


CSN Financial Resources

Revenue Streams

- ✓ State Supported Operating Fund
 - Registration Fee – State Operating (\$70.35/\$91.50)
 - Non–resident tuition, application fee, late charges
 - General Fund (Formula Budget)

- Registration Fees (remaining)
 - Student Access (\$6.79/\$91.50)
 - General Improvement (\$7.21/\$91.50)
 - Capital Improvement (\$5.40/\$91.50)
 - Activities & Programs (\$1.25/\$91.50)
 - Student Association (\$.50/\$91.50)

Revenue Streams

- ▶ Tech Fee (\$5.50/credit)
 - ▶ Summer School Revenue (\$94.50/credit)
 - ▶ Excess Credit Fee
 - ▶ Auxiliary Revenue
 - Bookstore commission
 - Food & vending commission
 - Pepsi contract
 - Investment income
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Uses or Expenditures

- ❖ State Supported Operating Fund
 - Major support of the institution
 - Salaries, fringe, general operating, utilities, insurance, pc rotations, maintenance, marketing, grant-in-aid, scholarships

- ▶ Student Access
 - Financial aid
 - need and non-need based

- ▶ General Improvement Fee
 - Benefits general student population
 - Child care, CAS, Call Center, Registrar, Financial Aid, Veterans

- ▶ Capital Improvement Fee
 - Capital improvement
 - Projects, repairs/maintenance, service of revenue bonds, bank loan repayment (\$1.1M/year)

Uses or Expenditures

- ▶ Activities & Programs
 - Specific student activities & programs
 - Athletics, student life, sports center
- ▶ Student Association
 - ASCSN
 - Club seed money, ASCSN support, scholarships

Uses or Expenditures

▶ Tech Fee

- Betterment of students' education experience; technology related expenditure
 - Regular fee: Equipment (PC Rotations labs & classrooms, smart classrooms), instruction software, maintenance, ATAC, etc.
 - iNtegrate 1 fee: MyCSN team, SCS fees, CRM, training

▶ Summer School Funds

- Majority to FT & PT salaries & fringe (~72%)
- Remaining to:
 - Faculty travel, equipment/project expenditures, workstation replacement

▶ Excess Credit Fee

- Supplement to advising/counseling services
 - Advisors, operating/equipment/personnel to support advisors

▶ Auxiliary Funds

- Unrestricted
 - **Reserve**
 - Hosting, out of state travel (except for faculty), Diversity, Alumni, consulting, special events, recognition awards, system admin. support, international student program travel, Red Rock Review, institutional advertising, CSN catalog.

GAAP/GASB Financial Statements v. Account Balances

2015 From Dr. Bunsis		
CSN: financial condition (solid reserve ratio)		
In Thousands		
Restricted & Unrestricted Net assets:	2015	2016
Restricted Non-expendable ²	2,442	2,445
Restricted Expendable	10,506	10,762
Total Restricted ¹	12,948	13,207
Unrestricted	32,485	29,913
Total	45,433	43,120
¹ Dr. Bunsis reported this as Restricted - expendable		
² This category contains only the book value of true endowments		

Further detail provided by CSN:		
Restricted Expendable		2016
Scholarships:		
Gain on True Endowment		\$ 2,306
Restricted Fund Balance ³		4,493
		\$ 6,799
Capital Projects⁴		3,963
		\$ 10,762
³ Restricted - gifts, grants, scholarships		
⁴ Capital - PWB funds, loan proceeds		

GAAP/GASB Financial Statements v. Account Balances

Further detail provided by CSN:		
Unrestricted		2016
Fee Balances		
State Registration Fee		\$ -
Student Access		333
General Improvement Fee		14,539
Capital Improvement Fee		7,487
Activities & Programs Fee		1,164
Student Association (ASCSN)		307
Tech Fee		1,002
Tech Fee - iNtegrate1		2,090
Summer School		5,753
Excess Credit		2,021
		\$ 34,696
Auxiliary fund balance (only source of reserve)		8,072
		\$ 42,768
Various accruals & smaller balances		(12,855)
		\$ 29,913

