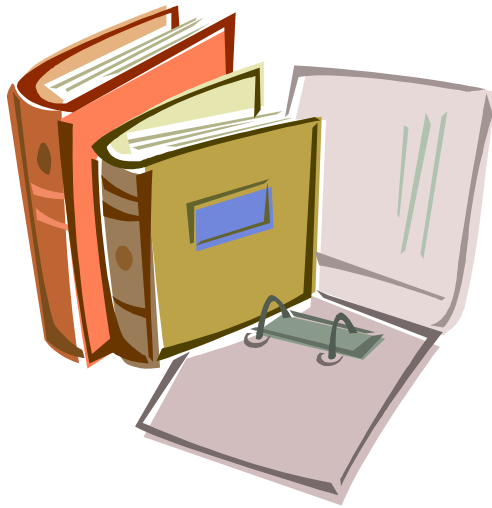


EDUCATION



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 Department of Cultural Affairs, the WICHE program, and the Commission on Postsecondary Education. Historically, education has been the largest function in the state budget supported by the General Fund, and the 2007 Legislature continued this tradition. General Fund appropriations for educational programs approved by the 2007 Legislature total approximately \$1.792 billion in FY 2007-08 and approximately \$1.910 billion in FY 2008-09, a combined 17.5 percent increase over appropriations approved during the 2005-07 biennium (includes supplemental appropriations approved by the 2007 Legislature). These appropriations for educational programs account for 54.4 percent of General Fund expenditures over the 2007-09 biennium.

Funding approved by the 2007 Legislature from all sources for education total \$2.439 billion in FY 2007-08, an 8.8 percent increase when compared to legislatively-approved amounts in FY 2006-07; and \$2.574 billion in FY 2008-09, a 5.6 percent increase after interagency transfers are deducted.

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. Assembly Bill 627 was enacted to meet this provision by providing funding for the Distributive School Account (DSA), the Account for Programs for Innovation and the Prevention of Remediation, 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' operating funds. The DSA budget does not include the entire funding for K-12 education, but rather includes only the state's portion of the school district 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 2007 Legislature for the 2007-09 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>Recommended in The Executive Budget</u>			<u>Legislatively-Approved</u>			
	FY08	FY09	2007-09 Biennium	FY08	FY09	2007-09 Biennium	Percent Change
Total Operating Expenditures	\$ 3,077	\$ 3,302	\$ 6,379	\$ 3,077	\$ 3,302	\$ 6,379	0.0%
Less: Local Revenues Outside the DSA	\$ (747)	\$ (808)	\$ (1,555)	\$ (765)	\$ (832)	\$ (1,597)	
Less: Non-Basic Support Programs	\$ (152)	\$ (167)	\$ (319)	\$ (133)	\$ (145)	\$ (279)	
 Total Regular Basic Support	 \$ 2,178	 \$ 2,327	 \$ 4,505	 \$ 2,178	 \$ 2,325	 \$ 4,503	 0.0%
Plus Programs other than Basic Support	\$ 341	\$ 370	\$ 711	\$ 315	\$ 348	\$ 663	
State Guarantee							
Total Required State Support	\$ 2,519	\$ 2,697	\$ 5,216	\$ 2,493	\$ 2,672	\$ 5,166	-1.0%
Less: Local "Inside" Revenues	\$ (1,346)	\$ (1,452)	\$ (2,798)	\$ (1,280)	\$ (1,399)	\$ (2,679)	
Distributive School Account							
Total State Share	\$ 1,173	\$ 1,245	\$ 2,418	\$ 1,214	\$ 1,273	\$ 2,487	
Miscellaneous DSA Revenues	\$ (160)	\$ (170)	\$ (330)	\$ (172)	\$ (183)	\$ (355)	
 General Fund Support	 \$ 1,013	 \$ 1,075	 \$ 2,088	 \$ 1,041	 \$ 1,091	 \$ 2,132	 2.1%
*Totals may not balance due to rounding.							

The approved budget anticipates that the total of all Nevada school district budgets will increase to \$3.08 billion in FY 2007-08 and \$3.30 billion in FY 2008-09, compared to \$2.53 billion and \$2.74 billion for school district budgets approved by the 2005 Legislature for FY 2005-06 and FY 2006-07, respectively. This is an increase of 21 percent for the 2007-09 biennium when compared to the 2005-07 biennium. As indicated above, certain locally-generated revenues are considered before the state's 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, of which 25 cents is "inside" the Nevada Plan and 50 cents is "outside" the DSA funding formula. The approved budget projects that the 50-cent portion of this tax will generate \$517.3 million in FY 2007-08, which represents a 13 percent increase over FY 2006-07 and \$580.5 million in FY 2008-09, an increase of 12.2 percent over FY 2007-08.
- **Local Government Services Tax:** Formerly called the motor vehicle privilege tax, this tax is estimated to generate \$98.7 million (1.3 percent increase) in FY 2007-08 and \$102.6 million (4 percent increase) in FY 2008-09 compared to FY 2005-06 actual collections of \$88.4 million and budgeted collections of \$97.4 million (10.1 percent increase) for FY 2006-07.
- **Other Local Sources:** Franchise taxes, federal revenue, interest, tuition, other local revenue and opening balances are expected to contribute \$149.1 million in FY 2007-08 and \$149.2 million in FY 2008-09.

These local revenues are not guaranteed by the state; thus the local school districts benefit when actual revenues are in excess of projections, or suffer the loss when revenues do not meet projections. These locally-generated revenues “outside” of the Nevada Plan are budgeted to generate approximately 25 percent of the revenue necessary to support the budgets of the school districts (compared to 23.3 percent in the 2005-07 biennium), with the balance being funded through the Nevada Plan (the state’s responsibility). Nevada Plan funding for school districts consists of state financial support received through the DSA and locally-collected revenues that are “inside” the Nevada Plan, namely the 2.25-cent Local School Support Tax (sales tax) and remaining 25 cents of the property tax.

The Legislature determines the level of state aid for schools and each district’s share through a formula called the “Nevada Plan,” which allows 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 legislative session. The state, through the DSA, and local school districts, through the local school support (sales) tax (LSST) and property tax, share the responsibility for providing the money needed to fund the guaranteed basic support.

Local funding from the 25-cent portion of the property taxes is budgeted at \$258.7 million (13 percent increase) for FY 2007-08 and \$290.3 million (12.2 percent increase) for FY 2008-09. The LSST is projected at \$1.021 billion (1.8 percent increase) for FY 2007-08 and \$1.109 billion (8.6 percent increase) for FY 2008-09. Combined, these two local sources provide approximately 59.5 percent of the basic support amount, with the state contributing the remaining 40.5 percent. It is important to note that these two local revenue amounts are guaranteed by the state; i.e., 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. Due to lower-than-budgeted enrollments and higher-than-budgeted LSST collections, it is anticipated that the DSA will revert approximately \$192.5 million to the General Fund at the end of FY 2006-07 for the 2005-07 biennium.

The total required state support of school district expenditures within the DSA totals \$2.493 billion and \$2.672 billion for FY 2007-08 and FY 2008-09, respectively, an increase of 16.8 percent over the legislatively-approved amounts for the 2005-07 biennium. These amounts include the recommended increase in all of the programs funded through the DSA (i.e., basic support, class-size reduction, special education, adult programs, professional development, counseling, and early childhood) and teacher incentive funding.

