

EDUCATION



EDUCATION

The Education function includes three sub-functions: The Department of Education (K-12); the Nevada System of Higher Education; and other educational programs, which include the Western Interstate Commission for Higher Education program and the Commission on Postsecondary Education. For the 2013-15 biennium, education continues to be the largest function in the state budget supported by the General Fund. The 2013 Legislature approved General Fund appropriations for educational programs totaling approximately \$3.522 billion over the 2013-15 biennium, a 7.5 percent increase from the total General Fund appropriations of \$3.276 billion approved for the 2011-13 biennium. Appropriations for educational programs account for 53.4 percent of total State General Fund expenditures over the 2013-15 biennium.

Total funding approved by the 2013 Legislature from all sources for education, (net of interagency transfers) total \$2.568 billion in FY 2014, a 1.42 percent decrease when compared to work program amounts budgeted in FY 2013, which totaled \$2.605 billion. Total education funding of \$2.564 billion in FY 2015 represents a slight decrease from approved funding in FY 2014.

EDUCATION (K-12)

The voters at the November 2004 and November 2006 General Elections approved an amendment to Article 11 of the Nevada Constitution to include a provision that the Legislature must finance the operation of the public schools in the state for kindergarten through grade 12 prior to funding any other part of the state budget for the next biennium. Senate Bill 522 of the 2013 Legislative Session was enacted to meet this provision by providing funding for K-12 education, which includes the Distributive School Account (DSA), the School Remediation Trust Fund, the Grant Fund for Incentives for Licensed Educational Personnel, the State Supplemental School Support Fund, and the Other State Education Programs account.

DISTRIBUTIVE SCHOOL ACCOUNT

The funding which supports Nevada's public elementary and secondary schools is a shared responsibility with state, local and federal sources contributing to the school districts' and charter schools' operating funds. It is important to recognize that the Distributive School Account budget does not include the entire funding for K-12 education, but rather includes only the state's portion of the school district and charter school operating funds that provide the basic support guarantee and other state-supported programs.

The following table summarizes the elements (in millions) that are the basis for the DSA as recommended by the Governor, and as approved by the 2013 Legislature for the 2013-15 biennium. While the "Total Required State Support" is guaranteed by the state, only the portion of the table below "Total State Share" is included in the DSA budget account.

The Nevada Plan							
	<u>Governor Recommended</u>			<u>Legislatively Approved</u>			Percent Change
	(Millions)			(Millions)			
	FY14	FY15	2013-15 Biennium	FY14	FY15	2013-15 Biennium	
Total Operating Expenditures	\$ 3,172	\$ 3,247	\$ 6,419	\$ 3,169	\$ 3,234	\$ 6,403	-0.2%
Less: Projected Local Revenues Outside the DSA	\$ (621)	\$ (626)	\$ (1,247)	\$ (606)	\$ (621)	\$ (1,227)	-1.6%
Less: Non-Basic Support Programs	\$ (146)	\$ (150)	\$ (296)	\$ (145)	\$ (149)	\$ (294)	-0.7%
Total Regular Basic Support	\$ 2,405	\$ 2,471	\$ 4,876	\$ 2,418	\$ 2,464	\$ 4,882	0.1%
Plus: Programs Other Than Basic Support	\$ 312	\$ 322	\$ 634	\$ 311	\$ 320	\$ 631	-0.5%
State Guarantee							
Total Required State Support	\$ 2,717	\$ 2,793	\$ 5,510	\$ 2,729	\$ 2,783	\$ 5,512	0.0%
Less: Local "Inside" Revenues	\$ (1,296)	\$ (1,344)	\$ (2,640)	\$ (1,289)	\$ (1,357)	\$ (2,646)	0.2%
Distributive School Account							
Total State Share*	\$ 1,421	\$ 1,449	\$ 2,870	\$ 1,440	\$ 1,426	\$ 2,866	-0.1%
Less: Miscellaneous DSA Revenues	\$ (286)	\$ (296)	\$ (582)	\$ (283)	\$ (294)	\$ (577)	-0.9%
General Fund Support Before Approved Transfer	\$ 1,135	\$ 1,153	\$ 2,288	\$ 1,157	\$ 1,132	\$ 2,289	0.0%
Less: Approved Transfer of Categorical Funding**	\$ (22)	\$ (23)	\$ (45)	\$ (22)	\$ (22)	\$ (44)	-2.2%
General Fund Support	\$ 1,113	\$ 1,130	\$ 2,243	\$ 1,135	\$ 1,110	\$ 2,245	0.1%

* Totals may not balance due to rounding
** Categorical funding for Early Childhood Education, Adult High School Diploma, Special Elementary Counselors and Library Media approved, as recommended by the Governor, to transfer to the Other State Education Programs account (BA 2699)

The Legislature approved operating expenditures for Nevada school district and charter school budgets totaling \$3.169 billion for FY 2014 and \$3.234 billion for FY 2015, compared to \$3.013 billion and \$3.070 billion for operating expenditures approved by the 2011 Legislature for FY 2012 and FY 2013, respectively. This is an increase of approximately 5.3 percent for the 2013-15 biennium when compared to the approved operating expenditures for the 2011-13 biennium.

NEVADA PLAN

The Legislature determines the level of state aid for school districts and charter schools through a formula called the "Nevada Plan," which accounts for differences across districts in the costs of providing education and in local wealth. A guaranteed amount of basic support per pupil is calculated for each school district and is established in law each session. The state, through the DSA, and local districts, through the Local School Support Tax (sales) and property tax, share the responsibility for providing the money needed to fund the guaranteed basic support per pupil.

- **Nevada Plan "Outside" Revenues**
As indicated above, certain locally-generated revenues are considered before the state's funding responsibility is determined. These revenues are referred to as being "outside" of the Nevada Plan (the state's responsibility) and consist of the following:
 - **Property Tax**: State law requires a property tax rate of 75 cents per \$100 of assessed valuation for the support of schools. One-third of the proceeds from the 75-cent property tax rate is "inside" the Nevada Plan while the remaining two-thirds of the proceeds of the 75-cent property tax rate is "outside" the DSA funding formula. The two-thirds portion is estimated to generate \$387.4 million in FY 2014, a decrease of 3.3 percent from estimated collections

\$400.8 million for FY 2013. The estimated tax collections are projected to increase to \$402.2 million in FY 2015, which represents an increase of 3.8 percent from projected collections in FY 2014.

- Local Government Services Tax: Formerly called the Motor Vehicle Privilege Tax, this tax is estimated to generate \$71.4 million in both FY 2014 and FY 2015. These estimates represent a decrease of 1.4 percent compared to FY 2013 budgeted collections of \$72.4 million.
- Other Local Sources: Franchise taxes, federal revenue, interest, tuition and other local revenue and opening balances are estimated to contribute \$147.6 million each year of the 2013-15 biennium.

These locally-generated “outside” revenues **are not guaranteed** by the state, thus the local school districts and charter schools benefit when actual revenues are in excess of projections, or suffer the loss when revenues do not meet projections. For the 2013-15 biennium, revenues “outside” of the Nevada Plan are budgeted to generate approximately 19.2 percent of the revenue necessary to support the budgets of school districts and charter schools (21.5 percent in the 2011-13 biennium) with the balance being funded through the Nevada Plan (the state’s responsibility).

- Nevada Plan “Inside” Revenues

Nevada Plan funding for school districts and charter schools consists of state financial support received through the DSA and locally-collected revenues that are “inside” the Nevada Plan, namely the Local School Support Tax (LSST) and the remaining one-third of the proceeds from the 75-cent property tax rate.

- LSST: As part of the revenue enhancements approved by the 2009 Legislature, the LSST rate was increased by 0.35 percent (from 2.25 percent to 2.60 percent) for the period beginning July 1, 2009, until June 30, 2011. Although the increased LSST rate was scheduled to sunset at the end of the 2009-11 biennium, the 2011 Legislature approved the extension of the 2.60 percent LSST rate through June 30, 2013. The 2013 Legislature approved the Governor’s recommendation to extend the 2.60 percent LSST rate through June 30, 2015. For the 2013-15 biennium, the 2.60 percent LSST is estimated at \$1.095 billion for FY 2014 (5.5 percent increase over the amount estimated to be received in FY 2013) and \$1.156 billion for FY 2015 (5.6 percent increase over projected FY 2014).
- Property Tax: Local funding from the one-third portion of the proceeds from the 75-cent property tax rate is budgeted at \$193.7 million for FY 2014 (a 4.5 percent decrease compared to FY 2013 legislatively approved) and \$201.1 million for FY 2015 (3.8 percent increase over budgeted FY 2014).

Combined, local sources “inside” the Nevada Plan provide approximately 48.4 percent of the total required state support amount, with the state contributing the remaining 51.6 percent.

It is important to note that these two local revenue amounts **are guaranteed** by the state; thus, if budgeted amounts are not actually collected, the state funds the difference, and conversely, if actual revenues exceed projections, the amount of State General Fund support is reduced.

STATE SUPPORT

The 2013 Legislature approved the total required state support of school district and charter school expenditures within the DSA (before the transfer of funding for various programs historically funded in the DSA budget to the Other State Education Programs account) at \$5.512 billion over the 2013-15 biennium, an increase of 8.7 percent from the total of \$5.069 billion approved by the 2011 Legislature for the current biennium.

In the legislatively approved budget, the state's share of funding in the DSA is largely provided by General Fund appropriations of \$1.157 billion in FY 2014 and \$1.132 billion in FY 2015, totaling \$2.289 billion for the 2013-15 biennium. This is \$90 million more than the \$2.199 billion appropriated for the 2011-13 biennium, representing a 4.1 percent increase. However, this amount is reduced by the approved transfer of General Funds totaling \$44 million over the 2013-15 biennium for various categorized programs historically funded in the DSA, to the Other State Educations Programs account.

As recommended by the Governor, the 2013 Legislature approved the continuation of the transfer of the proceeds from the Initiative Petition 1 (IP1) Room Tax revenue from the State Supplemental School Support Fund to the DSA as a state funding source through the 2013-15 biennium. The projected revenues to be transferred total \$131.9 million in FY 2014 and \$136.7 million in FY 2015. Other sources of revenue that provide funding for the DSA include an annual tax on slot machines, interest earned on investments from the Permanent School Fund, revenue from leases of federal land for mineral exploration and from royalties, and Local School Support Tax from sales that cannot be attributed to a specific county.

Funding for K-12 education approved by the Legislature (excluding the Department of Education budgets) represents approximately 38.2 percent of the State's General Fund for the 2013-15 biennium, compared to 37.5 percent of the General Fund approved for K-12 education by the 2011 Legislature.

The summary table on the following page displays the legislatively approved budget for the DSA for the 2013-15 biennium, as well as actual revenues and expenditures for FY 2012, and projections for FY 2013.