Primary Reserve Ratio

In Thousands	2008	2009	2010	2011	2012	2013	2014	2015	2016
Restricted Expendable	15,322	11,873	18,982	10,851	7,906	16,568	16,527	10,506	10,762
Unrestricted	24,936	28,319	44,330	46,090	45,411	37,486	36,009	32,485	29,913
	40,258	40,192	63,312	56,941	53,317	54,054	52,536	42,991	40,675
Total Expenses	167,567	173,222	185,338	195,053	190,169	186,857	199,077	205,754	202,590
Primary Reserve Ratio	24%	23%	34%	29%	28%	29%	26%	21%	20%

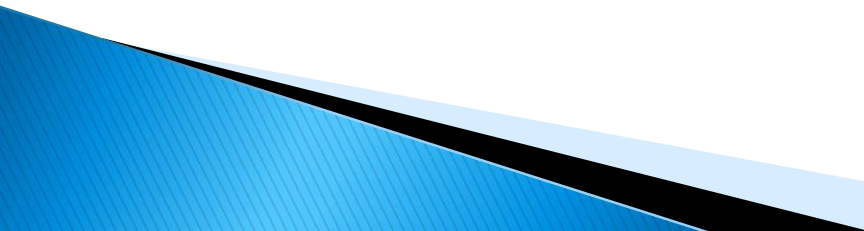
Primary Reserve Ratio

- ▶ Common ratio used in Higher Ed.
- ▶ Included in the calculation are balances internally restricted by the Board or balances restricted by donors (fees, gifts, etc.)
- ▶ NACUBO (National Association of College & University Business Officers) recommends at least 25%
 - CSN is at 20% and declining
- ▶ Fiscally sound institutions maintain appropriate levels of funds for:
 - Unanticipated/uninsured catastrophic events
 - Infrastructure or major business systems failures
 - Business continuity
 - Revenue shortfalls or expenditure gap coverage

CSN's True Unrestricted Reserve

- ▶ Comes from remaining Auxiliary funds:
 - Commissions on bookstore, vending, etc.
 - Some investment income funds
 - What's left after expenditures
- ▶ Currently around \$7M
 - Or 5.3% of FY17 State Supporting Operating Fund

The Reality of the Budget for CSN

- Loss of Base going into the next biennium
 - Around \$2M in FY18 and \$4M in FY19
 - Continue to lose ground on WSCH and enrollments
 - Governor recommended – addition of CTE funding in FY18 & FY19, addition of capacity enhancement funding for FY19
 - Will have specific reporting requirements
 - Neither can backfill loss of base
 - Cut vacant positions to backfill base
 - Unable to pay merit or COLA without legislative approval
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Senior Admin Salaries

- ▶ Doing a comparison of salaries between 2012 and 2015 is misleading:
 - Faculty between the same time period increased by 16.3%
 - Some faculty increased more because of the salary study conducted & implemented in FY14 & FY15 (334 faculty received adjustments)
 - 2 upper administrators received about 16%.
 - 3 other administrators listed received more than that amount
 - 2 were elevated to the VP position
 - 1 took on additional duties due to the vacancy of another VP position


The same schedule with faculty salaries

- ▶ Doing a comparison of salaries between 2012 and 2015 is misleading:

	2012	2015		
	Regular Pay	Regular Pay	Difference	% Difference
Faculty 1	81,414.85	94,684.92	13,270.07	16.30%
Faculty 2	73,757.86	85,779.82	12,021.96	16.30%
Faculty 3	50,413.00	78,384.29	27,971.29	55.48%
Faculty 4	42,965.75	68,926.02	25,960.27	60.42%
Faculty 5	51,518.39	63,032.28	11,513.89	22.35%
Faculty 6	44,393.14	56,166.29	11,773.15	26.52%

Source: Transparent Nevada
Regular pay only, does not include other pay or benefits.

What can we do?

- ▶ CSN equity study as presented in the counter proposal on salary
 - ▶ Encourage NSHE/Chancellor to do the salary schedule study
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QUESTIONS?