In the approved budget, the state’s share of funding is provided largely by General Fund appropriations of \$1.041 billion in FY 2007-08 and \$1.091 billion in FY 2008-09, totaling \$2.132 billion for the 2007-09 biennium. This is \$310.7 million greater than the \$1.821 billion appropriated for the 2005-07 biennium (including a \$8.2 million supplemental appropriation for retiree health insurance subsidies for school districts). This represents a 17.1 percent increase. If the anticipated reversion of \$192.5 million is reduced from the General Fund support approved for the 2005-07 biennium, the General Fund increase would be 30.9 percent.

An annual tax on slot machines, interest earned on investments from the Permanent School Fund, revenue from royalties and leases of federal land for mineral exploration, and local school support tax from sales that cannot be attributed to a specific county also provide funding for the DSA and are included in the previous table as “Miscellaneous DSA Revenues.” In past biennia, a portion of the estate tax collected by the state has been included as a funding source in the DSA; however, due to changes in federal law that source of funding is no longer available.

The table on the following page displays the DSA budget as approved by the 2005 Legislature, actual revenues and expenditures for FY 2005-06, projections for FY 2006-07, and the legislatively-approved budget for the 2007-09 biennium.

Basic Support Per Pupil

The 2005 Legislature estimated the statewide average guaranteed basic support for operating purposes at \$4,486 per pupil in FY 2005-06; however the actual FY 2005-06 per-pupil support was \$4,490. For FY 2006-07, the legislatively-approved statewide estimated average for guaranteed basic support for operating purposes is \$4,696. The chart below compares the statewide average guaranteed basic support funding and increases/decreases by fiscal year since FY 1999-00:

1999-00 Actual	2000-01 Actual	2001-02 Actual	2002-03 Actual	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Leg App	2007-08 Leg App	2008-09 Leg App
\$3,802	\$3,815	\$3,921	\$3,987	\$4,298	\$4,433	\$4,490	\$4,696	\$5,122	\$5,323
(\$2)	\$13	\$106	\$66	\$311	\$135	\$57	\$206	\$426	\$201

The guaranteed basic support per pupil should not be confused with expenditures per pupil. As indicated earlier, other resources not considered within the Nevada Plan are also available to cover a portion of the school districts’ operating costs.

DISTRIBUTIVE SCHOOL ACCOUNT - SUMMARY FOR 2007-09 BIENNIUM

	2005-06		2006-07		2007-08		2008-09	
	Legislature	2005-06	Legislature	2006-07	Legislature	2007-08	Legislature	2008-09
	Approved	Actual	Approved	Estimated	Approved	Approved	Approved	Approved
TOTAL ENROLLMENT *	405,606.0	400,101.2	422,453.0	413,506.6	425,270.2		436,675.2	
BASIC SUPPORT	\$ 4,486	\$ 4,490	\$ 4,696	\$ 4,699	\$ 5,122		\$ 5,323	
TOTAL REGULAR BASIC SUPPORT **	\$ 1,819,511,660	\$ 1,796,267,717	\$ 1,983,868,423	\$ 1,943,078,486	\$ 2,178,412,777		\$ 2,324,500,302	
CLASS-SIZE REDUCTION	\$ 125,552,187	\$ 125,552,187	\$ 137,922,619	\$ 137,922,619	\$ 141,209,596		\$ 153,710,996	
SPECIAL EDUCATION ***	97,617,555	97,617,555	103,715,266	103,715,266	111,303,886		121,250,664	
SPECIAL UNITS/GIFTED & TALENTED	203,808	169,264	216,132	250,676	171,898		163,656	
ADULT HIGH SCHOOL DIPLOMA	18,435,662	18,430,209	21,484,388	21,500,951	21,447,955		23,362,996	
SCHOOL LUNCH PROGRAM STATE MATCH	588,732	588,732	588,732	588,732	588,732		588,732	
NRS ADJUSTMENT	0	131,992	0	0	0		0	
EUREKA COUNTY SCHOOL DISTRICT ADJUSTMENT		(1,773,310)						
SCHOOL IMPROVEMENT PROGRAMS:								
REMEDATION	6,818,788	6,818,788	7,089,336	7,089,336	0		0	
RPDP, NELIP & LEAD	10,332,421	10,329,114	10,510,364	10,513,671	13,089,934		13,513,162	
SPECIAL FUNDING:								
EARLY CHILDHOOD EDUCATION	3,032,172	3,032,172	3,152,479	3,152,479	3,251,671		3,338,875	
AT-RISK SCHOOLS RETIREMENT CREDIT	16,138,996	11,141,975	18,433,608	13,000,000	12,670,517		20,312,278	
HIGH IMPACT RETIREMENT CREDIT	9,369,907	6,976,617	9,763,443	8,126,277	10,272,060		10,758,489	
RETIRED EMPLOYEES' INSURANCE SUBSIDY	8,391,659	8,391,659	9,171,421	9,171,421	0		0	
SPECIAL ELEMENTARY COUNSELING	850,000	850,000	850,000	850,000	850,000		850,000	
SPECIAL TRANSPORTATION	81,663	112,012	81,663	109,439	112,012		112,012	
OTHER ADJUSTMENTS	0	(102,720)	0	3,811,761	0		0	
TOTAL REQUIRED STATE SUPPORT **	\$ 2,116,925,210	\$ 2,084,533,963	\$ 2,306,847,873	\$ 2,262,881,114	\$ 2,493,381,038		\$ 2,672,462,162	
LESS								
LOCAL SCHOOL SUPPORT TAX (LSST)	\$ (944,454,048)	\$ (986,785,530)	\$ (1,001,121,291)	\$ (1,003,404,262)	\$ (1,021,135,885)		\$ (1,108,717,188)	
PROPERTY TAX (ONE-THIRD)	(190,244,063)	(197,529,622)	(204,865,724)	(228,881,883)	(258,661,179)		(290,268,708)	
EUREKA COUNTY SD ADJUSTMENT		2,799,050		2,106,082				
CHARTER SCHOOL SPECIAL PAY	28,169	0	28,169	0	0		0	
TOTAL STATE SHARE **	\$ 982,255,268	\$ 903,017,861	\$ 1,100,889,027	\$ 1,032,701,051	\$ 1,213,583,974		\$ 1,273,476,266	
STATE SHARE ELEMENTS								
GENERAL FUND	\$ 849,687,448	\$ 849,687,448	\$ 963,564,913	\$ 963,564,913	\$ 1,041,362,589		\$ 1,090,795,262	
DSA SHARE OF SLOT TAX	36,342,372	36,757,113	37,968,811	36,967,639	37,682,635		40,294,194	
PERMANENT SCHOOL FUND INTEREST	5,377,740	8,281,185	5,490,122	11,284,290	11,800,136		12,315,982	
FEDERAL MINERAL LEASE REVENUE	3,746,080	7,608,185	3,858,462	6,173,307	6,354,164		6,354,164	
OUT-OF-STATE LSST	82,055,962	94,428,822	86,979,320	109,486,689	116,384,350		123,716,564	
ESTATE TAX	5,045,666	3,335,978	3,027,399	410,698	100		100	
PRIOR YEAR REFUNDS	0	91,201	0	25,290	0		0	
FEDERAL COST ALLOCATION CREDIT	0	163,688	0	80,396	0		0	
REVERTED TO THE GENERAL FUND	0	(91,201)	0	0	0		0	
BALANCE FORWARD FROM OTHER ACCTS	0	0	0	11,110	0		0	
BALANCE FORWARD	0	(97,244,558)	0	97,244,558	0		0	
TOTAL SHARE STATE ELEMENTS **	\$ 982,255,268	\$ 903,017,861	\$ 1,100,889,027	\$ 1,225,248,890	\$ 1,213,583,974		\$ 1,273,476,266	
ESTIMATED REVERSION	\$ 0	\$ 0	\$ 0	\$ 192,547,839	\$ 0		\$ 0	
*** Special Education Units								
		No. of Units	\$ per Unit		No. of Units	\$ per Unit		
	2005-06	2,835	\$34,433.00	2007-08	3,046	\$36,541.00		
	2006-07	2,953	\$35,122.00	2008-09	3,128	\$38,763.00		
* FY 06 Apportioned and FY 07, 08, & 09 Estimated and Projected Weighted								
** Totals may not balance due to rounding								
*** Special Education Units funded separately from Basic Support								

