

TO: Members of the Board of Regents

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

SUBJECT: Fiscal Year 2015-16 Accountability Report - Legislative Approved to Board of Regents' Approved Budget

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Presented for your review and approval is the NSHE fiscal year 2015-16 Accountability Report.

The report is prepared to meet the reporting requirements outlined in a letter of intent from the Legislative Counsel Bureau (LCB) on the issue of NSHE budgetary accountability.

Based on the requests in the LCB letter, the accountability reporting process is performed twice every fiscal year. At the beginning of a fiscal year a reconciliation of the Legislative Approved Budget to the Board of Regents' approved budget is submitted to the LCB and Executive Budget Office for their review and comments, and at the end of the fiscal year a reconciliation of the Board of Regents' Approved Budget to Actual Expenditures is submitted.

The Accountability Report presented for your approval is the beginning of the year report for fiscal year 2015-16.

The report contains a system wide Revenues by Source table (page 3) that shows NSHE appropriated and authorized revenues budgeted for FY 2015-16 totaling \$840.9 million and a reconciliation schedule of the Legislative Approved Budget to the Regents Approved Budget for each NSHE appropriation area starting on page 4 with the System Administration reconciliation report. The reconciliation schedule for each appropriation area displays the Legislative Approved base budget funding and FTE positions for fiscal year 2015-16 by function, e.g. Instruction, Academic Support, and Student Services, and by each maintenance and enhancement decision unit approved by the Legislature, e.g., medical schools funding, inflation, fringe benefit rate adjustments, formula funding, bridge funding (GBC, WNC, DRI), research O&M support, and non-general fund revenue augmentation. Transfers between functions and budget adjustments including any positions added or eliminated are also detailed on the reconciliation schedule, which together with the base budget functional allocations of funds from the maintenance and enhancement decision units equal the FY 2015-16 Board of Regents' approved operating budget.

The LCB letter also requests an explanation of the need for a transfer of funds between functional areas (form 1), a detailed listing of positions added through a decision unit (form 2) and positions created or deleted which were not in the Legislative approved budget or a decision unit (form 3). The above requested information is provided in this report as attachments to each appropriation area's reconciliation schedule.

The NSHE institution's accountability reports and supporting documentation included in this report are complete and accurate and meet the requirements of the LCB letter of intent.

Upon approval, System Administration will provide this report to both the State Executive Budget Office and Legislative Counsel Bureau for their review and comments.