DISTRIBUTIVE SCHOOL ACCOUNT - SUMMARY FOR 2013-15 BIENNIUM

	2012		2013		2014	2015
	Legislatively Approved	2012 Actual	Legislatively Approved	2013 Estimated	Legislatively Approved	Legislatively Approved
WEIGHTED ENROLLMENT	425,648.40	423,899.00	423,500.00	429,718.00	432,346	434,023
ADDITIONAL ENROLLMENT FOR HOLD HARMLESS	0	3,171.20	0	891.40	0	0
TOTAL ENROLLMENT *	425,648.40	427,070.20	423,500.00	430,609.40	432,346	434,023
BASIC SUPPORT	\$ 5,218	\$ 5,265	\$ 5,374	\$ 5,374	\$ 5,590	\$ 5,676
TOTAL REGULAR BASIC SUPPORT **	\$ 2,220,949,633	\$ 2,248,571,898	\$ 2,275,927,082	\$ 2,315,342,546	\$ 2,417,007,180	\$ 2,463,498,518
CATEGORICAL FUNDING:						
SPECIAL EDUCATION ***	121,252,632	121,252,632	121,252,632	121,252,632	126,862,792	130,329,505
CLASS-SIZE REDUCTION	139,213,449	139,213,449	142,639,610	142,639,610	159,936,204	164,661,271
CLASS-SIZE REDUCTION AT-RISK KINDERGARTEN	1,554,598	1,554,598	1,582,409	1,582,409	1,768,669	1,806,665
SPECIAL UNITS/GIFTED & TALENTED	158,414	157,257	162,163	162,163	169,616	174,243
ADULT HIGH SCHOOL DIPLOMA ⁽¹⁾	17,011,957	17,011,957	17,758,916	17,758,916	0	0
SCHOOL LUNCH PROGRAM STATE MATCH	588,732	588,732	588,732	588,732	588,732	588,732
EARLY CHILDHOOD EDUCATION ⁽¹⁾	3,338,875	3,253,145	3,338,875	3,338,875	0	0
LIBRARY MEDIA SPECIALIST ⁽¹⁾	18,798	18,798	18,798	18,798	0	0
SPECIAL ELEMENTARY COUNSELING ⁽¹⁾	850,000	850,000	850,000	850,000	0	0
SPECIAL TRANSPORTATION	128,541	128,541	128,541	128,541	128,541	128,541
TOTAL REQUIRED STATE SUPPORT	\$ 2,505,065,629	\$ 2,532,601,007	\$ 2,564,247,758	\$ 2,603,663,222	\$ 2,706,461,734	\$ 2,761,187,475
LESS						
LOCAL SCHOOL SUPPORT TAX - 2.60%	(941,734,793)	(1,006,701,237)	(969,986,648)	(1,038,155,487)	(1,095,455,672)	(1,155,705,575)
1/3 PUBLIC SCHOOLS OPERATING PROPERTY TAX	(202,433,266)	(210,424,266)	(202,931,773)	(200,175,655)	(193,681,840)	(201,117,251)
ADJUSTMENT FOR EUREKA AND LANDER REV	0	0	0	15,223,054	0	0
CAPITAL CONSTRUCTION FUNDS	(20,000,000)	(20,000,000)	(20,000,000)	(20,000,000)	0	0
TOTAL STATE SHARE	\$ 1,340,897,570	\$ 1,295,475,504	\$ 1,371,329,337	\$ 1,360,555,134	\$ 1,417,324,222	\$ 1,404,364,649
STATE SHARE ELEMENTS						
GENERAL FUND	\$ 1,088,280,727	\$ 1,088,280,727	\$ 1,111,331,100	\$ 1,111,331,100	\$ 1,134,528,570	\$ 1,110,133,915
DSA SHARE OF SLOT TAX	33,542,238	32,295,869	34,144,068	31,127,616	31,658,547	32,305,032
PERMANENT SCHOOL FUND	6,600,000	2,643,528	6,800,000	1,000,000	1,000,000	1,000,000
FEDERAL MINERAL LEASE REVENUE	8,000,000	7,874,977	8,000,000	8,000,000	7,874,977	7,874,977
OUT OF STATE LSST - 2.60%	93,138,606	89,463,708	95,932,745	104,558,313	110,329,328	116,397,425
IP1 (2009) ROOM TAX REVENUE TRANSFER	111,336,000	126,518,025	115,121,424	127,718,800	131,932,800	136,653,300
REVERSION TO STATE GENERAL FUND	0	0	0	(58,570,855)	0	0
BALANCE FORWARD TO NEXT FISCAL YEAR	0	(35,390,160)	0	35,390,160	0	0
TOTAL SHARE STATE ELEMENTS	\$ 1,340,897,571	\$ 1,311,686,674	\$ 1,371,329,337	\$ 1,360,555,134	\$ 1,417,324,222	\$ 1,404,364,649
*** Special Education Units						
	No. of Units		\$ per Unit		No. of Units	
	2011-2012	3,049	39,768.00	2013-2014	3,049	41,608
	2012-2013	3,049	39,768.00	2014-2015	3,049	42,745

* FY 12 Actual Weighted Apportioned Enrollment; FY 13, 14 & 15 reflect Estimated and Projected

** Totals May Not Balance Due to Rounding

*** Special Education Unit funded separately from Basic Support

⁽¹⁾ Funding approved for transfer to the Other State Education Programs Budget

BASIC SUPPORT PER PUPIL

The 2011 Legislature approved basic support per pupil of \$5,263 for FY 2012 and \$5,374 for FY 2013. The 2013 Legislature approved a statewide average guaranteed basic support of \$5,590 per pupil for FY 2014 and \$5,676 per pupil for FY 2015, an increase of \$216 per pupil and \$302 per pupil, respectively, when compared to the FY 2013 legislatively approved basic support per pupil. The primary reason for the increase in the basic support per pupil is a decline in local resources, specifically property taxes, which results in the state contributing a greater share of resources to fund the approved level of operating expenditures. Moreover, the guaranteed basic support per pupil should not be confused with expenditures per pupil. As stated earlier, other resources not considered within the Nevada Plan are also available to cover schools' operating costs.

ENROLLMENT

Each school district's guaranteed level of funding is determined by multiplying the basic support per pupil by weighted enrollment. Weighted enrollment (utilized to distribute DSA funds to school districts) equals a full count of pupils enrolled in grades 1 through 12, net of transfers, including children with disabilities enrolled in special education programs within a district or charter school, and six-tenths of the count of pupils enrolled in kindergarten or programs for three- and four-year-olds with disabilities. Special-needs preschoolers and kindergarten pupils are counted as six-tenths of a pupil because they typically attend school for half of a day or less. The following chart compares audited weighted enrollment numbers (excluding hold harmless) by fiscal year and the percent of increase each year over the preceding year:

FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Projected	FY 2014 Leg. App.	FY 2015 Leg. App.
400,101	413,260	420,830	422,112	421,387	422,482	423,899	429,718	432,346	434,023
	3.29%	1.83%	0.30%	-0.17%	0.26%	0.32%	1.4%	0.60%	0.39%

The Legislature approved General Fund appropriations totaling of \$15.8 million in FY 2014 and \$25.7 million in FY 2015, as recommended by the Governor, to provide for the projected enrollment growth for K-12 pupils (inclusive of special education), and in the Class-Size Reduction program, and gifted and talented technology funding.

To protect districts during times of declining enrollment, *Nevada Revised Statutes* contains a "hold harmless" provision (NRS 387.1233). The guaranteed level of funding is based on the higher of the current or the previous year's enrollment, unless the decline in enrollment is 5 percent or more from the previous year, in which case the funding is based on the higher of the previous two years' weighted enrollment. Six school districts were eligible for the hold harmless provision in FY 2013, compared to nine school districts on hold harmless in FY 2012.

POSITIONS AND SALARIES

To determine the number of employees needed to accommodate increased enrollment, actual student-employee ratios were calculated for each major job classification in the FY 2012 base year. Position counts for each year of the upcoming biennium were computed by maintaining the same student-employee ratio in each job classification. The approved budget anticipates that an additional 201 licensed, instructional personnel will be needed to maintain the average 21.1 student per teacher ratio throughout the 2013-15 biennium.

As revised by updated reports, actual statewide average teacher salaries for FY 2012 were \$52,917 (\$73,086 with benefits) and are estimated at \$53,975 for FY 2013 (\$74,407 with benefits). Teacher salaries are budgeted at an average of \$55,055 (\$75,756 with benefits) in FY 2014 and \$56,156 (\$77,384 with benefits) in FY 2015, based on a 2 percent increase in average salaries related to merit increases for increased education and longevity for years of service.

Average teacher salaries are impacted by the number of teachers who leave service, the number of new teachers hired, the number of teachers who are no longer eligible for merit adjustments, and collective bargaining agreements. For the 2013-15 biennium, the Legislature concurred with the Governor and did not approve any reductions of funding for salaries or suspension of funding for merit and longevity salary increases for district and charter school employees.

FRINGE BENEFIT ADJUSTMENTS

The Governor recommended, and the Legislature approved, an adjustment to fringe benefits for the increase in the retirement rate from 23.75 percent to 25.75 percent, with a corresponding reduction in funding for salary costs for approximately one-half of the amount for the employee portion of the increase. This is consistent with the methodology to be utilized to implement the retirement increase for state employees on the employer-paid plan.

The Governor's budget originally recommended a funding increase for group insurance to \$7,021 per employee in FY 2014 and \$7,547 per employee in FY 2015, based on the projected rate increase for state agencies in the 2013-15 biennium. However, the recommended funding increase for group insurance for school personnel was subsequently reduced because of an adjustment to the Public Employees' Benefit Program (PEBP) subsidy costs in both years of the 2013-15 biennium. The Legislature approved General Funds totaling \$13.5 million in FY 2014 and \$23.4 million in FY 2015 for the combined revised fringe benefit rate increases in the DSA budget account, a reduction of approximately \$1.6 million in FY 2014 and \$12.2 million in FY 2015, when compared to the amount recommended in the Governor's budget. The revised group insurance cost per employee is recommended at \$6,976 in FY 2014 (representing no change from the FY 2012 actual amount) and at \$7,227 per employee in FY 2015, a 3.6percent increase over the amount recommended in FY 2014.

TEXTBOOK FUNDING

To allow school districts and charter schools flexibility in addressing budget shortfalls, the 2011 Legislature approved a temporary waiver (Assembly Bill 493) from the minimum expenditure requirements for textbooks, instructional supplies, instructional hardware and software through the 2011-13 biennium. The 2013 Legislature extended the waiver from the minimum expenditure requirements through the 2013-15 biennium (Senate Bill 481). The Legislature approved, as recommended by the Governor, funding in the DSA for textbooks, instructional supplies, instructional hardware and instructional software totaling \$75.8 million and \$76.1 million in FY 2014 and FY 2015, respectively, reflecting the total actual expenditures incurred for these items by school districts and charter schools in FY 2012, increased for projected enrollment growth.

SPECIAL EDUCATION

The state provides funding for special education based on special education program units, which are defined by NRS 387.1211 as organized instructional units in which a licensed, full-time teacher is providing an instructional program that meets minimum standards prescribed by the State Board of Education. To qualify for a full apportionment, a unit must have operated the full school day (330 minutes) for at least nine of the school months within a school year.

For FY 2013 the state funded 3,049 special education units at \$39,768 each, totaling \$121.25 million. For the 2013-15 biennium, the Legislature approved the Governor's recommended funding for special education units of 3,049 units each fiscal year at \$41,608 in FY 2014 and \$42,745 in FY 2015 for a total of \$126.9 million and \$130.3 million respectively.

State support for special education also serves as the maintenance of effort (MOE) for the federal Individuals with Disability Education Act grant. The MOE requirements provide that the state must maintain a level of state support for special education that is at least equal to the amount of state support that was provided in the previous year. If the state fails to meet the MOE requirement, the state risks a reduction of federal support by the same amount of the MOE shortfall.

For the past several biennia, special education funding has been provided for instructional programs incorporating education technology for gifted and talented pupils. The Legislature concurred with the Governor's recommended total funding for gifted and talented pupils of \$169,616 and \$174,243 for FY 2014 and FY 2015, respectively. This compares to the funding for gifted and talented pupils appropriated by the 2011 Legislature totaling \$158,414 and \$162,163 for FY 2012 and FY 2013, respectively.

CLASS SIZE REDUCTION PROGRAM

The 2013 Legislature approved the continuation of funding for the Class Size Reduction (CSR) program for the 2013-15 biennium. To support salaries and fringe benefits of

teachers hired to meet the funded ratios of 16 pupils per teacher in at risk kindergarten, first and second grades and 19 pupils per teacher in third grade, the Legislature appropriated a total of \$161.7 million for FY 2014, and \$166.5 million for FY 2015. This represents increases of 12.1 percent in FY 2014 and 15.5 percent in FY 2015, compared to the FY 2013 work program amount of \$144.2 million. The increased funding is primarily due to projected enrollment increases as well as the approved 2 percent increase for merit and longevity, and the approved fringe benefit increases.

The approved CSR funding provides for 2,180 and 2,194 CSR teachers in FY 2014 and FY 2015, respectively, including 23.5 teachers in selected high-risk kindergarten classrooms. Senate Bill 522, approved by the 2013 Legislature, continues to provide school districts flexibility from the funded CSR pupil-teacher ratios through the end of the 2013-15 biennium. The legislation allows districts flexibility to increase class size by up to two students per teacher to achieve ratios of 18:1 in first and second grades, and 21:1 in third grade. School districts implementing the flexibility provision must use corresponding savings to minimize the impact of budget reductions on class sizes in grades 4 through 12, as long as it is fiscally neutral to do so.

Assembly Bill 2, (27th Special Session) increased the statutory class size ratios in grades K through 2 from 15 pupils per teacher to 16 pupils per teacher and in grade 3 to 18 pupils per teacher, consistent with funding levels approved in A.B. 522 during the 2013 Legislative Session. The Legislature also requires a school district that exceeds the ratios statutorily prescribed in any quarter of a school year, to request a variance for the next quarter from the State Board of Education. Lastly, the legislation requires that school districts report quarterly to the Department of Education average daily attendance in their schools and the ratio of pupils to licensed teacher in grades K through 3; identify any variances approved from the funded CSR pupil to teacher ratios; provide a copy of the quarterly report to the Nevada Department of Education; and post this information on each website maintained by each school district.

OTHER STATE EDUCATION PROGRAMS

The Other State Education Programs account provides pass-through funds to school districts for programs including Educational Technology, Career and Technical Education (CTE), Public Broadcasting, the National Board Certification program for teachers and counselors, the Speech Pathologist increment, and various other smaller programs.

In addition to the approving General Fund appropriations totaling approximately \$15.0 million over the 2013-15 biennium for existing programs, the 2013 Legislature approved the Governor's recommended transfer of General Funds totaling approximately \$44.4 million over the 2013-15 biennium for the Adult High School Diploma (AHSD) program, the Early Childhood Education (ECE) program, Special Elementary Counselors, and School Library Media Specialists from line items in the DSA to the Other State Education Programs account.

The Adult High School Diploma program provides funding for the general public and for the state's correctional system inmates in the four school districts that operate programs within correctional facilities. For the 2013-15 biennium, the Legislature approved the Governor's recommended General Fund appropriation of \$17.8 million for FY 2014, representing a 1.1 percent increase from legislatively approved funding for FY 2013 and \$18.3 million for FY 2015, a 2.8 percent increase over the approved budget for FY 2014.