Enrollment

Each school district’s guaranteed level of funding is determined by multiplying the basic support per pupil by the weighted enrollment. Weighted enrollment equals a full count of pupils enrolled in grades 1 through 12, including children with disabilities enrolled in special education programs within a district, and six-tenths of the count of pupils enrolled in kindergarten or programs for three-year-olds and four-year-olds with disabilities. Handicapped preschoolers and kindergarten pupils are only counted as six-tenths of a pupil because they typically attend school for half a day or less. The following chart compares weighted enrollment numbers by fiscal year and the percent of increase each year over the preceding year:

1999-00 Actual	2000-01 Actual	2001-02 Actual	2002-03 Actual	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Projected	2007-08 Leg App	2008-09 Leg App
315,489	328,867	344,765	358,641	373,498	387,834	400,101	413,507	425,270	436,675
4.96%	4.24%	4.83%	4.02%	4.14%	3.84%	3.16%	3.35%	2.84%	2.68%

Based on most recent enrollments, weighted enrollment (utilized to distribute DSA funds to school districts) increased by approximately 6.62 percent over the current biennium, to 413,507 students in FY 2006-07. The weighted enrollment is lower than the 422,453 students projected by the 2005 Legislature. The approved budget projects an enrollment increase of 2.84 percent in FY 2007-08 over the FY 2006-07 estimated weighted enrollment and an increase of 2.68 percent in FY 2008-09.

Although Clark County and several other school districts’ enrollments increased both years of the current biennium, 11 school districts and 9 charter schools experienced a decline in enrollment and are using the “hold-harmless” provision of NRS 387.1233(2) for apportionment purposes. Since FY 2001-02, the hold-harmless provision has provided that apportioned enrollment is based upon the larger of the current year’s enrollment, or that of either of the previous two years. The 2007 Legislature amended the hold-harmless provision, beginning in FY 2008-09, to provide for one-year hold-harmless, except that districts with enrollments declining more than five percent will be allowed two-year hold-harmless.

Positions and Salaries

To determine the number of employees needed to accommodate the projected number of additional students, the actual student-employee ratios for each major job classification are determined for the FY 2005-06 base year. Position counts for each year of the 2007-09 biennium were computed by maintaining the same student-employee ratio in each job classification. The number of pupils per licensed instructional position (teacher) decreased to an average of 20.1:1, somewhat lower than the average of 20.5:1 upon which the 2005-07 budget was based. The approved budget anticipates that an additional 1,815 licensed instructional personnel will be needed to maintain the average of 20.1:1 student-teacher ratio.

The approved budget includes funding sufficient to provide cost-of-living salary increases for school district employees of two percent in FY 2007-08 and four percent in FY 2008-09. The cost of these increases is \$44.3 million in FY 2007-08 and \$139.2 million in FY 2008-09. In addition, fringe benefits have been adjusted for the increase in the retirement contribution rate from 19.75 percent to 20.50 percent, with a corresponding reduction in salary costs for approximately one-half of the amount for the

employee portion of the increase. This is consistent with the methodology utilized to implement the retirement increase for state employees on the employer-paid plan. Further, the approved budget includes group insurance costs for school district personnel budgeted on a per-employee amount rather than a percentage of salaries, as has been done in previous biennia, and these amounts are increased 12 percent in each year of the 2007-09 biennium. The cost of these adjustments to retirement and group insurance is \$30.9 million in FY 2007-08 and \$61.7 million in FY 2008-09.

Inflation

For FY 2007-08, the approved budget includes an inflationary increase of three percent over the FY 2005-06 amounts for textbooks, library books, instructional and other supplies, and instructional computer software, and an additional three percent increase for FY 2008-09. The cost of this inflationary increase is \$9.9 million over the biennium.

While The Executive Budget did not recommend any funding for inflationary increases in utilities, the 2007 Legislature approved General Fund appropriations of \$2,475,570 for FY 2007-08 and \$5,160,590 for FY 2008-09 to the Interim Finance Committee for allocation to school districts in meeting electricity, heating and cooling costs which are greater than the amounts included in the approved budget.

Supplemental Appropriation – Retired Employee Health Insurance Subsidies

The 2007 Legislature approved a supplemental appropriation in the amount of \$8,218,777 (\$2.2 million for FY 2005-06 and \$6.0 million for FY 2006-07) for distribution to the school districts to reimburse the costs of providing health insurance subsidies to the school district retirees who are participants in the Public Employees' Benefits program. In addition, funding for these health subsidies, which has been provided through a special funding line-item in previous biennia, was moved into the operating expenditures of the school districts for the 2007-09 biennium where it will be funded through the guaranteed basic support.

Special Education

The state provides funding for special education on the basis of 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 2006-07, the state provided funding for 2,953 special education units at \$35,122 each, totaling \$103.7 million. For the 2007-09 biennium, the approved budget includes 3,046 special education units, at a cost of \$36,541 each, or \$111.3 million for FY 2007-08, and 3,128 special education units, at a cost of \$38,763 each or \$121.3 million for FY 2008-09, an increase of 7.3 percent and 8.9 percent, respectively, to accommodate growth in enrollment and roll-up costs for special education programs.

Additional special education funding is also provided for instructional programs incorporating education technology for gifted and talented pupils. The 2007 Legislature approved the redirection of a portion of the gifted and talented funding to support a new

full-time gifted and talented coordinator position at the Department of Education, leaving program funding in the amounts of \$171,898 and \$163,656 for FY 2007-08 and FY 2008-09.

Class Size Reduction

In order to maintain pupil-teacher ratios of 16:1 in first and second grades and 19:1 in third grade, the 2007 Legislature approved funding of \$141.2 million in FY 2007-08 and \$153.7 million in FY 2008-09 for the Class-Size Reduction (CSR) program. This represents an increase of 2.4 percent in FY 2007-08 when compared to the FY 2006-07 work program amount of \$137.9 million, with an additional 8.9 percent increase in FY 2008-09.

As in previous biennia, the Legislature continued funding for 23.5 teachers to reduce the pupil-teacher ratio in certain kindergartens with large numbers of students considered at-risk of failure. However, in response to concerns with implementation of the program, the Legislature also directed the Superintendent of Public Instruction to develop criteria for the selection of schools that will receive the funding for at-risk kindergarten programs. In addition, the Legislature required that the funds be placed in a separate funding category so that the funds may be monitored separately from the general CSR funds. Finally, the department is required to submit a report on or before February 1, 2009, to the 2009 Legislature describing the impact of the at-risk CSR funds on student academic achievement.

The 2007 Legislature again granted authority for all school districts, subject to the approval of the State Superintendent of Public Instruction, to carry out alternative programs for reducing the ratio of pupils per teacher or to implement programs of remedial education that have been found to be effective in improving pupil achievement in grades 1, 2 and 3.

