

EXECUTIVE SUMMARY

TO: Members of the Board of Regents

FROM: Larry Eardley, VC for Budget and Finance, NSHE

SUBJECT: 2013 NSHE Summer School/Calendar Year Self-Supporting Budget to Actual Comparison

The 2013 Summer School & Calendar Year Self-Supporting Budget to Actual Comparison report is presented for your information.

The report compares the Board of Regents' approved 2013 Self-Supporting Summer School and Calendar Year Budget revenues (sources) and expenditures (uses) to the year end 2013 actual budget revenues (sources) and expenditures (uses) for each campus of the NSHE.

Self-supporting budgets are non-state appropriated accounts established for specific NSHE activities and programs that are approved annually by the Board of Regents. Any self-supporting account with annual planned expenditure activity of \$25,000 or more must be budgeted and approved by the Board of Regents. Excluded from the reporting process are grants & contracts, plant, student loan, and endowment funds. Excluded funds are restricted by donors or outside agencies as to the specific purpose for which they may be expended and are not available to provide a product or service that supports the primary or support objectives (Instruction, Academic Support, Student Services, etc.) of the institution – “non-operating” funds

Self-supporting accounts typically generate revenue through the sale of goods or the provision of services, student fees, investment income and indirect cost recovery funds. These accounts include activities such as the motor pools, resident halls, central stores, summer school, athletics, bookstores, continuing education programs and child care centers as well as many departmental sales and service accounts. Since the accounts are not funded by the state, they depend upon the revenues they generate to cover the costs of their operations.

Unlike state funds, a cash balance (or deficit) in any fiscal year carries over as the opening cash balance for the succeeding fiscal year.

This report contains comparison schedules of all budgeted and actual revenues (sources) and expenditures (uses), including beginning and ending balances and net changes in funds for the NSHE in total and for each area (campus) of the NSHE that reported self-supporting budget activity for calendar year 2013.

The system-wide summary tables are displayed on pages 7 & 9 of the report followed by each area's (campus) self-supporting budgets beginning on page 11. A summary table is included at the end of each area's (campus) budgets.

The summary table on page 7, titled "Sources and Uses of Funds - NSHE Summary", displays the System-wide budget to actual comparison of revenues (sources), expenditures (uses), beginning and ending fund balances, and the net changes in funds balance. For 2013, actual revenues (sources) of \$27.5 million were received for all reported NSHE self-supporting budgets with actual expenditures (uses) totaling \$27.7 million, resulting in a decrease of \$154.1 thousand over the opening funds balance of \$946.7 thousand for an ending funds balance of \$792.6 thousand. The ending fund balance of \$792.6 thousand for 2013 represents the opening fund balance for the succeeding calendar year 2014 self-supporting budget accounts.

The difference column shows the actual opening cash balance of \$946.7 thousand was less than the budgeted opening cash balance by approximately <\$319.2> thousand. Actual revenues (sources) received during the year of \$27.5 million were less than budgeted revenues of \$29.1 million, for a difference of <\$1.6> million in actual revenues over budgeted revenues for the year. Actual expenditures (uses) of \$27.7 million for the year were <\$1.8> million less than budgeted expenditures of \$29.5 million, resulting in a net decrease in the actual ending fund balance of <\$118.1> thousand over the budgeted ending cash balance of \$910.7 thousand.

Transfers out of summer session and other calendar year funds are made, for example, to reimburse other institutional accounts for start up funds used to cover costs incurred by the programs prior to the payment of fees by students, to fund departmental and program support costs incurred by the academic programs that support summer session course offerings and students, i.e., administration, tutoring, counseling, and information technology, and to fund other institutional needs, i.e., equipment replacement, equipment support, faculty development, faculty travel, reserves, and hosting.

The summary table on page 9, titled "Source and Use of Funds by Appropriation Area", displays the actual revenues (sources) and expenditures (uses) for each area (campus) of the System and includes the actual beginning and ending account balances and the resulting net increase/(decrease) in the funds balance. The actual ending account balances for the NSHE institutions was less than the actual opening account balances by \$154.1 thousand for the year. The system-wide summary totals compare to the actual figures displayed on the previous summary report on page 7.