As recommended by the Governor, the 2013 Legislature approved a General Fund appropriation of \$3.34 million in FY 2014 and \$3.25 million in FY 2015 (net of \$91,500 in FY 2015 for program evaluation costs) to be awarded by the Nevada Department of Education as competitive grants to school districts and community-based organizations to operate ECE programs.

The Executive Budget recommended state funding for two new initiatives; Jobs for America's Graduates (JAG) and Teach For America (TFA) in Clark County. For school year 2012-13, the Department of Employment, Training and Rehabilitation (DETR) funded a pilot JAG program in Nevada through a combination of Career Enhancement Program funds and federal Workforce Investment Act Title I Youth funds through the Northern Nevada Workforce Investment Board at seven high schools; four schools in the Clark County School District, one school in the Lyon County School District, and two schools in the Washoe County School District.

The Legislature concurred with the Governor and approved a General Fund appropriation of \$750,000 in each year of the 2013-15 biennium to continue and to expand the JAG program in Nevada. JAG is a state-based national nonprofit organization that is dedicated to preventing dropouts among high school students who are at risk of not graduating. The goal of the program is to help participating students stay in school through graduation, pursue postsecondary education, and secure quality entry-level jobs leading to career advancement opportunities.

The Executive Budget also recommended a General Fund appropriation of \$1.0 million in each year of the 2013-15 biennium to support the TFA program. Teach For America is a national nonprofit organization that recruits recent college graduates and professionals to teach in grades K-12 for a minimum of two years in urban and rural communities throughout the country. Currently, the TFA program in Nevada only operates in the Clark County School District (CCSD).

The recommended \$1.0 million annual General Fund appropriation included in the Governor's budget would be an ongoing appropriation to be granted directly to the TFA organization in Southern Nevada to cover the programmatic costs associated with the recruitment, training and support of teachers in CCSD's qualifying Title I schools and in the critical-need subject areas, such as secondary math, science and English.

Based on concerns that recommended funding would be an ongoing appropriation in the Department of Education's budget for distribution to the nonprofit TFA organization,

the money committees removed the recommended \$1.0 million annual General Fund appropriation from the budget and included the funding in Senate Bill 517 for consideration by the Legislature. Senate Bill 517 did not receive approval from the Legislature.

SCHOOL REMEDIATION TRUST FUND

The 2005 Legislature approved the creation of the Account for Programs for Innovation and the Prevention of Remediation (referred to as the School Remediation Trust Fund) to support improvement plans developed by schools and school districts to improve student achievement.

REGIONAL PROFESSIONAL DEVELOPMENT PROGRAM

The Legislature continued General Funds of \$7.56 million in each fiscal year of the 2013-15 biennium to support the Regional Professional Development Programs (RPDPs), the same level of funding approved by the 2011 Legislature for the 2011-13 biennium. The Legislature further approved approximately \$2.5 million of the \$2.8 million additional General Fund support recommended by the Governor for the RPDPs to provide professional development to implement the new Educator Effectiveness system and the Teacher and Administrator Evaluation Framework.

The Legislature also voted to retain all RPDP funding in the School Remediation Trust Fund account, in contrast to the Governor's recommendation to transfer all RPDP funding from the School Remediation Trust Fund account to the newly created Educator Effectiveness account.

Moreover, the Governor proposed a change in the governance structure of the RPDPs, which would have required the RPDPs to report to the Department of Education in lieu of reporting to independent governing bodies and the Statewide Coordinating Council for the Coordination of the RPDPs (SCC); however, the Legislature did not concur with the Governor's proposal. Rather, the Legislature approved Senate Bill 447, which among other things, expands the current membership of the SCC from eight to nine members and revises the membership to include the Superintendent of Public Instruction or a designee, and eight members appointed by the Majority Leader of the Senate, the Speaker of the Assembly, the Governor, and the governing body of each regional training program. As such, the RPDPs will continue to report to each respective governing body and the modified SCC.

NEW FUNDING FOR ENGLISH LANGUAGE LEARNERS

The Executive Budget included General Fund appropriations of \$3.9 million in FY 2014 and \$9.9 million in FY 2015 for a new grant-based English Language Learner (ELL) program geared toward students in grades K through 4 with an emphasis on helping ELL students master reading in English. As of school year 2011-12, there were approximately 71,254 ELL students statewide, with a majority of those students (67 percent) in grades K through 4. The Governor subsequently amended the budget to

increase state funding for the grant-based ELL programs by approximately \$7.4 million in FY 2014 and \$7.3 million in FY 2015, for a total revised funding recommendation of \$11.3 million in FY 2014 and \$17.3 million in FY 2015.

The Legislature, although supportive of providing additional funding in support of ELL students, expressed concerns regarding the Department of Education's proposed methodology for distributing the ELL funding recommended in The Executive Budget. As such, the Legislature developed a comprehensive package of educational services targeted to elementary schools that have the highest percentage of pupils who are limited English proficient and are the lowest performing academically in the two largest districts in the state: Clark County School District (CCSD) and Washoe County School District (WCSD).

Senate Bill 504, approved by the Legislature, requires that in order for a high ELL/low performing school in CCSD or WCSD to be eligible to receive an allocation of ELL funding, each school must offer all of the following programs: 1) prekindergarten programs free of charge; 2) expand full-day kindergarten classes at approximately a 21 to 1 pupil to teacher ratio; 3) operate reading skills centers; and 4) provide summer school or intersession classes, free of charge. The legislation designates such eligible schools as "zoom" schools.

In total, S.B. 504 appropriates General Funds of approximately \$25 million each fiscal year of the 2013-15 biennium in support of ELL students (inclusive of the \$11.3 million in FY 2014 and \$17.3 million in FY 2015 recommended in the Governor's budget). From the total annual appropriation, approximately \$1.5 million in each fiscal year provided for grants of money to the State Public Charter School Authority and school districts other than CCSD or WCSD in support of additional programs and services for ELL students. Up to \$19.7 million each fiscal year is available to the CCSD and up to \$3.7 million each fiscal year is available to the WCSD in support of zoom schools.

NEW FUNDING FOR KINDERGARTEN CLASS-SIZE REDUCTION

The Legislature appropriated General Funds totaling \$25.5 million and \$27.9 million in FY 2014 and FY 2015, respectively, to phase-in a statewide kindergarten class-size reduction program targeting a pupil to teacher ratio of 21 to 1, with a maximum pupil to teacher ratio of up to 25 to 1, based upon the approval of a school district's superintendent. The bill directs that each request and approval to exceed the 21 to 1 pupil to teacher ratio must be made on an individual school basis and not a school district wide basis. Moreover, Senate Bill 522 allows up to \$14 million to be distributed to school districts over the 2013-15 biennium to assist with the purchase of necessary facilities to provide kindergarten at the prescribed pupil to teacher ratio.

EXPANSION OF STATE-FUNDED FULL-DAY KINDERGARTEN PROGRAM

The Executive Budget recommended continued support of the state-funded full-day kindergarten (FDK) program with General Fund appropriations of \$25.1 million in

FY 2014 and \$25.6 million in FY 2015 to provide funding for 464.5 full-day kindergarten positions statewide. The Governor recommended an additional General Fund appropriation of \$10 million each fiscal year of the 2013-15 biennium to expand the state-funded FDK program in at-risk schools, with up to \$3.5 million set aside for the purchase of portable classrooms. The Executive Budget was subsequently amended to add additional General Fund appropriations of \$5 million each fiscal year of the 2013-15 biennium for the expansion of the state-funded FDK program.

The Legislature concurred with the recommended expansion of the state-funded FDK program and approved total state support of \$40.2 million in FY 2014 and \$40.8 million in FY 2015, an increase of 63.4 percent and 65.9 percent, respectively when compared to legislatively approved funding of \$24.6 million in FY 2013. The additional funding totaling approximately \$15 million in each fiscal year is estimated to provide state-funded FDK to approximately 75 additional schools, for a total of 201 schools, and add approximately 275 new FDK teachers over the 2013-15 biennium.

STATE SUPPLEMENTAL SCHOOL SUPPORT ACCOUNT

The State Supplemental School Support Account was created by Initiative Petition 1, which became law in 2009 pursuant to Article 4 Section 35 of the Nevada Constitution. The IP1 imposes an additional 3 percent tax on the gross receipts from the rental of transient lodging in certain counties as specified in the legislation. For the period of July 1, 2009, through June 30, 2011, the proceeds of this tax were to be credited to the State General Fund. Beginning on July 1, 2011, the proceeds were to be credited to the State Supplemental School Support Account to be distributed to school districts and charter schools to improve the achievement of students and to retain qualified teachers and non-administrative employees. The 2011 Legislature approved the transfer of IP1 Room Tax revenues to the DSA as a state funding source for 2011-13 biennium.

The 2013 Legislature approved the Governor's recommendation to continue the transfer of the IP1 (2009) Room Tax revenues estimated at \$131.9 million in FY 2014 and \$136.7 million in FY 2015 to the DSA as a state funding source. However, beginning July 1, 2015, the Room Tax revenues must be credited to the State Supplemental School Support Account for distribution to school districts and charter schools pursuant to statute.

INCENTIVES FOR LICENSED EDUCATIONAL PERSONNEL

Nevada Revised Statutes 391.166 creates a Grant Fund for Incentives for Licensed Educational Personnel and requires each school district to establish a program of incentive pay for licensed educational personnel designed to attract and retain those employees. Financial incentives must not exceed \$3,500 per year. The 23rd Special Session, through passage of Assembly Bill 1, repealed NRS 391.165, which required the purchase of retirement credits for teachers (1/5 Retirement Credit Purchase program) in at-risk schools, psychologists, and teachers in the fields of mathematics, science, special education and English as a second language. However, A.B. 1 provides an option for those employees participating in the program prior to

July 1, 2007, to continue the purchase of retirement credits until they have received an additional one full year of retirement credit at which time they would be eligible to participate in the new program of teacher incentive pay described above.

The 1/5 Retirement Credit Purchase program, under the provisions noted above, was to conclude in FY 2013 (final year of credits earned in FY 2012, to be funded in FY 2013); however, because the enabling legislation refers to participation in the program ceasing once the employee receives one full year of retirement service credit, rather than ceasing after a specific timeframe to earn the retirement service credit, the 1/5 Retirement Credit Purchase program will continue to be funded beyond FY 2013.

The Executive Budget recommended General Funds totaling \$31.7 million over the 2013-15 biennium to continue the program of incentive pay for licensed educational personnel. However, the Legislature did not approve the funding to continue the Incentive Pay program as a recruitment and retention tool. Instead, the Legislature approved General Fund appropriations of \$8.8 million in FY 2014 and approximately \$5.8 million in FY 2015 to continue funding the estimated outstanding liability for the 1/5 Retirement Credit Purchase program for the 2013-15 biennium.

DEPARTMENT OF EDUCATION

The 2013 Legislature approved total funding for the Department of Education (excluding the Distributive School Account, School Remediation Trust Fund, Incentives for Licensed Educational Personnel, State Supplemental School Support Account, and Other State Education Programs) in the amount of \$527.1 million for the 2013-15 biennium, a decrease of 25 percent compared to the \$702.4 million approved for the 2011-13 biennium (not including inter-agency transfers). The decrease is primarily due to the legislatively approved transfer of the Nutrition Education Programs account from the Department of Education to the Department of Agriculture as of July 1, 2013. Excluding the Nutrition Education Programs account in the 2011-13 biennium, total approved Department of Education funding increased 8.9 percent from approximately \$484 million to \$527.1 million from the 2011-13 biennium to the 2013-15 biennium.

General Fund support totals \$24.8 million for the 2013-15 biennium for the Department of Education's budget, a 24.6 percent increase compared to \$19.9 million approved for the 2011-13 biennium. The increase in General Fund appropriations is primarily due to approved maintenance and enhancements for the System for Accountability Information in Nevada (SAIN), as well as an increase in state support in the Education State Programs account for four new positions, three transferred-in positions, and cost allocations. To assist the Department of Education with reporting for class-size reduction, the 2013 Legislature, through the passage of Senate Bill 522, approved General Fund appropriations of \$70,081 over the 2013-15 biennium to fund a part-time position within the department.

EDUCATIONAL TRUST ACCOUNT

The 2007 Legislature approved the creation of the Educational Trust Account (NRS 120A.610) to be funded by transfers of expired or abandoned gift certificates from the Abandoned Property Trust Account. Pursuant to statute, collections from the trust account can only be expended for educational purposes, as authorized by the Legislature. Based on information provided by the Department of Education regarding the current trend of expired gift card revenue in the Abandoned Property Trust Account, the Legislature did not approve the Governor's recommendation for transfers from the Abandoned Property Trust Account of \$21,000 in each year of the 2013-15 biennium. Instead, the Legislature approved transfers from the Abandoned Property Trust Account of \$109,000 in each year of the biennium, which represents a five-year average of actual transfers from the Abandoned Property Trust Account to the Educational Trust Account.

In addition to approving the Governor's recommendation to allocate \$3,307 in each year of the 2013-15 biennium for the State Teacher of the Year program, the Legislature approved the use of \$48,574 over the biennium to fund additional travel and operating expenditures of the Office of Parental Involvement and Family Engagement; \$93,217 in FY 2014 to fund the travel and operating expenditures of the statewide Common Core State Standards Implementation and Professional Development Team; \$12,902 over the biennium to fund the annual Interstate Compact on Educational Opportunity for Military Children assessment; and \$298,600 in FY 2014 to fund the development of training modules for teachers and administrators.