Adult High School Diploma Program

Each session, the Legislature determines an amount of funding for adult high school diploma programs for the general public and for the state's prison inmates in the four school districts that operate programs within prison facilities. Actual expenditures for the program in FY 2005-06 were \$18.4 million, and a total of \$21.5 million is authorized for FY 2006-07. For the 2007-09 biennium, the approved budget includes \$21.4 million in FY 2007-08 and \$23.4 million in FY 2008-09.

Regional Professional Development Programs

The 2007 Legislature approved funding of \$13.1 million in FY 2007-08 and \$13.5 million in FY 2008-09 to continue the Regional Professional Development Programs (RPDPs), including the Nevada Early Literacy Intervention Program (NELIP), special administrator training programs, and an evaluation of the program. This represents an increase of 24.5 percent in FY 2007-08 when compared to the FY 2006-07 work program amount of \$10.5 million, with an additional 3.2 percent increase in FY 2008-09.

For the Southern RPDP (Clark, Esmeralda, Lincoln and Nye) the Legislature approved 10 of 13 requested regional trainer positions to assist the Southern RPDP in reducing its trainer-to-school ratio. For the Northwestern RPDP (Washoe, Pershing and Storey),

the Legislature approved 6 of 7 requested positions, including increasing a part-time Evaluation Consultant to full-time, increasing a part-time Regional Trainer for Storey County from part-time to full-time, adding 4 full-time Regional Trainers, and 1 clerical position. The Legislature approved the recommendations of the Governor for the Northeastern RPDP (Elko, Eureka, Humboldt, Lander and White Pine) and the Western RPDP (Carson City, Churchill, Douglas, Lyon and Mineral). The Governor's recommendations included funding for a Special Educational Specialist and a new School Improvement Specialist for the Northeastern RPDP.

Early Childhood Education

The 2007 Legislature approved the Governor's recommended funding of \$3.3 million in each fiscal year of the 2007-09 biennium to continue the early childhood education program. This represents a three percent increase in funds for each fiscal year of the 2007-09 biennium.

Based upon a review of the outcome indicators for the program, the 2007 Legislature expressed concern that the performance levels for the outcome indicators continued to be low, as compared to actual performance. In addition, the Legislature noted that the longitudinal evaluation of the program included subjective observations rather than objective statistical analysis. In that regard, the 2007 Legislature directed the department to increase the expected performance level for all outcome indicators, and to provide results concerning the effectiveness of the program in terms of objective statistical analysis.

Retirement Credit Program

Initially approved by the 2003 Legislature, funding has been provided since that time for the purchase of retirement credits for certain high impact positions and teachers in at-risk schools. The high impact fields eligible for retirement credits are mathematics, science, special education, English as a Second Language, and school psychology. At-risk schools include those that carry a designation of demonstrating need for improvement or those in which at least 65 percent of pupils enrolled in the school are eligible for free or reduced-price lunches. The Governor recommended that funding be redirected from this program to fund a new program of Empowerment Schools. The 2007 Legislature revised that recommendation and funded the Empowerment Schools from the Remediation Trust Fund.

Assembly Bill 1 of the 23rd Special Session created a Grant Fund for Incentives for Licensed Educational Personnel and directed that the funding provided in the Distributive School Account for the purchase of retirement credits during the 2007-09 biennium be transferred into the new fund. The legislation requires each school district to establish a program of incentive pay for licensed educational personnel through the negotiation process. The program must be designed to attract and retain educational personnel and must specify the type of financial incentives that are offered to licensed personnel. Each school district that receives funding must evaluate and report the effectiveness of the incentive program on the recruiting and retention of licensed educational personnel.

In creating the new Grant Fund for Incentives for Licensed Educational Personnel, Assembly Bill 1 also repeals the statutory language requiring the purchase of retirement credits for teachers in at-risk schools, psychologists, and teachers in the fields of mathematics, science, special education and English as a Second Language. The legislation does provide an option for those employees under contract prior to July 1, 2007, to continue the purchase of retirement credits until they have received one full year of retirement credit.

SCHOOL REMEDIATION TRUST FUND

The account for Programs for Innovation and the Prevention of Remediation (referred to as the School Remediation Trust Fund) was created by the 2005 Legislature. For the 2005-07 biennium, funding was included in the account for the Commission on Educational Excellence to provide grants for innovative programs and programs for the prevention of remediation in grades K-6 and separately for grades 7-12; and for the teachers of full-day kindergarten in certain “at risk” schools. Unexpended funding in the account does not revert at the end of the year and is carried forward to the following year.

For the 2007-09 biennium, the 2007 Legislature approved General Fund appropriations of \$60.4 million in FY 2007-08 and \$85.5 million in FY 2008-09, interest earnings of \$2.7 million over the biennium and the balance forward of \$17.2 million of unused funding from the 2005-07 biennium to continue and expand these programs and to provide a new program of Empowerment Schools. These funds are allocated as follows:

	<u>FY 2007-08</u>	<u>FY 2008-09</u>	<u>TOTAL</u>
Commission on Educational Excellence Admin.	\$ 33,394	\$ 87,984	\$ 121,378
Full-Day Kindergarten	\$25,640,881	\$40,834,698	\$ 66,475,579
Innovation & Prevention of Remediation	\$37,115,245	\$38,825,288	\$ 75,940,533
Secondary School Remediation	\$ 7,089,336	\$ 7,089,336	\$ 14,178,672
Empowerment	<u>\$ 180,000</u>	<u>\$ 8,897,200</u>	<u>\$ 9,077,200</u>
TOTAL	\$70,058,856	\$95,734,506	\$165,793,362

Full-Day Kindergarten – In FY 2006-07, \$22 million was allocated from the School Remediation Trust Fund to implement full-day kindergarten in certain at-risk schools; the funding was made available to pay for salaries and benefits of the additional kindergarten teachers required to implement the program in 114 elementary schools. These schools were determined to be at risk based upon a free and reduced lunch count of pupils of at least 55.1 percent of the student enrollment. For the 2007-09 biennium, the Legislature added \$15 million to the \$51.5 million funding recommended by the Governor to provide for the ongoing costs of the teachers in these 114 schools and to expand the program to approximately 52 additional schools in FY 2008-09, based on a free and reduced lunch count of pupils of at least 40.75 percent.

Programs for Innovation and the Prevention of Remediation (Elementary and Secondary Schools) – The 2007 Legislature approved \$75.9 million within the School Remediation Trust Fund over the 2007-09 biennium for programs for innovation and the prevention of remediation in grades K-6 and an additional \$14.2 million for remediation in grades 7-12, a total of \$90.1 million.

Program of Empowerment Schools – The 2007 Legislature did not approve the Governor’s recommendation to reallocate funding from the retirement credit program to a program of Empowerment Schools. Rather, the Legislature approved funding through the Remediation Trust Fund in the amount of \$180,000 for FY 2007-08 and \$8,897,200 in FY 2008-09 for the program. In FY 2007-08, \$50,000 each will be allocated to both Clark and Washoe County School Districts and \$10,000 each to eight other school districts that apply to participate in the program. This funding will be used for planning purposes. In FY 2008-09, five percent of the schools in Clark (15 schools) and Washoe (5 schools) and one school in each of eight other districts will be selected to operate as empowerment schools. Additional funding of approximately \$400 per pupil will be provided to these empowerment schools.

