
Special Course Fees						
Ending Balance:	\$93,236.00	\$81,482.00	\$54,876.19	\$73,751.19	\$114,278.33	\$94,401.33
Differential Program Fees						
Ending Balance:	\$551,535.00	\$523,461.00	\$818,359.00	\$729,052.00	\$508,270.00	\$535,550.00
Health Center Fees						
Ending Balance:	\$1,430,470.00	\$1,028,064.00	\$908,574.00	\$638,362.00	\$1,474,275.00	\$1,787,529.00
Technology Fees						
Ending Balance:	\$453,096.00	\$736,828.00	\$262,567.00	\$468,282.00	\$941,868.00	\$867,283.00
Excess Credit Fees						
Ending Balance:	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Student Access Fees						
Ending Balance:	\$280,415.00	\$351,619.00	\$609,292.00	\$164,435.00	\$217,640.00	\$1,763,902.00
Capital Improvement Fees						
Ending Balance:	\$19,248,135.00	\$12,205,234.00	\$15,929,797.00	\$15,182,291.00	\$11,649,825.00	\$13,831,495.00
General Improvement Fees						
Ending Balance:	\$1,088,699.00	\$1,511,684.00	\$1,090,603.00	\$979,987.00	\$1,063,284.00	\$700,000.00
Activities and Program Fees						
Ending Balance:	\$57,318.00	892,626.00	\$1,378,794.00	\$1,637,982.00	\$241,367.00	\$293,707.00

UNR Notes:

Note 1 - Excess Credit Fees are deposited in the state appropriated registration fee account. Revenues are presumed to equal expenses.

Note 2 - Student Access fee balance is being deliberately increased. All need-based funding was disbursed, reserve relates to non-need component of the fee which will be used to increase scholarship funding on an on-going basis for the Presidential, Nevada Scholars, and Pack Pride Scholarships in FY 18.

Note 3 - Capital Improvement Fees include Capital Improvement (\$10/SCH), Library Capital Improvement (\$4/SCH), Student Union Capital Improvement (\$1/SCH) and Property Acquisition (\$1/SCH).