EDUCATOR EFFECTIVENESS

The Governor recommended the creation of a new budget account to focus resources on the goal of educator effectiveness, including professional development and educator and administrator evaluation. The Legislature approved the new budget account with \$320,000 of General Fund support over the 2013-15 biennium to fund an independent evaluation of the New Educator Effectiveness system. However, the Legislature did not approve the Governor's proposal to transfer funding for the Regional Professional Development Programs (RPDP) from the School Remediation Trust Fund account to the new Educator Effectiveness account. The Legislature approved the Governor's recommended General Fund appropriations totaling approximately \$2.5 million over the 2013-15 biennium to fund professional development to implement the new Educator Effectiveness System of the Teacher and Administrator Evaluation Framework. However, rather than including these appropriations in the Educator Effectiveness account as recommended, the Legislature placed the funding in the School Remediation Trust Account consistent with RPDP funding.

EDUCATION STATE PROGRAMS

The Education State Programs account provides support for the State Board of Education, the administrative duties of the State Superintendent of Public Instruction, management of the State Department of Education and statewide school issues, and technical expertise of

professionals in various education subjects. The account also funds the Commission on Education Technology, the Office of Parental Involvement and Family Engagement, academic probation panels, and the Teachers and Leaders Council. Funding for the Education State Programs account is primarily provided by General Fund appropriations; however, a small portion is provided by the sale of Nevada School Law pamphlets.

The Legislature approved the Governor's recommendation for General Fund appropriations totaling \$724,207 over the 2013-15 biennium for four new positions within the Department of Education, including a Public Information Officer II, an Information Technology Professional II, and two Education Programs Professionals. The two Education Programs Professionals were approved to assist the school districts with implementation of the new English Language Learner (ELL) program created pursuant to Senate Bill 504. Lastly, the Legislature concurred with the Governor's recommendation for General Fund appropriations of \$247,523 in FY 2014 and \$250,576 in FY 2015 to support an increase in the department's internal cost allocation due to the transfer of seven audit positions to the Education Staffing Services account.

PROFICIENCY TESTING

The Department of Education oversees and funds various testing programs in public elementary and secondary schools, including Criterion-Referenced Tests (CRTs), the High School Proficiency Exam (HSPE), the National Assessment of Educational Progress (NAEP), the Nevada Alternative Assessment (NAA), the English Language Proficiency Assessment (ELPA), and a writing assessment in grades 5, 8, and 11.

The CRT in reading and math is administered annually in grades 3 through 8, science in grades 5 and 8, and analytical writing assessment in grades 5 and 8. The NAEP is an assessment administered to a sampling of students in grades 4, 8 and 12, which is used to compare Nevada's students to other students in the nation. Students in grades 10 through 12 are tested in math, reading, and writing, and grades 10 and 11 in science, through the HSPE. The 2013 Legislature approved Assembly Bill 288, which eliminates the HSPE beginning in the 2014-15 school year. Since A.B. 288 also requires the State Board of Education to select a college and career readiness assessment to replace the HSPE and determine the achievement and proficiency of high school students during 11th grade, the passage of the bill did not affect funding provided in the Proficiency Testing account.

Including direct funding for the System for Accountability Information in Nevada (SAIN), the Legislature approved General Fund appropriations totaling \$13.3 million over the 2013-15 biennium for the Proficiency Testing account, representing a 14.7 percent increase over the \$11.6 million approved for the 2011-13 biennium.

SAIN – SYSTEM FOR ACCOUNTABILITY INFORMATION IN NEVADA

Pursuant to NRS 386.650, the Department of Education is required to establish and maintain an automated system of accountability information for Nevada to report the results of student achievement and provide longitudinal comparisons of academic

achievement, rate of attendance, and rate of graduation of pupils over time. The system requirements allow education stakeholders to analyze the results of pupils on a school level basis. The Legislature approved the Governor's recommendation for General Fund appropriations of \$292,498 over the 2013-15 biennium to fund software and server license updates for the SAIN system (inclusive of indirect costs), as well as the Governor's recommendation for a General Fund appropriation of \$341,568 in FY 2014 to fund a Nevada School Performance Framework contract that was previously supported by federal funds.

The Legislature also approved the Governor's recommendation for General Fund appropriations of \$1.3 million over the 2013-15 biennium to fund various SAIN maintenance and enhancement and maintenance projects. In approving this recommendation the Legislature provided for expenditure of \$489,804 in FY 2014 on three high priority projects (the development of a unique teacher identifier, an update to the Nevada Growth Model application, and various software platform upgrades) and database administration services from the Division of Enterprise Information Technology Services. The Legislature approved placing the remaining FY 2014 appropriation of \$179,029, as well as the entire \$527,131 appropriation in FY 2015, in a special reserve category to be accessed by the department through the Interim Finance Committee upon successful completion of the first three projects funded in FY 2014. In addition, the money committees issued a letter of intent to the Department of Education requiring annual reports be submitted to the Interim Finance Committee over the 2013-15 biennium regarding the milestones achieved in the approved SAIN enhancements and maintenance projects.

TEACHER EDUCATION AND LICENSING

The Teacher Education and Licensing account includes the Commission on Professional Standards in Education, which is charged with the adoption of regulations pertaining to the licensing of teachers and other educational personnel. Teacher licensing staff is responsible for implementation and enforcement of the standards adopted by the Commission on Professional Standards in Education. Licensing staff is also responsible for determining teacher eligibility for licensure, approving and issuing licenses for teachers and other educational personnel, and maintaining a competency testing program for educational personnel.

Since FY 2002, the Office of Teacher Licensure (OTL) has been funded entirely through the collection of fees for teacher licenses, renewals and endorsements, with a minimal amount of General Funds authorized to allow the department access to the Interim Finance Committee (IFC) Contingency Account if needed. Based on projections of new and renewal licenses, the 2013 Legislature approved the budget with revenue of \$3.6 million over the 2013-15 biennium for the OTL, which represents a 12.5 percent increase over the amount included in The Executive Budget of \$3.2 million. Due to policy and procedural concerns noted by the Legislature regarding the OTL, the Legislature did not approve the Governor's recommendation to transfer an

Administrative Assistant III position from the Teacher Education and Licensing account to the Education Staffing Services account.

The money committees approved the issuance of a letter of intent to the Department of Education requesting semi-annual updates to the IFC on the progress that has been made in improving the policies, procedures, and customer service in the OTL, including the progress in establishing the ability to accept online submittal of teacher licensure applications. The money committees also approved the issuance of a letter to the Audit Division of the Legislative Counsel Bureau requesting the Legislative Auditor include a focus on the Office of Teacher Licensure in the scope of the Department of Education audit scheduled to begin in the summer of 2013.

ELEMENTARY AND SECONDARY EDUCATION ACT – TITLE I

Title I programs include the majority of the federal funds utilized by school districts and charter schools to comply with requirements of the No Child Left Behind Act (2001). The 2013 Legislature authorized federal funds of \$219.8 million over the 2013-15 biennium for Title I basic programs and approximately \$7.4 million over the 2013-15 biennium for Title I School Improvement grants. Title I School Improvement grant funds (\$8.4 million in FY 2012), awarded through the American Recovery and Reinvestment Act (ARRA) of 2009, have expired and, as recommended by the Governor, have been eliminated for the 2013-15 biennium.

ELEMENTARY AND SECONDARY EDUCATION ACT – TITLES II, V, AND VI

The Legislature authorized federal funds of \$58.9 million over the 2013-15 biennium for the State Assessments, Striving Readers and the Effective Leaders and Teachers grant programs. The Effective Leaders and Teachers grant, recommended in the amount of \$9.3 million in each fiscal year of the 2013-15 biennium, is a new federal grant designated to replace the expiring Improving Teacher Quality grant (\$12.3 million in FY 2012). Other expiring federal grants for the 2013-15 biennium include the Math and Science Partnership grant and the Federal Technology and the ARRA Technology grants, which totaled approximately \$1.8 million in FY 2012.

INDIVIDUALS WITH DISABILITIES ACT

The federal Individuals with Disabilities Act (IDEA) provides federal funding to assist students with disabilities to improve their performance on statewide assessments, with the goal of increasing the high school graduation rate and assisting students with disabilities to improve skills and behaviors to benefit post-secondary outcomes. In addition to the Department of Education (Department) administering the IDEA program and providing subgrants to school districts and charter schools, the Department monitors students whose individual educational program cannot be met at their home school district (NRS 395 program). For the 2013-15 biennium, ARRA IDEA funding, which totaled \$5.2 million in FY 2012, has expired and been eliminated. The Legislature concurred with the Governor's recommended IDEA funding totaling

\$145.8 million over the 2013-15 biennium, representing a 2.5 percent decrease from the \$149.5 million of non-ARRA IDEA funding approved for the 2011-13 biennium.

STATE PUBLIC CHARTER SCHOOL AUTHORITY

Senate Bill 212 of the 2011 Legislative Session amended NRS Chapter 386 to create a seven-member State Public Charter School Authority (SPCSA) and transfer the authority to sponsor charter schools from the State Board of Education to the SPCSA. The SPCSA is responsible for providing oversight and technical assistance to the charter schools it sponsors. The SPCSA is currently funded by a 1.5 percent administrative fee on each sponsored school's per-pupil funding from the Distributive School Account; however, NRS 386.570 authorizes the SPCSA to collect up to a 2.0 percent administrative fee. Additionally, the SPCSA, as a Local Education Agency (LEA), is eligible to receive federal funding authorized by the Elementary and Secondary Education Act (ESEA) and the Individuals with Disabilities Education Act (IDEA).

Based on enrollment projections for state sponsored charter schools for the 2013-15 biennium, the Legislature approved administrative fee revenue authority of \$1.49 million in FY 2014 and \$1.63 million in FY 2015. The Legislature approved the Governor's recommendation to fund two new contracts for a total cost of \$87,678 over the 2013-15 biennium. A contract with the National Student Clearinghouse will fund a student tracking system to observe higher education enrollment trends for charter school graduates, while a contract with ACT will fund a student assessment system to monitor charter student academic growth and proficiency.

In addition, the Legislature approved the Governor's recommendation to fund a revolving loan account for all Nevada charter schools (both state and district sponsored) with a one-time General Fund appropriation of \$750,000 in FY 2014. Pursuant to NRS 386.577, funding in the revolving loan account may be used only to make loans at or below market rate to charter schools for costs incurred in preparing a charter school to commence its first year of operations or to improve a charter school that has been in operation. The Legislature also approved Senate Bill 3 during the 27th Special Session, which increased the maximum amount of any individual charter school loan from \$25,000 annually to the lesser of an amount equal to \$500 per pupil enrolled or to be enrolled at the charter school or \$200,000.

NEVADA SYSTEM OF HIGHER EDUCATION

The Nevada System of Higher Education (NSHE) is governed by a 13-member Board of Regents. The System comprises the Chancellor's Office; University of Nevada, Reno (UNR); University of Nevada, Las Vegas (UNLV); Nevada State College at Henderson (NSC); College of Southern Nevada (CSN); Great Basin College (GBC); Truckee Meadows Community College (TMCC); Western Nevada College (WNC); UNR School of Medicine; UNLV Law School; UNLV Dental School; the Desert Research Institute (DRI); and related institutions.

Comparison of Governor's Recommended Budget versus Legislatively Approved Budget: Nevada System of Higher Education: 2013-15 Biennium				
Funding Source (Excludes WICHE)	2013-15 Governor Recommended (Millions)	2013-15 Legislature Approved (Millions)	2013-15 Dollar Change (Millions)	2013-15 Percentage Change
State General Fund	\$972.4	\$971.3	(\$1.1)	-0.1%
Student Fees/Non-Resident Tuition	\$514.1	\$514.1	\$0.0	0.0%
Federal/Other Funds	\$10.8	\$10.8	\$0.0	0.0%
TOTAL	\$1,497.3	\$1,496.2	(\$1.1)	-0.1%

In closing the budgets of the NSHE, the 2013 Legislature approved revenues from all sources totaling nearly \$1.5 billion over the 2013-15 biennium. Of the total revenues, \$971.3 million, or 64.9 percent, are General Fund appropriations while \$514.1 million in budgeted student registration fees, miscellaneous student fees and non-resident tuition charges comprise 34.4 percent of the total revenues. As shown in the table above, when compared to the Governor's recommended budget the legislatively approved budget is approximately \$1.1 million or one-tenth of a percent less over the biennium. However, when compared to the \$944.8 million in General Fund operating appropriations approved by the 2011 Legislature for the NSHE for the 2011-13 biennium, General Fund appropriations increased by \$26.5 million or 2.8 percent.

For the 2013-15 biennium, the \$971.3 million in General Fund appropriations represents 14.7 percent of the \$6.6 billion in total General Fund operating appropriations approved by the 2013 Legislature. The table on the next page shows the distribution of General Fund appropriations by NSHE budget account as approved by the 2013 Legislature.