OTHER STATE EDUCATION PROGRAMS ACCOUNT

This budget is designed to accommodate relatively small grants and/or programs funded primarily by the state. Through this budget, state General Fund support is provided for the System for Accountability Information in Nevada (SAIN), Educational Technology, School Support Teams in non-Title I Schools, Peer Mediation, Byrd Scholarship program, Career and Technical Education programs, Career and Technical Student organizations, the Apprenticeship program, Project GAIN (Geographic Alliance in Nevada), Local Education Agency (LEA) Library Books, Public Broadcasting, the Teacher Signing Bonus program, and the National Board Certification program for teachers and counselors. The 2007 Legislature approved General Fund support of \$23.9 million in FY 2007-08 and \$27.7 million in FY 2008-09 to support the various programs included within this budget. The majority of funding within this account is allocated for use by school districts.

Educational Technology

The Governor recommended and the 2007 Legislature approved funding of \$10.78 million in General Funds over the 2007-09 biennium to continue the state-funded Educational Technology program; an eight percent increase over the \$9.95 million approved by the 2005 Legislature. For the 2007-09 biennium, the Legislature approved all of the funding except funding for the KLVX satellite (\$440,000) and library databases (\$550,000) be contained as a single pool of resources to allow the Commission on Educational Technology greater flexibility in awarding the funds. In previous biennia, the Legislature approved funding for specific educational technology categories (i.e., infrastructure, technical support, professional development, high quality content materials, and pilot projects).

School Support Teams in Non-Title I Schools

Under the No Child Left Behind Act (NCLBA), Title I schools that have received a designation of “demonstrating need for improvement” for three or more consecutive years must be assigned a School Support Team (SST). School Support Teams identify, review and investigate problems that have contributed to the “demonstrating need for improvement” designation. Title I schools receive approximately \$20,000 in federal Title I funds per team, per year to assist in SST activities.

Nevada Revised Statute 385.3721 requires an SST for all schools that have received a designation of “demonstrating need for improvement,” regardless of whether it is a Title I school. However, state funding has not been considered by the Legislature, primarily because there have not been any non-Title I schools designated at the third level until now. For FY 2007-08, the department estimates that as many as 102 non-Title I schools may reach the third level of designation, and 236 non-Title I schools in FY 2008-09. Based upon these projections, the Governor recommended and the 2007 Legislature approved state General Funds in the amount of \$1.2 million in FY 2007-08 and \$2.5 million in FY 2008-09 to support School Support Teams in these non-Title I schools. The funding will provide \$10,000 per school for an SST facilitator. In addition, the Legislature approved \$150,000 in each fiscal year to pay substitute teachers to allow teachers to participate in the SST process.

Career and Technical Education

The 2005 Legislature approved a one-time General Fund appropriation of \$1.0 million in each fiscal year of the 2005-07 biennium to provide grants to form and support technical skills advisory committees in school districts with secondary schools. The funds were to be utilized to establish, maintain and expand Career and Technical Education (CTE) programs. For the 2007-09 biennium, The Executive Budget recommended ongoing General Fund appropriations of \$1.0 million each year to continue the program. However, based upon the success of the CTE program on student academic achievement, the 2007 Legislature approved \$4.0 million in each fiscal year of the 2007-09 biennium to maintain and expand the CTE program.

SAIN – System for Accountability Information in Nevada

The 2007 Legislature approved state General Funds in the amount of \$321,161 in FY 2007-08 and \$336,173 in FY 2008-09 to support the SAIN program. This is a 61 percent increase in FY 2007-08 and a 68 percent increase in FY 2008-09 over the \$200,000 approved by the 2005 Legislature for each fiscal year of the 2005-07 biennium. In addition to state General Funds, the 2007 Legislature authorized \$442,365 in federal Title VI funds each fiscal year of the 2007-09 biennium to support the SAIN system.

According to NRS 386.650, the purpose of the SAIN program is to provide an automated system of accountability that will provide longitudinal comparisons of academic achievement, rate of attendance and rate of graduation of pupils over time. The system is required to have the capacity to analyze results of pupils by teacher or paraprofessional, classroom, and school. In order to keep abreast of the accomplishments of the SAIN program, the 2007 Legislature also required the department to submit quarterly reports to the Interim Finance Committee and the Legislative Committee on Education concerning the status of the program.

Teacher Signing Bonus

The 2007 Legislature approved \$7.2 million in FY 2007-08 and \$7.6 million in FY 2008-09 to continue the \$2,000 signing bonuses for teachers who are newly hired by school districts. To fully fund signing bonuses for teachers during the 2005-07 biennium, the Legislature also approved S.B. 182, which provided a supplemental appropriation from the General Fund of \$1.5 million. According to the department, \$898,000 of the total supplemental appropriation was needed to fund the

bonus for 449 newly-hired kindergarten teachers to implement the state-funded full-day kindergarten program in FY 2006-07. The remaining funding was needed to fund the bonus for several hundred teachers who were hired by the Clark County School District from out of the country in FY 2005-06. These teachers recently acquired their licenses to teach in the state of Nevada, thus making them eligible to receive the signing bonus.

DEPARTMENT OF EDUCATION

The 2007 Legislature approved total funding for the Department of Education (excluding the Distributive School Account, the Remediation Trust Fund, and the Other State Education Programs Account) in the amount of \$290.6 million in FY 2007-08 and \$293.8 million in FY 2008-09, an increase of 2.4 percent for the 2007-09 biennium compared to the 2005-07 biennium. Of this amount, General Fund support was approved in the amount of \$22.6 million for the 2007-09 beinnium compared to \$19.4 million for the 2005-07 biennium.

To assist the department in providing support to the school districts within the state, the 2007 Legislature approved ten new full-time positions and reauthorized the Grant Writer position that was approved by the 2005 Legislature. The new positions include a Gifted and Talented Coordinator, an Empowerment Coordinator, a Parental Involvement Coordinator, a Teacher Licensing Analyst, a Child and Nutrition Consultant, three Information Technology positions and two Administrative Assistant positions.

PROFICIENCY TESTING

The Legislature requires statewide testing to measure how Nevada’s pupils compare to those in other states and the nation as a whole. With implementation of the No Child Left Behind Act (NCLBA) in 2002, the state’s accountability system, including the testing program, has been significantly affected. Under the NCLBA, reading and math tests are now given annually in grades 3 through 8, and the state’s accountability system must take into account the achievement of all public elementary and secondary school students. The following table outlines the tests and grades tested for the current biennium:

Name of Test Administered	3	4	5	6	7	8	9	10	11	12
<u>Norm-Referenced Test–Iowa</u> <u>Test of Basic Skills</u>		•			•			•		
National Assessment of Education Progress (NAEP) (sample only)		•				•				•
Writing Exam (5 th grade is diagnostic only)			•			•			•	•
High School Proficiency Exam								•	•	•
Nevada Criterion-Referenced Test	•	•	•	•	•	•				

Historically, the Legislature fully funded the costs of state-required tests. However, with implementation of the NCLBA, the federal government now provides states with a Title VI State Assessment Grant to pay the costs of developing additional state standards and assessments required by the NCLBA.

The 2007 Legislature approved the Governor's recommendation to increase funding for the Nevada Proficiency Examination Program to meet the needs of the NCLBA and the growth in student population. General Fund appropriations of approximately \$5.0 million in FY 2007-08 and \$5.4 million in FY 2008-09 were approved for ongoing support of the state testing program. General Fund support over the 2007-09 biennium represents a 21.6 percent increase over the amount approved for the 2005-07 biennium.

