

TO: Members of the Board of Regents

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

SUBJECT: 2016 Summer School/Calendar Year Self- Supporting Budgets &
2015-16 Mid-Year Self-Supporting Budgets

Presented for your approval are the NSHE 2016 Summer School/Calendar Year Self-Supporting budgets and the Mid-Year Self-Supporting budgets for fiscal year 2015-16.

Self-supporting budgets are non-state appropriated accounts established for specific activities and programs that are approved annually by the Board of Regents. Any self-supporting account with 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 and contracts, and plant, student loan, and endowment 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 such activities as the motor pools, resident halls, central stores, summer schools, intercollegiate athletics, bookstores, event centers, childcare centers as well as many departmental sales and service accounts. Since these accounts are not funded by the state, they depend upon the revenues they generate to cover the costs of their operations.

The Self-Supporting Summer School/Calendar Year budgets contained in this report (pages 9-19) are reported on a calendar year basis and include activities that are primarily related to non-state funded summer session activities and other self-supporting activities that follow a calendar year for reporting purposes.

The Mid-Year Self-Supporting budgets contained in this report (pages 22-94) were established after July 1, 2015 and were therefore not included in the 2015-16 NSHE Self-Supporting budget report previously approved by the Board of Regents.

The System summary of revenues and expenditures for the 2016 Summer School and Calendar year budgets for the system's two universities, state college, and four community colleges is displayed on page 9 of the report followed by each institution's budget report.

The report displays budgeted revenues (sources) and expenditures (uses), including beginning and ending account balances and net changes in funds balance for the NSHE in total and for each campus of the System that reported self-supporting activity. The projected opening account balance for the combined budgets is approximately \$1.5 million. Revenues (sources) of \$32.1 million and expenditures (uses) of \$32.1 million are projected, resulting in a small decrease in the beginning funds balance of approximately <\$1,284> for a projected ending fund balance of \$1.48 million.

Student fee revenues of \$31.8 million represent approximately 99% of the total revenues projected for 2016.

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 System summary of revenues and expenditures for the 2015-16 Mid-Year Self Supporting budgets for the NSHE campuses/units is displayed on pages 22 and 23 of the report followed by each area's budget reports.

The System summary of revenues and expenditures for the Mid-Year Self-Supporting budgets for fiscal year 2015-16 (page 23) shows the projected opening account balance for the combined budgets to be \$10.97 million. Revenues (sources) of \$38.29 million and expenditures (uses) of \$40.49 million are projected, resulting in a <\$2.17> million decrease in funds for a projected ending fund balance of \$8.80 million.

The Mid-Year Self-Supporting budgets will be subject to the quarterly fiscal exception review and reported on for actual results at fiscal year-end 2015-16.