**2013-15 Biennium Funding Formula General Fund Appropriations Approved for
the Nevada System of Higher Education by the 2013 Legislature**

NSHE State Supported Operating Budgets	FY 2013 General Fund Appropriations ¹ (Leg. Approved)	FY 2013 General Fund Appropriations ² (Board of Regents Adjusted)	FY 2014 General Fund Appropriations (Leg. Approved)	% Change from FY 2013	FY 2015 General Fund Appropriations Inclusive of Performance Funding (Leg. Approved)	% Change from FY 2013
University of Nevada, Reno	\$ 97,785,875	\$ 91,404,757	\$ 88,942,197	-2.7%	\$ 91,307,153	-0.1%
University of Nevada, Las Vegas	\$ 126,770,179	\$ 124,529,975	\$ 127,048,926	2.0%	\$ 130,431,946	4.7%
College of Southern Nevada	\$ 77,587,864	\$ 77,587,864	\$ 85,128,000	9.7%	\$ 87,518,652	12.8%
Great Basin College	\$ 14,031,554	\$ 14,031,554	\$ 12,281,953	-12.5%	\$ 12,733,883	-9.2%
Truckee Meadows Comm. College	\$ 30,603,292	\$ 30,603,292	\$ 29,548,559	-3.4%	\$ 30,367,228	-0.8%
Western Nevada College	\$ 15,029,964	\$ 15,029,964	\$ 13,319,386	-11.4%	\$ 13,596,404	-9.5%
Nevada State College	\$ 9,111,439	\$ 9,111,439	\$ 12,214,541	34.1%	\$ 12,568,654	37.9%
SUBTOTAL	\$ 370,920,167	\$ 362,298,845	\$ 368,483,562	1.7%	\$ 378,523,920	4.5%
Medical School	\$ 25,437,772	\$ 29,906,780	\$ 30,779,902	2.9%	\$ 31,253,285	4.5%
UNLV Law School	\$ 6,570,754	\$ 6,570,754	\$ 7,255,748	10.4%	\$ 7,404,114	12.7%
UNLV Dental School	\$ 6,404,551	\$ 6,404,551	\$ 7,163,172	11.8%	\$ 7,422,189	15.9%
DRI	\$ 7,421,572	\$ 7,421,572	\$ 7,450,078	0.4%	\$ 7,526,457	1.4%
SUBTOTAL	\$ 45,834,649	\$ 50,303,657	\$ 52,648,900	4.7%	\$ 53,606,045	6.6%
Special Projects	\$ 1,946,486	\$ 1,946,486	\$ 1,958,206	0.6%	\$ 1,974,778	1.5%
UNR Intercollegiate Athletics	\$ 4,563,490	\$ 4,935,594	\$ 4,952,507	0.3%	\$ 4,972,752	0.8%
UNR Statewide Programs	\$ 4,289,701	\$ 7,825,127	\$ 7,018,477	-10.3%	\$ 7,364,608	-5.9%
System Administration	\$ 4,436,563	\$ 4,568,280	\$ 4,589,482	0.5%	\$ 4,653,275	1.9%
UNLV Intercollegiate Athletics	\$ 6,492,671	\$ 7,010,609	\$ 7,020,612	0.1%	\$ 7,049,245	0.6%
Agricultural Experiment Station	\$ 4,432,516	\$ 4,866,936	\$ 4,764,698	-2.1%	\$ 4,872,744	0.1%
Cooperative Extension	\$ 6,293,211	\$ 2,859,930	\$ 3,401,923	19.0%	\$ 3,490,641	22.1%
System Computing Center	\$ 16,669,848	\$ 16,669,848	\$ 16,567,790	-0.6%	\$ 16,870,709	1.2%
State-Funded Perkins Loan (NDSL)	\$ 35,793	\$ 35,793	\$ 35,793	0.0%	\$ 35,793	0.0%
University Press	\$ 543,537	\$ 411,820	\$ 397,206	-3.5%	\$ 406,989	-1.2%
UNLV Statewide Programs	\$ 1,065,510	\$ 2,761,490	\$ 2,850,091	3.2%	\$ 2,866,667	3.8%
Business Center North	\$ 1,823,756	\$ 1,867,170	\$ 1,805,573	-3.3%	\$ 1,829,353	-2.0%
Business Center South	\$ 1,583,585	\$ 1,609,871	\$ 1,610,511	0.0%	\$ 1,642,847	2.0%
State Health Laboratory	\$ 1,448,246	\$ 1,518,320	\$ 1,485,657	-2.2%	\$ 1,502,862	-1.0%
SUBTOTAL	\$ 55,624,913	\$ 58,887,274	\$ 58,458,526	-0.7%	\$ 59,533,263	1.1%
TOTAL APPROPRIATIONS³	\$ 472,379,729	\$ 471,489,776	\$ 479,590,988	1.7%	\$ 491,663,228	4.3%

NOTES:

1. FY 2013 legislatively appropriated General Fund amounts prior to consolidation of budget accounts by the 2013 Legislature.
2. FY 2013 General Fund appropriations reflect allocation changes approved by the Board of Regents within consolidated budgets which did not require Interim Finance Committee approval. Also, based upon the Board of Regents' request, the Interim Finance Committee approved the transfer of \$4,539,082 from UNR's main instructional budget to the University of Nevada School of Medicine. UNR's total of \$91.4 million also reflects the transfer of \$889,953 related to Fire Science Academy.
3. FY 2013 difference between the legislatively approved (\$472,379,729) and Board of Regents' adjusted (\$471,489,776) represents the sale of UNR's Fire Science Academy property to the Office of the Military and the transfer of \$889,953 in General Fund appropriations from UNR's main (instructional) budget account.

ADOPTION OF NEW FUNDING FORMULA METHODOLOGY

The 2013 Legislature's review of the Governor's funding recommendations for the NSHE primarily focused on the adoption of a new funding formula to distribute available General Fund appropriations to the NSHE teaching institutions (University of Nevada, Reno [UNR]; University of Nevada, Las Vegas [UNLV]; College of Southern Nevada [CSN]; Great Basin College [GBC]; Truckee Meadows Community College [TMCC]; Western Nevada College [WNC]; and Nevada State College [NSC]). In adopting the new funding formula, the 2013 Legislature considered the following issues:

- a. The use of resident, completed weighted student credit hours (WSCH) as the primary basis for distributing available General Fund appropriations;
- b. The allocation of additional funding to GBC and WNC, as small institutions with less than 100,000 WSCH (Small Institution Factor), distributed prior to allocating monies based upon the count of WSCH;
- c. The allocation of additional funding to UNLV and UNR, as research institutions, to fund the cost of the operation and maintenance (O&M Factor) of research space which is otherwise not used for instruction and does not generate WSCH;
- d. The availability of mitigation funding (hold harmless or stop-loss) for institutions that would receive less funding as a result of the new funding formula;
- e. The implementation of a system of performance funding beginning in FY 2015 with a 5.0 percent set-aside from each institution's total formula funding;
- f. The budgeting of non-General Fund revenues and whether these revenues should offset General Fund appropriations and be continued in the NSHE state supported operating budgets;
- g. A Desert Research Institute-specific funding formula.

USE OF RESIDENT, WEIGHTED STUDENT CREDIT HOURS

The 2013 Legislature adopted the recommendation of the Board of Regents, the 2011-12 Interim Committee to Study the Funding of Higher Education pursuant to Senate Bill 374 of the 2011 Legislature (S.B. 374 Study Committee) and the Governor to primarily distribute General Fund appropriations based upon resident, completed weighted student credit hours. Weighted student credit hours earned by non-resident students are excluded from the formula. As adopted by the 2013 Legislature, the value of each WSCH is uniform across all institutions and calculated by dividing the available General Fund appropriations, after any "pre-formula allocations" are distributed, by the total number of WSCH. For FY 2014 and FY 2015, the calculated General Fund value of a WSCH was \$137.69 and \$141.50, respectively.

The Legislature concurred with the Governor and utilized FY 2012 actual WSCH as the basis for distributing available General Fund appropriations. However, the Legislature did not concur with the Governor's recommendation with regard to the treatment of WSCH associated with the letter grade of "F." The Governor recommended that the count of FY 2012 WSCH be adjusted by eliminating all "F" grade WSCH at UNLV and UNR and counting only 25 percent and 50 percent of "F" grade WSCH at NSC and the four community colleges, respectively. Instead, the 2013 Legislature concurred with the Board of Regents and the S.B. 374 Study Committee's recommendation that all "F" grade WSCH be counted in the 2013-15 biennium but that WSCH associated with "F" grades for non-attendance/effort ("FN" code) should be subsequently excluded once the Board of Regents had adopted and implemented a uniform policy and system of data collection. The 2013 Legislature understood that these WSCH would not be included in the institutions' FY 2014 count of WSCH and the NSHE's budget request for the 2015-17 biennium.

The table below displays the difference in WSCH as recommended by the Governor and that was approved by the 2013 Legislature.

Count of FY 2012 Weighted Student Credits Hours (WSCH) for each NSHE Institution by Methodology			
	FY 2012 WSCH Adjusted for "F Grades" (Governor Recommended)	FY 2012 WSCH w/All "F Grades" (Leg. Approved)	FY 2012 WSCH Difference
UNR	595,658	619,941	24,283
UNLV	847,125	886,813	39,688
CSN	569,777	626,677	56,900
GBC	58,501	60,769	2,268
TMCC	190,485	214,603	24,118
WNC	72,025	74,414	2,389
NSC	84,306	92,826	8,520
TOTAL	2,417,877	2,576,043	158,166

SMALL INSTITUTION FUNDING FOR GBC AND WNC

The 2013 Legislature concurred with the recommendation of the Board of Regents, the S.B. 374 Study Committee and the Governor and approved a total of \$3.9 million in General Fund allocations over the 2013-15 biennium to GBC and WNC to support of administrative operating costs. As approved by the 2013 Legislature, funding was allocated prior to the calculation of the WSCH value and distributed prior to the formula funding. The level of funding GBC and WNC received was based upon a maximum of \$1.5 million per year and determined by the actual number of WSCH greater than 50,000, but less than 100,000. Each WSCH was valued at \$30.00. The Small Institution funding each institution received for the 2013-15 biennium is as follows:

Small Institution Funding Allocations Approved for GBC and WNC for the 2013-15 Biennium				
	FY 2012 Count of Actual WSCH	FY 2014 Gen. Fund Small Institution Allocation (Leg. Approved)	FY 2015 Gen. Fund Small Institution Allocation (Leg. Approved)	2013-15 Biennium Gen. Fund Small Institution Allocation (Leg. Approved)
GBC	60,769	\$ 1,176,930	\$ 1,176,930	\$ 2,353,860
WNC	74,414	\$ 767,580	\$ 767,580	\$ 1,535,160
TOTAL	135,183	\$ 1,944,510	\$ 1,944,510	\$ 3,889,020

RESEARCH SPACE OPERATION AND MAINTENANCE FUNDING FOR UNLV AND UNR

The 2013 Legislature concurred with the recommendation of the Board of Regents and the Governor and approved \$6.8 million in annual General Fund appropriations for UNLV and UNR to support the operation and maintenance (O&M) of research space not otherwise funded through the count of WSCH. As approved, this funding was allocated prior to the calculation of the WSCH value and distributed prior to the formula funding. In addition, the 2013 Legislature approved an additional \$1.73 million in Research Space O&M support for UNLV in each fiscal year. However, the \$1.73 million was funded “post-formula” and provided to UNLV by redistributing formula funding from CSN (\$1.2 million) and NSC (\$566,616). The \$17.1 million in Research Space O&M funding UNLV and UNR received for the 2013-15 biennium is as follows:

University Research Space Operation and Maintenance (O&M) Funding Allocations Approved for the 2013-15 Biennium				
	FY 2014 Research O&M Pre-Formula Funding (Gov. Rec.)	FY 2014 Research O&M Pre-Formula Funding (Leg. Approved)	FY 2014 Additional Research O&M Post-Formula Funding (Leg. Approved)	FY 2014 TOTAL Research O&M Funding (Leg. Approved)
UNLV	\$ 3,218,775	\$ 3,218,775	\$ 1,725,398	\$ 4,944,173
UNR	\$ 3,582,891	\$ 3,582,891	\$ -	\$ 3,582,891
CSN			\$ (1,158,782)	
NSC			\$ (566,616)	
TOTAL	\$ 6,801,666	\$ 6,801,666	\$ -	\$ 8,527,064
	FY 2015 Research O&M Pre-Formula Funding (Gov. Rec.)	FY 2015 Research O&M Pre-Formula Funding (Leg. Approved)	FY 2015 Additional Research O&M Post-Formula Funding (Leg. Approved)	FY 2015 TOTAL Research O&M Funding (Leg. Approved)
UNLV	\$ 3,218,775	\$ 3,218,775	\$ 1,725,398	\$ 4,944,173
UNR	\$ 3,582,891	\$ 3,582,891	\$ -	\$ 3,582,891
CSN			\$ (1,158,782)	
NSC			\$ (566,616)	
TOTAL	\$ 6,801,666	\$ 6,801,666	\$ -	\$ 8,527,064

FUNDING FORMULA MITIGATION

As recommended by the Governor, The Executive Budget included two types of funding formula mitigation for GBC and WNC. The Governor recommended \$1.0 million in new General Fund appropriations in each fiscal year distributed “post-formula” between GBC and WNC. Additionally, the Governor recommended a redistribution of \$6.4 million (\$3.8 million in FY 2014, \$2.4 million in FY 2015) in existing General Fund appropriations over the 2013-15 biennium to GBC and WNC from UNLV, CSN and NSC, also on a “post-formula” basis. The following table shows the mitigation recommended in The Executive Budget.