Much of the increase in the state testing program is attributable to the state writing assessment. In that regard, the money committees directed the Department of Education to issue a Request for Information (RFI) to solicit from prospective vendors the cost and feasibility of using an electronic format for the scoring of the writing assessment, rather than the in-house method currently used. Responses to the RFI are to be reported to the Interim Finance Committee by June 2008.

TEACHER EDUCATION AND LICENSING

The Teacher Education and Licensing budget 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 eligibility, approving and issuing licenses for teachers and other educational personnel.

The 2007 Legislature approved the budget as recommended by the Governor, which included an increase in revenue due to increased teacher licensing fees. In August 2006, the initial license fee was increased from \$65 to \$110 and endorsements increased from \$45 to \$50.

IMPROVING AMERICA'S SCHOOLS – TITLE I

Title I programs include the majority of the federal funds utilized by school districts to comply with the NCLBA requirements. The 2007 Legislature authorized federal funds in the amount of \$84.7 million in each fiscal year of the 2007-09 biennium for Title I programs. Of this amount, \$77.3 million in each fiscal year will be utilized for Title I basic programs, including migrant and neglected and delinquent programs; \$539,433 will continue the federal Even Start program; \$173,246 will continue the state's Accountability Grant program; and \$6.7 million will be used for the Reading First program. The Comprehensive School Reform program, which was started in 1998 and has been an important component of the NCLBA, has been discontinued by the U.S. Congress.

IMPROVING AMERICA'S SCHOOLS – TITLES II, V, AND VI

Five of the programs included in the NCLBA federal legislation are included in this budget account. The 2007 Legislature authorized federal funds in each fiscal year of the 2007-09 biennium for the following grants:

Title II – Teacher Quality Grant - \$14.8 million
Title II – Education Technology Grant - \$1.6 million
Title II – Mathematics and Science Partnerships - \$1.2 million
Title V – Innovative Education Grant - \$769,101
Title VI – State Assessment Grant - \$4.9 million

DRUG ABUSE EDUCATION

Federal funding has traditionally been provided to the drug abuse education account to provide education and prevention programs in elementary and secondary schools. Due to a projected decrease in federal funds, the Governor recommended the full-time Education Consultant position in this account be reduced to half-time. However, in working with the Department of Education, the Governor's recommendation was amended and the Legislature approved, the transfer of the full-time position in this account to the Education Staffing Services account within the Department of Education, with funding for the position divided equally between the Drug Abuse Education account and a General Fund sub-grant from the Substance Abuse Prevention and Treatment Agency (SAPTA).

OTHER BILLS PROVIDING FUNDING FOR K-12 EDUCATION

Assembly Bill 2 of the 23rd Special Session appropriated \$4.5 million over the 2007-09 biennium relating to statewide education programs that were not recommended in The Executive Budget. These appropriations include:

- \$800,000 for Gifted and Talented programs, including hiring a Parent Involvement Coordinator position in the Department of Education.
- \$915,000 for pilot programs for alternative programs of education for disruptive pupils.
- \$100,000 for pilot programs to teach the English language to children who have limited English proficiency during the summer before they attend kindergarten.
- \$358,000 for deaf and hard of hearing education programs. Programs include \$10,000 for signing bonuses for teachers of students who are deaf or hard of hearing; \$75,000 for training stipends for teachers and interpreters for students who are deaf or hard of hearing; and \$273,000 to establish a magnet or regional elementary school pilot program for students who are deaf or heard of hearing.
- \$709,000 to fund the Communities in Schools in Southern Nevada for coordination of the provision of students and family services to youth in Clark County.
- \$709,000 to fund the Las Vegas After-School All Stars for the implementation and operation of after school programs in at-risk schools in Clark County School District.
- \$709,000 to fund Save the Children for in-school and after-school literacy programs.
- \$200,000 to the Intel International Science and Engineering Fair to be held in Reno in May 2009.

Assembly Bill 3 of the 23rd Special Session appropriates \$5.0 million in each fiscal year of the 2007-09 biennium, which was not recommended by the Governor in The Executive Budget, to continue pilot programs of performance pay and enhanced compensation for the recruitment and retention of licensed teachers. In addition, this legislation appropriates \$475,000 in each fiscal year to continue the services of a

consultant to provide for the reporting of test scores of pupils to parents and to provide web-based data to improve the performance of pupils on statewide examinations.

Senate Bill 184 of the 2007 Legislative Session appropriates from the state General Fund to the Interim Finance Committee the sum of \$340,200 for a consultant to conduct a study to measure the alignment of classroom assignments given to pupils at selected grade levels with the content and performance standards established by the Council to Establish Academic Standards. Results of the study will be presented to the 2009 Legislature. This appropriation was not recommended in The Executive Budget.

Finally, the Legislature approved, with a slight adjustment to the amount recommended by the Governor, Assembly Bill 204 which provides a General Fund appropriation of \$127,579 to the department for upgrading videoconferencing equipment in the Carson City and Las Vegas offices and for the purchase of replacement computer hardware and software.

NEVADA SYSTEM OF HIGHER EDUCATION

The Nevada System of Higher Education (NSHE) comprises the Chancellor's Office; the University of Nevada, Reno (UNR); the University of Nevada, Las Vegas (UNLV); the Nevada State College at Henderson (NSCH); the Community College of Southern Nevada (CCSN); Western Nevada Community College (WNCC); Great Basin College (GBC); Truckee Meadows Community College (TMCC); the UNR School of Medicine (UNSOM), the UNLV Law School, the UNLV Dental School and the Desert Research Institute (DRI). The Board of Regents approved renaming WNCC to Western Nevada College (WNC) and CCSN to the College of Southern Nevada (CSN) effective July 1, 2007.

The NSHE is governed by an elected 13-member Board of Regents. The 2007 Legislature approved Senate Joint Resolution 4 that proposes to amend the Nevada Constitution to provide for an appointed Board of Regents. If the resolution is approved in identical form by the 2009 Legislature, Nevada voters would consider the measure in the November 2010 general election.

LEGISLATURE APPROVES 13.4 PERCENT FUNDING INCREASE

The NSHE's budgets are primarily formula-driven. The Legislature approved a total of \$1.679 billion in operating funding for the 2007-09 biennium net of interagency transfers. The 2007-09 total is \$198.66 million or 13.4 percent higher than the \$1.481 billion approved by the Legislature for the 2005-07 biennium. The approved funding includes \$1.316 billion in General Fund appropriations for an increase of \$167.2 million, or 14.6 percent, over the legislatively-approved amount for 2005-07. Funding totals reflect COLA appropriations on behalf of NSHE. The legislatively-approved budget allocates 19.3 percent of General Fund appropriations to NSHE during the 2007-09 biennium which is slightly lower than the 19.8 percent approved by the 2005 Legislature.

ENROLLMENT GROWTH CONTINUES TO SLOW

The Governor's budget reflected continued slowing in projected enrollment growth with anticipated annual increases of roughly 3.5 percent system-wide. During the 2007 Legislative Session, the NSHE and Legislature updated enrollment estimates to reflect FY 2006-07 annualized data. The revised projections were 2,717 full-time equivalent (FTE) students lower than the Governor's recommended amounts in FY 2007-08 and 3,821 FTE lower in FY 2008-09. With the exception of NSCH, enrollment projections were calculated using three-year weighted averages as is the accepted practice. The following table reflects final enrollment projections and the resulting legislatively-approved revisions to the Governor's recommended amounts.

Final FTE Enrollment Estimates								
Campus	FY 06 Actual FTE	FY 07 Revised Estimate	FY 08 Gov Rec	FY 08 Revised Leg. Apprvd	FY 08 Adjust Gov Rec	FY 09 Gov Rec	FY 09 Revised Leg. Apprvd	FY 09 Adjust Gov Rec
UNLV	20,034	19,528	21,808	19,670	<2,138>	22,753	19,814	<2,939>
UNR	12,224	12,268	12,802	12,404	<398>	13,102	12,542	<560>
CSN	17,891	18,154	18,573	18,455	<118>	18,924	18,760	<164>
TMCC	6,026	6,152	6,556	6,345	<211>	6,838	6,544	<294>
WNC	2,331	2,392	2,472	2,465	<7>	2,546	2,540	<6>
GBC	1,363	1,552	1,406	1,561	155	1,428	1,570	142
NSCH	1,079	1,327	1,677	1,677	0	1,968	1,968	0
Totals	60,948	61,373	65,294	62,577	<2,717>	67,559	63,738	<3,821>

There are several notable details relative to NSHE enrollments. The UNLV is projected to experience enrollment decreases — FY 2008-09 enrollments at UNLV are anticipated to be 220 FTE lower than FY 2005-06 actual enrollments. At UNR, CSN, TMCC, and WNC, enrollments are projected to continue to grow, but at lower rates than projected in the Governor's budget. Further, FY 2006-07 updated enrollments system-wide are 8.4 percent lower than FY 2006-07 budgeted FTE totals. For the 2007-09 biennium, budgeted system-wide enrollment growth is 1.96 percent in FY 2007-08 and 1.86 percent in FY 2008-09.

Factors contributing to the universities' enrollment slowdown/decline include: elimination of state funding support for university remedial students, reductions in the numbers of millennium scholars eligible and enrolled upon graduation from high school, and an increase to the university admission standards (from 2.5 to 2.75 GPA effective fall 2006). The NSHE reports that at UNR, the admissions criteria change resulted in a decline in enrollment of first-time, full-time, degree-seeking students of 2.6 percent. The UNLV experienced a much larger decline of 14.5 percent. The remedial shift resulted in the loss of 117 FTE students at UNR and 477 FTE students at UNLV.

STUDENT FEE REVENUES DROP BELOW GOVERNOR'S RECOMMENDED LEVELS

As a result of the significant decline in projected enrollments, student registration fees, tuition and other sources of revenue dropped considerably as compared to the Governor's recommended amounts. The combined impact of the revenue decline totaled \$28.9 million for the 2007-09 biennium, as summarized in the table below.

Combined Reductions in Registration Fees, Tuition & Other Sources As Compared to the Governor's Recommended Budget			
Campus	FY 2008	FY 2009	Biennial Total
UNR	<\$115,213>	<\$658,949>	<\$774,162>
UNLV	<\$11,431,478>	<\$16,701,595>	<\$28,133,073>
CSN	<\$84,860>	<\$148,442>	<\$233,302>
TMCC	<\$129,584>	<\$194,564>	<\$324,148>
WNC	+\$77,753	+\$98,775	\$176,528
GBC	+\$185,397	+\$173,595	\$358,992
NSCH	-	-	-
NSHE Totals	<\$11,497,985>	<\$17,431,180>	<\$28,929,165>

FORMULA FUNDING AND HOLD-HARMLESS

In FY 2006-07, the Legislature funded higher education formulas at 84.50 percent. Because of enrollment declines and a slowdown in the rate of growth, the formula maintenance calculation at the 84.50 percent level yields lower overall funding than current service levels (i.e., a hold-harmless position).

Governor's Recommended Formula Funding: At 84.50 percent, the formula maintenance calculations in the Governor's budget resulted in net system-wide reductions of \$9.87 million in FY 2007-08 and \$4.05 million in FY 2008-09 (\$13.92 million for the biennium). The Governor recommended enhancing the formula by one percent (to 85.5 percent), adding \$7.91 million in FY 2007-08 and \$8.45 million in FY 2008-09. However, under the enrollment scenario used by the Governor to construct The Executive Budget, the formula enhancement did not lift all campuses out of hold-harmless positions. The Governor recommended an additional \$8.98 million in FY 2007-08 and \$8.99 million in FY 2008-09 to bring UNR, CSN and GBC out of hold-harmless positions. The following table reflects the Governor's recommendations:

Governor's Recommended Formula Funding With Percentage Enhancement and Hold-Harmless						
Institution	FY 2008			FY 2009		
	Maintenance Formula @ 84.5%	Formula Enhancement @ 85.5%	Hold Harmless Enhancement	Maintenance Formula @ 84.5%	Formula Enhancement @ 85.5%	Hold Harmless Enhancement
UNR	<\$6,361,542>	\$2,126,173	\$4,235,369	<\$6,416,683>	\$2,274,340	\$4,142,343
UNLV	<\$2,545,747>	\$3,016,904		\$1,349,638	\$3,231,610	
CSN	<\$5,247,597>	\$1,435,784	\$3,811,813	<\$5,400,934>	\$1,516,586	\$3,884,348
GBC	<\$1,147,626>	\$210,538	\$937,088	<\$1,180,773>	\$222,190	\$958,583
TMCC	<\$121,999>	\$587,631		\$141,120	\$621,175	
WNC	\$93,699	\$284,474		<\$3,482>	\$299,163	
NSCH	\$4,291,961	\$211,877		\$6,375,756	\$243,587	
DRI	\$135,611	\$40,516		\$55,183	\$42,221	
Non-formula equip	\$1,033,656			\$1,033,656		
System Totals	<\$9,869,584>	\$7,913,897	\$8,984,270	<\$4,046,519>	\$8,450,872	\$8,985,274

Revised Enrollment Projections Significantly Reduce Formula Calculations: Enrollment declines and growth slowdowns significantly impacted the formula funding and hold-harmless calculations. Based upon the legislatively-approved enrollment projections at the 85.5 percent formula level, the net hold-harmless calculation would have increased to \$24.8 million in FY 2007-08 and \$26.4 million in FY 2008-09. The revised hold-harmless calculations significantly exceeded the roughly \$9.0 million annual amounts reflected in the Governor's budget.

The NSHE developed proposed budget modifications to mitigate the impact of the reduced enrollment projections. Working within the confines of the General Fund appropriations included in the Governor's formula and hold-harmless funding

recommendations, NSHE proposed adjustments that decreased formula funding based on reduced enrollments and proportionally redistributed General Fund savings to the hold-harmless campuses.

The formula adjustment column in the following table reflects the formula impacts of the revised enrollments and fee revenue losses at the Governor's recommended 85.5 percent formula level. The hold-harmless adjustment column reflects a redistribution of the General Fund formula savings and a recalculation of hold-harmless at equal percentages for all affected campuses. The Legislature approved hold-harmless adjustments that do not bring all campuses out of hold-harmless positions; the five affected campuses are held harmless equally at 57.59 percent of the hold-harmless amount in FY 2007-08 and 54.27 percent in FY 2008-09. Because General Fund savings were redistributed with no net General Fund gain or loss, the net adjustment reflects a loss to the system of \$11.5 million in FY 2007-08 and \$17.4 million in FY 2008-09 (\$28.9 million for the biennium) that corresponds to total anticipated fee losses.