2013-15 Biennium General Fund Appropriation Funding Formula Mitigation Included in The Executive Budget							
	FY 2014 Governor Recommended Funding Formula Mitigation				FY 2015 Governor Recommended Funding Formula Mitigation		
	Redistribution	New General Fund	TOTAL		Redistribution	New General Fund	TOTAL
UNR	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
UNLV	\$ (1,092,013)	\$ -	\$ (1,092,013)		\$ (568,839)	\$ -	\$ (568,839)
CSN	\$ (1,776,486)	\$ -	\$ (1,776,486)		\$ (1,181,153)	\$ -	\$ (1,181,153)
GBC	\$ 2,132,724	\$ 522,330	\$ 2,655,054		\$ 1,527,028	\$ 534,892	\$ 2,061,920
TMCC	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
WNC	\$ 1,708,800	\$ 477,670	\$ 2,186,470		\$ 874,968	\$ 465,108	\$ 1,340,076
NSC	\$ (973,025)	\$ -	\$ (973,025)		\$ (652,005)	\$ -	\$ (652,005)
TOTAL¹	\$ -	\$ 1,000,000	\$ 1,000,000		\$ (1)	\$ 1,000,000	\$ 999,999

1. FY 2015 did not net to \$0 and \$1,000,000 due to rounding.

However, the 2013 Legislature did not fully concur with the Governor's recommendation, in particular the proposed redistribution of formula funding from UNLV, CSN and NSC. Instead, in addition to the \$1.0 million in new General Fund appropriations recommended by the Governor, the 2013 Legislature approved new General Fund appropriations totaling \$4.0 million and \$4.3 million to GBC and WNC in FY 2014 and FY 2015, respectively, to mitigate the effect of the formula.

	FY 2014 Legislature Approved Funding Formula Mitigation				FY 2015 Legislature Approved Funding Formula Mitigation		
	New General Fund	New General Fund	TOTAL		New General Fund	New General Fund	TOTAL
UNR	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
UNLV	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
CSN	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
GBC	\$ 522,330	\$ 2,215,447	\$ 2,737,777		\$ 534,892	\$ 2,422,992	\$ 2,957,884
TMCC	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
WNC	\$ 477,670	\$ 1,828,116	\$ 2,305,786		\$ 465,108	\$ 1,833,822	\$ 2,298,930
NSC	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
TOTAL	\$ 1,000,000	\$ 4,043,563	\$ 5,043,563		\$ 1,000,000	\$ 4,256,814	\$ 5,256,814

NOTE: Mitigation shown for GBC and WNC does not include NSHE self-funded mitigation provided in the amounts of \$1,097,096 and \$1,019,172 to GBC and WNC, respectively, in FY 2014 and \$175,472 and \$274,530 to GBC and WNC, respectively, in FY 2015 approved by the Board of Regents at the Board's June 2013 meeting.

DISTRIBUTION OF FORMULA FUNDING

The table on the next page shows the budgetary effects of the funding formula decisions approved by the 2013 Legislature on the distribution of General Fund

appropriations to the seven institutions. Overall, when compared to the FY 2013 Board of Regents-adjusted funding levels, General Fund appropriations increase by 1.7 percent in FY 2014 and 4.5 percent in FY 2015, before the 5 percent performance funding set-aside is applied. However, as shown, funding to institutions in FY 2014 decreased by as much as 12.5 percent at GBC and increased by as much as 34.1 percent at NSC. For FY 2015, the range is between a decrease of 9.5 percent (WNC) to an increase of 37.9 percent (NSC).

2013-15 Biennium Funding Formula General Fund Appropriations Approved for the Nevada System of Higher Education by the 2013 Legislature						
NSHE State Supported Operating Budgets	FY 2013 General Fund Appropriations¹ (Leg. Approved)	FY 2013 General Fund Appropriations² (Board of Regents Adjusted)	FY 2014 General Fund Appropriations (Leg. Approved)	% Change from FY 2013	FY 2015 General Fund Appropriations Inclusive of Performance Funding (Leg. Approved)	% Change from FY 2013
University of Nevada, Reno	\$ 97,785,875	\$ 91,404,757	\$ 88,942,197	-2.7%	\$ 91,307,153	-0.1%
University of Nevada, Las Vegas	\$ 126,770,179	\$ 124,529,975	\$ 127,048,926	2.0%	\$ 130,431,946	4.7%
College of Southern Nevada	\$ 77,587,864	\$ 77,587,864	\$ 85,128,000	9.7%	\$ 87,518,652	12.8%
Great Basin College	\$ 14,031,554	\$ 14,031,554	\$ 12,281,953	-12.5%	\$ 12,733,883	-9.2%
Truckee Meadows Comm. College	\$ 30,603,292	\$ 30,603,292	\$ 29,548,559	-3.4%	\$ 30,367,228	-0.8%
Western Nevada College	\$ 15,029,964	\$ 15,029,964	\$ 13,319,386	-11.4%	\$ 13,596,404	-9.5%
Nevada State College	\$ 9,111,439	\$ 9,111,439	\$ 12,214,541	34.1%	\$ 12,568,654	37.9%
SUBTOTAL	\$ 370,920,167	\$ 362,298,845	\$ 368,483,562	1.7%	\$ 378,523,920	4.5%

NOTES:

1. FY 2013 Legislatively appropriated General Fund amounts prior to consolidation of Budget Accounts by the 2013 Legislature.

2. FY 2013 General Fund appropriations reflect allocation changes approved by the Board of Regents within consolidated budgets which did not require Interim Finance Committee approval. Also, based upon the Board of Regents' request, the Interim Finance Committee approved the transfer of \$4,539,082 from UNR's main instructional budget to the University of Nevada School of Medicine. UNR's total of \$91.4 million also reflects the transfer of \$889,953 related to Fire Science Academy.

However, when compared to the funding level each institution would have otherwise received under the non-formula, Base-Maintenance-Enhancement (B-M-E) budget methodology, use of the funding formula redistributed General Fund appropriations among the seven institutions. As shown in the table on the next page, for FY 2014, funding for UNLV, CSN and NSC increased over the budgeted "pre-formula" B-M-E level by approximately \$12.8 million while funding for UNR, GBC, TMCC and WNC decreased by an equal amount. However, as noted previously, and shown in the table, the \$5.0 million in mitigation to GBC and WNC had the effect of reducing the cumulative decrease to the northern institutions to approximately \$7.7 million in FY 2014. In FY 2015, the cumulative increase for UNLV, CSN and NSC was \$12.9 million with the cumulative decrease to UNR, GBC, TMCC and WNC again offset by approximately \$5.3 million in mitigation to GBC and WNC.

Comparison of Institution's 2013-15 Biennium Distribution of Formula Funding Compared To Institution's Pre-Formula Funding Levels							
Institution	FY 2014 Gen. Funds (Pre-Formula B-M-E Distribution)	FY 2014 Formula Gen. Funds (Leg. Approved)	FY 2014 General Fund Difference	Institution	FY 2015 Gen. Funds (Pre-Formula B-M-E Distribution)	FY 2015 Formula Gen. Funds (Leg. Approved)	FY 2015 General Fund Difference
UNR	\$ 92,283,076	\$ 88,942,197	\$ (3,340,879)	UNR	\$ 94,819,723	\$ 91,307,153	\$ (3,512,570)
UNLV	\$ 124,089,651	\$ 127,048,926	\$ 2,959,275	UNLV	\$ 128,002,647	\$ 130,431,946	\$ 2,429,299
CSN	\$ 78,146,751	\$ 85,128,000	\$ 6,981,249	CSN	\$ 80,023,834	\$ 87,518,652	\$ 7,494,818
GBC	\$ 13,870,466	\$ 12,281,953	\$ (1,588,513)	GBC	\$ 14,180,409	\$ 12,733,883	\$ (1,446,526)
TMCC	\$ 30,563,039	\$ 29,548,559	\$ (1,014,480)	TMCC	\$ 31,300,351	\$ 30,367,228	\$ (933,123)
WNC	\$ 15,097,902	\$ 13,319,386	\$ (1,778,516)	WNC	\$ 15,369,548	\$ 13,596,404	\$ (1,773,144)
NSC	\$ 9,389,114	\$ 12,214,541	\$ 2,825,427	NSC	\$ 9,570,594	\$ 12,568,654	\$ 2,998,060
TOTAL	\$ 363,439,999	\$ 368,483,562	\$ 5,043,563	TOTAL	\$ 373,267,106	\$ 378,523,920	\$ 5,256,814
Change for Southern NV Institutions			\$ 12,765,951	Change for Southern NV Institutions			\$ 12,922,177
Change for Northern NV Institutions			\$ (7,722,388)	Change for Northern NV Institutions			\$ (7,665,363)
Funding Formula Mitigation for GBC and WNC			\$ 5,043,563	Funding Formula Mitigation for GBC and WNC			\$ 5,256,814

IMPLEMENTATION OF PERFORMANCE FUNDING

The S.B. 374 Study Committee recommended that a system of performance funding be established for the NSHE's seven teaching institutions funded by setting aside an initial 5 percent in FY 2015, which would be increased by 5 percent per fiscal year to 10 percent, 15 percent and 20 percent in FY 2016, FY 2017 and FY 2018, respectively. The 2013 Legislature adopted the recommendation. In doing so, the 2013 Legislature funded the performance funding pool by setting aside \$18.9 million or 5 percent of the General Funds appropriated for FY 2015 to each institution's main instructional operating budget. The \$18.9 million was transferred to a new NSHE budget account, Performance Funding Pool. Each institution can earn back its FY 2015 set-aside by achieving performance criteria established by the Board of Regents. Whether an institution earns its FY 2015 performance set-aside is based upon the institution's FY 2013 performance as compared to its FY 2012 baseline performance. Additional aspects of performance funding approved by the 2013 Legislature were:

- Institutions have a two-year period in which to earn the yearly performance funding set-aside. An institution can earn any remaining first year funds in FY 2016 by exceeding the institution's performance metrics in the second year;
- Unearned performance funds remaining at the end of the two-year period are to be reallocated to support statewide, need-based student financial aid at all seven institutions. These funds would be transferred from the Performance Funding pool account to NSHE State-Funded Perkins Loan account (101-2993) for distribution by the Board of Regents.

The following table displays the performance funding set-asides.

FY 2015 General Fund Appropriation Performance Funding Set-Asides Approved by the 2013 Legislature		
Institution	FY 2015 Approved General Fund Appropriations (Leg. Approved)	FY 2015 5% Performance Funding Carve-Out (Leg. Approved)
UNR	\$ 91,307,153	\$ 4,565,358
UNLV	\$ 130,431,946	\$ 6,521,597
CSN	\$ 87,518,652	\$ 4,375,933
GBC	\$ 12,733,883	\$ 636,694
TMCC	\$ 30,367,228	\$ 1,518,361
WNC	\$ 13,596,404	\$ 679,820
NSC	\$ 12,568,654	\$ 628,433
TOTAL	\$ 378,523,920	\$ 18,926,196

BUDGETING OF NON-GENERAL FUND REVENUES

The 2013 Legislature also adopted the S.B. 374 Study Committee's recommendation that for purposes of calculating the level of General Fund appropriations to be budgeted in the NSHE's state-supported operating budgets, projected non-General Fund revenues should not offset the amount of General Fund appropriations that would otherwise be budgeted. In addition, the 2013 Legislature approved the recommendation that student fee and tuition revenues should continue to be budgeted in the institutions' state-supported operating budgets for transparency purposes.

DESERT RESEARCH INSTITUTE

Finally, the money committees approved the S.B. 374 Study Committee's recommendation of a funding formula for Desert Research Institute (DRI) and provided direction that DRI should utilize the funding formula in the preparation of its 2015-17 biennium budget.

NSHE NON-FORMULA BUDGETS

The 2013 Legislature approved the Governor's recommended 2013-15 biennium funding levels for the NSHE non-formula, state-supported operating budgets, inclusive of \$500,000 in new General Fund appropriations in each fiscal year for the Cooperative Extension Service. The 2013 Legislature also added back General Fund appropriations over the 2013-15 biennium totaling \$426,917 and \$404,124 to the UNLV School of Law and Dental Medicine budget accounts, respectively. However, the 2013 Legislature also reduced the General Fund appropriations recommended in The Executive Budget for UNR's Statewide Programs budget account by \$1.0 million over the 2013-15 biennium.

SALARY AND BENEFIT ADJUSTMENTS

Consistent with the 2013 Legislature's actions for all other state employees for the 2013-15 biennium, the 2013 Legislature eliminated the 2.5 percent salary reduction, approved the restoration of merit pay effect July 1, 2014, and continued the suspension of longevity pay for NSHE employees. Assembly Bill 511 also included NSHE professional and classified employees in the requirement for state employees to take unpaid furlough leave totaling 48 hours or 6 days per fiscal year. However, similar to the action taken by the 2011 Legislature, the 2013 Legislature, through Section 3 of Assembly Bill 511, authorized the Board of Regents to determine and implement the method by which the system's professional employees would participate in the furlough leave requirement.

CAPITAL IMPROVEMENTS

Funding for new capital construction was not recommended by the Governor as part of the Capital Improvement Program (CIP). However, the Governor did recommend \$4.95 million for Project 13-P05 (Planning through Construction Documents) – UNLV Hotel College Academic Building utilizing \$3.22 million in state funding and \$1.73 million in other funding which was approved by the Legislature. The 2013 Legislature also approved the Governor's recommendation of deferred maintenance funding totaling \$15.0 million over the 2013-15 biennium for 61 NSHE deferred maintenance projects (13-M57). Ten (\$10.0) million was approved from state sources (new bonds) with the remaining \$5.0 million approved from the Special Higher Education Capital Construction (SHECC) fund. Funding from the SHECC is derived from slot machine excise taxes pursuant to NRS 463.385(4).

REVISED 2011-13 Biennium Governor Recommended NSHE Capital Improvement Projects					
Project Number	Institution	Project Description	State Funds	Other Funds	Total Request
13-M57	Multiple	Deferred Maintenance (HECC/SHECC)	\$10,000,000	\$5,000,000	\$15,000,000
NSHE TOTALS			\$10,000,000	\$5,000,000	\$15,000,000

Additionally, the Department of Administration submitted a budget amendment to add project 13-C07, recommending \$800,000 in state funds to partially fund the demolition of the Getchell Library building at the University of Nevada, Reno (UNR). Demolition of the Getchell Library building would allow the site to be used for a new UNR Academic and Student Services Building. Instead of the proposed \$800,000, the 2013 Legislature funded this project at \$456,890.

OTHER LEGISLATIVE ACTIONS AFFECTING THE NSHE

Additionally, the 2013 Legislature passed and the Governor approved the following bills affecting the NSHE:

<u>Bill</u>	<u>Impact</u>
A.B. 130	Expanded the definition of an eligible dependent child contained in NRS 396.545 which requires, subject to the extent of available funding, the Board of Regents to pay the undergraduate fees and expenses for dependent children of a public safety officer killed in the line of duty. A.B. 130 also defined "public safety officer" to mean a person serving a public agency in an official capacity, with or without compensation, as a peace officer, firefighter or as a member of a rescue or emergency medical services crew.
A.B. 260	Revised the eligible group of veterans of the Armed Forces of the United States against whom tuition charges must not be assessed by: (1) removing the requirement that such veterans were, at some point, on active duty while stationed at a military installation in the State of Nevada or a military installation in another state which has a specific nexus to this State; and (2) requiring that such veterans were honorably discharged within the 2 years immediately preceding the date of matriculation of the veteran at a university, state college or community college within the System. Additionally, A.B. 260 authorized the Board of Regents to grant more favorable exemptions from tuition charges for veterans who were honorably discharged if required for the receipt of federal money.
A.B. 335	Created the 11-member University of Nevada, Las Vegas (UNLV) Campus Improvement Authority to study the need for, feasibility of, and financing alternatives for a large events center and other required infrastructure and supporting improvements in the Authority's UNLV campus area. The Authority is required to prepare a report of the results of its study, including any recommendations for legislation for transmittal to the 78 th Session of the Nevada Legislature. Additionally, A.B. 335 authorized not more than 2 percent of the bond proceeds authorized for improvements to the Thomas and Mack Center at UNLV pursuant to A.B. 501 to be expended by the Authority to conduct its work.
A.B. 501	Authorized the Board of Regents of the University of Nevada to issue not more than \$85 million in general obligation bonds of the State of Nevada supported through the annual \$250 excise tax on slot machines pursuant to NRS 463.385 to finance the planning, improvement, refurbishing and renovation of the Thomas and Mack Center at UNLV, and capital improvements at UNR (UNSOM Las Vegas Building planning, Electrical system replacement, Student Fitness/Wellness Center planning/renovation and Engineering & Science Building planning/renovation).
A.B. 502	Authorized the expenditure of \$1,262,000 by the Board of Regents from the Estate Tax Account in the Endowment Fund of the Nevada System of Higher Education for the design and construction of buildings on the principal campus of the Nevada State College.
S.B. 293	Appropriated \$20,000 in each fiscal year of the 2013-15 biennium to the Trust Account for the Education of Dependent Children established pursuant to NRS 396.545.
S.B. 391	Directed the Legislative Commission to appoint a committee and two subcommittees to conduct an interim study concerning the governance structure of and funding methods for community colleges in this State. The Committee is to submit a report of its findings, including, without limitation, and proposed changes to the governance structure of or funding methods for the NSHE community colleges and any recommendations to the 78 th Session (2015) of the Legislature.

WESTERN INTERSTATE COMMISSION FOR HIGHER EDUCATION

Nevada's participation in the Western Regional Education Compact and membership in the Western Interstate Commission for Higher Education (WICHE) provides educational assistance to students seeking education in various professional fields of study not offered by higher education institutions within the state.

STUDENT SLOTS

To support the cost of Professional Student Exchange Program (PSEP) and Health Care Access Program (HCAP) student slots, the 2013 Legislature approved Loan and Stipend account funding totaling \$1.02 million in FY 2014 and \$1.05 million in FY 2015, which includes General Fund appropriations of \$724,451 in FY 2014 and \$757,357 in FY 2015. For the 2013-15 biennium, WICHE projected a non-state revenue shortage due to insufficient loan and stipend repayment or interest payment revenues being collected. As a result, the Legislature approved the Governor's recommended General Fund increases of \$193,906 and \$193,410 in Fiscal Years 2014 and 2015, respectively. Total funding increased 32 percent from the \$1.12 million in state appropriations approved for the 2011-13 biennium. The remaining approved revenues are primarily loan and stipend repayments and interest payments assessed on student loans and stipends.

Additionally, the Legislature approved, as recommended by the Governor, that the number of student slots be reduced to 87 slots in FY 2014 and 89 slots in FY 2015. This is a decrease of 2 slots in FY 2014 from the 89 approved for FY 2013 by the 2011 Legislature. The Legislature approved the allocation of 41 PSEP students in FY 2014 and 42 PSEP students in FY 2015, a decrease from the 46 slots approved for FY 2013. Moreover, the Legislature supported a total of 46 HCAP slots in FY 2014 and 47 HCAP slots in FY 2015.

The 2013 money committees also re-issued the letter of intent issued to WICHE by the 2011 Legislature directing the Commission to inform the Fiscal Analysis Division, in writing, of any change in the allocation of professional slots approved by the Legislature within 30 days of when the slots were altered as well as to annually report whether any slots were held vacant as a result of insufficient loan and stipend repayment or interest payment revenues being collected in each year of the 2013-15 biennium.

Finally, the 2013 Legislature approved the Commission's request for authority to balance forward unspent loan and stipend revenues received after May 15 of each fiscal year for expenditure on HCAP program loan repayment slots in the subsequent fiscal year, and approved authority for the Commission to transfer General Fund appropriations between the WICHE Loan and Stipend account and the WICHE Administration account with the approval of the Interim Finance Committee.

**Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations
2013-15 Legislature**

	2012-2013 Work Program	2013-2014 GOVERNOR RECOMMENDS	2013-2014 LEGISLATIVELY APPROVED	2014-2015 GOVERNOR RECOMMENDS	2014-2015 LEGISLATIVELY APPROVED
EDUCATION					
DEPARTMENT OF EDUCATION					
NDE - DISTRIBUTIVE SCHOOL ACCOUNT	1,406,719,497	1,399,033,268	1,417,324,222	1,426,197,587	1,404,364,649
GENERAL FUND	1,146,721,260	1,113,014,796	1,134,528,570	1,129,819,548	1,110,133,915
FEDERAL FUND	8,000,000	7,874,977	7,874,977	7,874,977	7,874,977
INTERAGENCY TRANSFER	115,121,424	133,240,030	131,932,800	138,046,530	136,653,300
OTHER FUND	136,876,813	144,903,465	142,987,875	150,456,532	149,702,457
NDE - OTHER STATE EDUCATION PROGRAMS	7,696,896	35,429,335	30,482,030	41,504,175	30,415,154
GENERAL FUND	7,696,896	35,429,335	30,482,030	41,504,175	30,415,154
REVERSIONS					
NDE - SCHOOL REMEDIATION TRUST FUND	32,235,464	35,121,980	99,471,510	35,624,421	102,525,606
GENERAL FUND	32,209,593	35,121,980	99,471,510	35,624,421	102,525,606
BALANCE FORWARD	25,871				
OTHER FUND					
NDE - STATE SUPPLEMENTAL SCHOOL SUPPORT ACCOUNT	115,221,424	133,240,030	131,932,800	138,046,530	136,653,300
OTHER FUND	115,221,424	133,240,030	131,932,800	138,046,530	136,653,300
NDE - EDUCATIONAL TRUST ACCOUNT	407,667	421,667	509,667	439,360	187,854
BALANCE FORWARD	398,667	400,667	400,667	418,360	78,854
INTERAGENCY TRANSFER	9,000	21,000	109,000	21,000	109,000
OTHER FUND					
NDE - INCENTIVES FOR LICENSED EDUCATION PERSONNEL	15,867,231	15,855,905	8,800,000	15,855,905	5,760,000
GENERAL FUND	15,855,905	15,855,905	8,800,000	15,855,905	5,760,000
BALANCE FORWARD	11,326				
OTHER FUND					
NDE - EDUCATION STATE PROGRAMS	4,411,541	3,731,685	4,575,414	3,921,709	4,415,078
GENERAL FUND	4,402,199	3,706,030	4,128,655	3,896,054	4,370,136
BALANCE FORWARD	9,227				
INTERAGENCY TRANSFER			421,104		19,287
INTERIM FINANCE					
OTHER FUND	115	25,655	25,655	25,655	25,655
REVERSIONS					
NDE - EDUCATION STAFFING SERVICES	1,499,354	1,971,328	1,851,756	2,056,937	1,889,671
BALANCE FORWARD				1,142	
INTERAGENCY TRANSFER	1,499,354	1,971,328	1,851,756	2,055,795	1,889,671
NDE - EDUCATION SUPPORT SERVICES	3,251,971	3,656,019	3,656,019	4,276,411	4,326,397
BALANCE FORWARD	124,544	305,018	305,018	999,189	1,049,175
INTERAGENCY TRANSFER	3,127,427	3,351,001	3,351,001	3,277,222	3,277,222
NDE - PROFICIENCY TESTING	5,908,850	6,846,460	6,732,044	6,566,112	6,697,029
GENERAL FUND	5,893,010	6,846,460	6,732,044	6,566,112	6,518,000
BALANCE FORWARD	10,560				179,029
INTERAGENCY TRANSFER	5,280				
REVERSIONS					

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NDE - TEACHER EDUCATION AND LICENSING	1,782,287	1,607,536	1,796,890	1,573,536	1,780,063
GENERAL FUND	100	100	100	100	100
BALANCE FORWARD	482,652	348,080	348,080	314,080	308,253
OTHER FUND	1,299,535	1,259,356	1,448,710	1,259,356	1,471,710
REVERSIONS					
NDE - DRUG ABUSE EDUCATION					
FEDERAL FUND					
NDE - EDUCATOR EFFECTIVENESS		9,185,948	150,000	9,045,948	170,000
GENERAL FUND		9,185,948	150,000	9,045,948	170,000
NDE - SCHOOL HEALTH EDUCATION - AIDS	49,457				
FEDERAL FUND	49,457				
NDE - GEAR UP	6,564,915	5,991,709	5,991,473	5,996,160	5,990,995
FEDERAL FUND	3,419,511	2,991,709	2,991,473	2,996,160	2,990,995
INTERAGENCY TRANSFER	3,145,404	3,000,000	3,000,000	3,000,000	3,000,000
NDE - OTHER UNRESTRICTED ACCOUNTS	269,069	174,553	174,648	189,472	187,873
BALANCE FORWARD	148,464	36,757	36,757	49,791	49,786
FEDERAL FUND	95,105	129,796	129,891	131,681	130,087
OTHER FUND	25,500	8,000	8,000	8,000	8,000
NDE - DISCRETIONARY GRANTS - RESTRICTED	31,447,663	17,128,574	17,128,574	11,041,661	11,041,661
GENERAL FUND	1,875				
BALANCE FORWARD	730				
FEDERAL FUND	28,891,842	17,128,574	17,128,574	11,041,661	11,041,661
INTERAGENCY TRANSFER	2,553,216				
NDE - ELEMENTARY & SECONDARY ED - TITLE I	165,697,343	114,410,293	114,410,293	114,410,001	114,410,001
FEDERAL FUND	165,697,343	114,410,293	114,410,293	114,410,001	114,410,001
NDE - ELEMENTARY & SECONDARY ED TITLES II, V, & VI	55,401,808	29,368,214	29,368,073	29,547,417	29,519,952
FEDERAL FUND	55,401,808	29,368,214	29,368,073	29,547,417	29,519,952
NDE - CAREER AND TECHNICAL EDUCATION	12,246,294	5,732,184	9,422,376	5,768,714	9,437,529
GENERAL FUND	488,233	688,233	688,233	688,233	688,233
FEDERAL FUND	11,758,061	5,043,951	8,734,143	5,080,481	8,749,296
NDE - CONTINUING EDUCATION	8,266,509	6,232,950	6,232,645	6,232,746	6,232,394
GENERAL FUND	661,861	661,861	661,861	661,861	661,861
FEDERAL FUND	7,604,648	5,571,089	5,570,784	5,570,885	5,570,533
REVERSIONS					
NDE - INDIVIDUALS WITH DISABILITIES (IDEA)	102,073,676	73,605,123	72,915,597	73,605,974	72,916,853
GENERAL FUND	100	100	100	100	100
FEDERAL FUND	102,073,576	73,605,023	72,915,497	73,605,874	72,916,753
REVERSIONS					

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TOTAL DEPARTMENT OF EDUCATION	1,977,018,916	1,898,744,761	1,962,926,031	1,931,900,776	1,948,922,059
GENERAL FUND	1,213,931,032	1,220,510,748	1,285,643,103	1,243,662,457	1,261,243,105
BALANCE FORWARD	1,212,041	1,090,522	1,090,522	1,782,562	1,665,097
FEDERAL FUND	382,991,351	256,123,626	259,123,705	250,259,137	253,204,255
INTERAGENCY TRANSFER	125,461,105	141,583,359	140,665,661	146,400,547	144,948,480
INTERIM FINANCE					
OTHER FUND	253,423,387	279,436,506	276,403,040	289,796,073	287,861,122
REVERSIONS					
COMMISSION ON POSTSECONDARY EDUCATION					
COMMISSION ON POSTSECONDARY EDUCATION	410,353	414,474	414,902	426,629	420,415
GENERAL FUND	301,135	311,343	311,771	324,718	318,504
FEDERAL FUND	109,218	103,131	103,131	101,911	101,911
INTERAGENCY TRANSFER					
REVERSIONS					
TOTAL COMMISSION ON POSTSECONDARY EDUCATION	410,353	414,474	414,902	426,629	420,415
GENERAL FUND	301,135	311,343	311,771	324,718	318,504
FEDERAL FUND	109,218	103,131	103,131	101,911	101,911
INTERAGENCY TRANSFER					
REVERSIONS					
STATE PUBLIC CHARTER SCHOOL AUTHORITY					
STATE PUBLIC CHARTER SCHOOL AUTHORITY	3,256,909	3,305,128	3,800,685	3,398,141	4,373,046
BALANCE FORWARD	938,640	1,093,907	1,093,907	1,044,983	1,520,490
FEDERAL FUND	1,215,587	1,215,587		1,215,587	
INTERAGENCY TRANSFER			1,215,587		1,215,587
OTHER FUND	1,102,682	995,634	1,491,191	1,137,571	1,636,969
PUBLIC CHARTER SCHOOL LOAN PROGRAM		750,000	750,000		
GENERAL FUND		750,000	750,000		
TOTAL STATE PUBLIC CHARTER SCHOOL AUTHORITY	3,256,909	4,055,128	4,550,685	3,398,141	4,373,046
GENERAL FUND		750,000	750,000		
BALANCE FORWARD	938,640	1,093,907	1,093,907	1,044,983	1,520,490
FEDERAL FUND	1,215,587	1,215,587		1,215,587	
INTERAGENCY TRANSFER			1,215,587		1,215,587
OTHER FUND	1,102,682	995,634	1,491,191	1,137,571	1,636,969
NEVADA SYSTEM OF HIGHER EDUCATION					
NSHE - SYSTEM ADMINISTRATION	5,091,560	4,700,687	4,700,942	4,814,280	4,764,735
GENERAL FUND	4,980,100	4,589,227	4,589,482	4,702,820	4,653,275
OTHER FUND	111,460	111,460	111,460	111,460	111,460
REVERSIONS					
NSHE - SPECIAL PROJECTS	3,103,162	1,957,899	1,958,206	1,987,337	1,974,778
GENERAL FUND	1,946,486	1,957,899	1,958,206	1,987,337	1,974,778
BALANCE FORWARD	1,156,676				
REVERSIONS					

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NSHE - UNIVERSITY PRESS		397,065	397,206	413,544	406,989
GENERAL FUND		397,065	397,206	413,544	406,989
NSHE - SYSTEM COMPUTING CENTER	16,669,848	16,565,071	16,567,790	17,031,972	16,870,709
GENERAL FUND	16,669,848	16,565,071	16,567,790	17,031,972	16,870,709
REVERSIONS					
NSHE - STATE-FUNDED PERKINS LOAN	35,793	35,793	35,793	35,793	35,793
GENERAL FUND	35,793	35,793	35,793	35,793	35,793
NSHE - UNIVERSITY OF NEVADA - RENO	188,640,120	158,897,409	156,960,761	163,995,283	155,332,818
GENERAL FUND	119,188,549	90,878,845	88,942,197	95,404,260	86,741,795
FEDERAL FUND	2,856,142				
INTERAGENCY TRANSFER	-5,429,035				
OTHER FUND	72,024,464	68,018,564	68,018,564	68,591,023	68,591,023
REVERSIONS					
NSHE - INTERCOLLEGIATE ATHLETICS - UNR		4,951,505	4,952,507	5,001,031	4,972,752
GENERAL FUND		4,951,505	4,952,507	5,001,031	4,972,752
NSHE - STATEWIDE PROGRAMS - UNR		7,517,880	7,018,477	7,958,747	7,364,608
GENERAL FUND		7,517,880	7,018,477	7,958,747	7,364,608
NSHE - SCHOOL OF MEDICAL SCIENCES	35,900,071	35,902,309	35,903,666	37,493,160	37,179,365
GENERAL FUND	26,886,018	30,778,545	30,779,902	31,567,080	31,253,285
INTERAGENCY TRANSFER	4,539,082				
OTHER FUND	4,474,971	5,123,764	5,123,764	5,926,080	5,926,080
REVERSIONS					
NSHE - HEALTH LABORATORY AND RESEARCH		1,484,783	1,485,657	1,530,648	1,502,862
GENERAL FUND		1,484,783	1,485,657	1,530,648	1,502,862
INTERAGENCY TRANSFER					
NSHE - AGRICULTURAL EXPERIMENT STATION		6,414,936	6,415,235	6,583,381	6,523,281
GENERAL FUND		4,764,399	4,764,698	4,932,844	4,872,744
FEDERAL FUND		1,650,537	1,650,537	1,650,537	1,650,537
NSHE - COOPERATIVE EXTENSION SERVICE		5,332,038	5,332,529	5,480,007	5,426,727
GENERAL FUND		3,401,432	3,401,923	3,543,921	3,490,641
FEDERAL FUND		1,359,442	1,359,442	1,364,922	1,364,922
OTHER FUND		571,164	571,164	571,164	571,164
NSHE - BUSINESS CENTER NORTH		1,804,526	1,805,573	1,864,099	1,829,353
GENERAL FUND		1,804,526	1,805,573	1,864,099	1,829,353
NSHE - UNIVERSITY OF NEVADA - LAS VEGAS	239,633,879	225,450,345	226,223,106	233,037,159	223,084,529
GENERAL FUND	135,911,945	126,276,165	127,048,926	133,862,979	123,910,349
OTHER FUND	103,721,934	99,174,180	99,174,180	99,174,180	99,174,180
REVERSIONS					

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NSHE - INTERCOLLEGIATE ATHLETICS - UNLV		7,020,067	7,020,612	7,073,806	7,049,245
GENERAL FUND		7,020,067	7,020,612	7,073,806	7,049,245
NSHE - STATEWIDE PROGRAMS - UNLV		2,775,943	2,850,091	2,806,636	2,866,667
GENERAL FUND		2,775,943	2,850,091	2,806,636	2,866,667
NSHE - UNLV LAW SCHOOL	11,913,635	12,100,007	12,349,641	12,515,834	12,569,066
GENERAL FUND	6,570,754	7,006,114	7,255,748	7,350,882	7,404,114
OTHER FUND	5,342,881	5,093,893	5,093,893	5,164,952	5,164,952
REVERSIONS					
NSHE - DENTAL SCHOOL - UNLV	14,562,113	14,786,141	14,991,954	15,262,227	15,250,971
GENERAL FUND	6,404,551	6,957,359	7,163,172	7,433,445	7,422,189
OTHER FUND	8,157,562	7,828,782	7,828,782	7,828,782	7,828,782
REVERSIONS					
NSHE - BUSINESS CENTER SOUTH		1,609,465	1,610,511	1,675,317	1,642,847
GENERAL FUND		1,609,465	1,610,511	1,675,317	1,642,847
NSHE - DESERT RESEARCH INSTITUTE	7,684,930	7,597,549	7,598,564	7,761,741	7,674,943
GENERAL FUND	7,421,572	7,449,063	7,450,078	7,613,255	7,526,457
BALANCE FORWARD	114,872				
OTHER FUND	148,486	148,486	148,486	148,486	148,486
REVERSIONS					
NSHE - GREAT BASIN COLLEGE	17,911,338	16,131,856	15,940,240	15,346,103	15,767,814
GENERAL FUND	14,031,554	12,473,569	12,281,953	11,675,478	12,097,189
OTHER FUND	3,879,784	3,658,287	3,658,287	3,670,625	3,670,625
REVERSIONS					
NSHE - WESTERN NEVADA COLLEGE	20,808,394	19,210,088	18,948,215	19,516,646	19,147,902
GENERAL FUND	15,029,964	13,581,259	13,319,386	13,285,328	12,916,584
OTHER FUND	5,778,430	5,628,829	5,628,829	6,231,318	6,231,318
REVERSIONS					
NSHE - COLLEGE OF SOUTHERN NEVADA	125,030,093	126,188,817	129,590,308	131,134,328	127,600,590
GENERAL FUND	77,587,864	81,726,509	85,128,000	86,676,457	83,142,719
OTHER FUND	47,442,229	44,462,308	44,462,308	44,457,871	44,457,871
REVERSIONS					
NSHE - TRUCKEE MEADOWS COMMUNITY COLLEGE	45,254,366	40,773,238	42,405,493	42,172,265	41,649,015
GENERAL FUND	30,603,292	27,916,304	29,548,559	29,372,117	28,848,867
OTHER FUND	14,651,074	12,856,934	12,856,934	12,800,148	12,800,148
REVERSIONS					
NSHE - NEVADA STATE COLLEGE AT HENDERSON	14,940,739	17,092,795	17,924,995	18,074,719	17,667,256
GENERAL FUND	9,111,439	11,382,341	12,214,541	12,347,684	11,940,221
OTHER FUND	5,829,300	5,710,454	5,710,454	5,727,035	5,727,035
REVERSIONS					

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NSHE - PERFORMANCE FUNDING POOL					18,926,196
GENERAL FUND					18,926,196
TOTAL NEVADA SYSTEM OF HIGHER EDUCATION	747,180,041	736,698,212	740,988,072	760,566,063	755,081,811
GENERAL FUND	472,379,729	475,301,128	479,590,988	497,147,480	491,663,228
BALANCE FORWARD	1,271,548				
FEDERAL FUND	2,856,142	3,009,979	3,009,979	3,015,459	3,015,459
INTERAGENCY TRANSFER	-889,953				
OTHER FUND	271,562,575	258,387,105	258,387,105	260,403,124	260,403,124
REVERSIONS					
WESTERN INTERSTATE COMMISSION FOR HIGHER EDUCATION					
NSHE - W.I.C.H.E. ADMINISTRATION	320,116	328,356	328,459	341,692	338,108
GENERAL FUND	320,116	328,356	328,459	341,692	338,108
REVERSIONS					
NSHE - W.I.C.H.E. LOAN & STIPEND	1,045,500	1,017,920	1,017,920	1,051,322	1,051,322
GENERAL FUND	558,125	724,451	724,451	757,357	757,357
BALANCE FORWARD	21,407				
OTHER FUND	465,968	293,469	293,469	293,965	293,965
TOTAL WESTERN INTERSTATE COMMISSION FOR HIGHER EDUCATION	1,365,616	1,346,276	1,346,379	1,393,014	1,389,430
GENERAL FUND	878,241	1,052,807	1,052,910	1,099,049	1,095,465
BALANCE FORWARD	21,407				
OTHER FUND	465,968	293,469	293,469	293,965	293,965
REVERSIONS					
EDUCATION					
GENERAL FUND	1,687,490,137	1,697,926,026	1,767,348,772	1,742,233,704	1,754,320,302
BALANCE FORWARD	3,443,636	2,184,429	2,184,429	2,827,545	3,185,587
FEDERAL FUND	387,172,298	260,452,323	262,236,815	254,592,094	256,321,625
INTERAGENCY TRANSFER	124,571,152	141,583,359	141,881,248	146,400,547	146,164,067
INTERIM FINANCE					
OTHER FUND	526,554,612	539,112,714	536,574,805	551,630,733	550,195,180
REVERSIONS					
TOTAL FOR EDUCATION	2,729,231,835	2,641,258,851	2,710,226,069	2,697,684,623	2,710,186,761
Less: INTER-AGENCY TRANSFER	124,571,152	141,583,359	141,881,248	146,400,547	146,164,067
NET EDUCATION	2,604,660,683	2,499,675,492	2,568,344,821	2,551,284,076	2,564,022,694