NSHE Formula Adjustments to Address Revised Enrollments, Fee Revenue Reductions, and Hold-Harmless						
	FY 2008			FY 2009		
Campus	Formula Adjustment	Hold Harmless Adjustment	Net Adjustment	Formula Adjustment	Hold Harmless Adjustment	Net Adjustment
UNR						
Student Fees	<\$115,213>		<\$115,213>	<\$658,949>		<\$658,949>
General Fund	<\$2,575,575>	<\$246,439>	<\$2,822,014>	<\$2,966,506>	73,523	<\$2,892,983>
UNLV						
Student Fees	<\$11,431,478>		<\$11,431,478>	<\$16,701,595>		<\$16,701,595>
General Fund	<\$1,896,995>	\$7,404,817	\$5,507,822	<\$1,129,363>	\$7,191,100	\$6,061,737
CSN						
Student Fees	<\$84,860>		<\$84,860>	<\$148,442>		<\$148,442>
General Fund	\$474,030	<\$1,840,636>	<\$1,366,606>	\$437,459	<\$1,933,031>	<\$1,495,572>
GBC						
Student Fees	\$185,397		\$185,397	\$173,595		\$173,595
General Fund	<\$540,131>	<\$193,099>	<\$733,230>	<\$633,845>	<\$188,531>	<\$822,376>
TMCC						
Student Fees	<\$129,584>		<\$129,584>	<\$194,564>		<\$194,564>
General Fund	<\$646,110>	\$178,525	<\$467,585>	<\$909,187>	\$185,321	<\$723,866>
WNC						
Student Fees	\$77,753		\$77,753	\$98,775		\$98,775
General Fund	<\$118,386>	\$0	<\$118,386>	<\$126,940>	\$0	<\$126,940>
NSCH						
Student Fees	\$0		\$0	\$0		\$0
General Fund	\$0	\$0	\$0	\$0	\$0	\$0
System Total						
Student Fees	<\$11,497,985>	\$0	<\$11,497,985>	<\$17,431,180>	\$0	<\$17,431,180>
General Fund	<\$5,303,167>	\$5,303,168	\$0	<\$5,238,382>	\$5,328,382	\$0
Total	<\$16,801,152>	\$5,303,168	<\$11,497,985>	<\$22,759,562>	\$5,328,382	<\$17,431,180>

FEE AND TUITION INCREASES AND FEE ALLOCATION LETTER OF INTENT

The Board of Regents approved annual full-time undergraduate and graduate student fee increases at the colleges and universities ranging from \$2.25 per credit to \$25.75 per credit for the 2007-09 biennium. Registration fee and non-resident tuition increases for full-time students range from 2.6 percent to 15.0 percent per year. Per-credit registration fees have increased substantially for university undergraduates over the past decade, growing 87.7 percent from 1999 to 2009. Community college

increases have been more gradual, with an overall growth rate of 44.9 percent for the same time period. Approved fee schedules for FY 2006-07 through FY 2008-09 are described in the following table:

Regent Approved Fees for Certain Students					
Type of Institution/Fee	FY 2007	FY 2008	% Change	FY 2009	% Change
Community Colleges					
Resident	\$52.50/credit	\$54.75/credit	4.3%	\$57.25/credit	4.6%
Upper Div (GBC)	\$79.00/credit	\$85.75/credit	8.5%	\$93.50/credit	9.0%
Non-Resident	\$4,962/year	\$5,385/year	8.5%	\$5,709/year	6.0%
Nevada State College					
Resident	\$79.00/credit	\$85.75/credit	8.5%	\$93.50/credit	9.0%
Non-Resident	\$7,437/year	\$8,097/year	8.9%	\$8,398/year	3.7%
Universities					
Resident Undergrad	\$105.25/credit	\$116.75/credit	10.9%	\$129.50/credit	10.9%
Resident Graduate	\$149.75/credit	\$172.25/credit	15.0%	\$198.00/credit	15.0%
Non-Resident	\$9,911/year	\$10,810/year	9.1%	\$11,095/year	2.6%

During the 2005 Session, the Legislature noted that student registration fee revenues dedicated by NSHE to the state-supported operating budgets declined steadily since FY 2000-01. Decreasing percentages of student fee allocations to the state-supported budget result in higher General Fund operating appropriations than would otherwise occur. As a result, the 2005 money committees communicated to NSHE, via letter of intent, that any future Regent-approved fee allocations to the state-supported budget below FY 2006-07 cumulative percentages may not be supported by the Legislature in corresponding General Fund appropriations.

Regent-approved fee distributions to the state-supported operating budget in each year of the 2007-09 biennium fell significantly below the cumulative percentage distributions for the 2005-07 biennium. The 2007 Legislature noted that the Regents allocated between 33.33 percent to 40.78 percent of increased fee revenues to the state-supported budget for the 2007-09 biennium. As an example, in FY 2008-09, the Regents distributed \$5.00 of the approved \$12.75 university resident undergraduate registration fee to the universities' state-supported budget (39.22 percent). The NSHE retained the \$7.75 balance outside of the state-supported budget for capital and general improvements, student access (financial aid) and student activities or other programs. Current and past Regent-approved distributions of fee revenues to the state-supported budget are reflected in the following table:

Fees Distributed to the State-Supported Operating Budgets By Level of Discipline						
Level of Discipline	2003-05 Cumulative Distribution	2005-07 Cumulative Distribution	FY 2008 Regent Allocation to State Budget	FY 2009 Regent Allocation to State Budget	2007-09 Cumulative Distribution	2003-05 vs. 2007-09
University Graduate	74.33%	69.40%	40.00%	40.78%	62.34%	<11.99%>
University Undergraduate	67.86%	64.49%	39.13%	39.22%	59.75%	<8.11%>
NSCH & CC Upper Division	65.00%	60.13%	40.74%	38.71%	56.95%	<8.05%>
CC Lower Division	80.10%	75.71%	33.33%	40.00%	72.49%	<7.61%>

Using the 2005 letter of intent as a guideline, the 2007 Legislature made budgetary adjustments using cumulative fee distribution percentages from the 2005-07 biennium to determine fee revenue allocations to the state-supported budgets. Recognizing that several campuses were in hold-harmless positions due to the enrollment slowdown, the Legislature refrained from reducing General Fund appropriations and instead processed

the adjustments solely through fee revenue additions. The adjustments resulted in the addition of student fee revenues totaling \$11.8 million to the NSHE state-supported budgets. The table below reflects the fee revenue adjustments approved by the Legislature.

Additional State-Supported Fee Revenues Based on FY 2007 Cumulative Distribution Percentages			
Campus	FY 2008	FY 2009	Biennium Total
UNR	\$1,131,625	\$2,410,800	\$3,542,425
UNLV	\$1,824,919	\$3,872,913	\$5,697,832
NSCH	\$64,055	\$170,446	\$234,501
CSN	\$500,207	\$983,641	\$1,483,848
TMCC	\$164,873	\$329,274	\$494,147
WNC	\$63,431	\$126,575	\$190,006
GBC	\$45,760	\$93,008	\$138,768
Total	\$3,794,870	\$7,986,657	\$11,781,527

INTEGRATED INFORMATION SYSTEMS PROJECT

As recommended by the Governor, the Legislature approved S.B. 192 that makes a \$10.0 million appropriation to the NSHE to fund the integration of computing resources. The NSHE will contribute \$15.0 million in institutional resources to the project. The \$25.0 million in total funding will complete the first phase of the Integrated Information Systems project. The multi-phased project will ultimately take from five to eight years to complete at an estimated total cost of \$92.0 million. Senate Bill 192 provides that NSHE must expend its \$15.0 million in institutional resources prior to expending the \$10.0 million state General Fund appropriation. The General Fund appropriation will be available for four years.

According to NSHE, major components of the project include (1) software modules that comprise financial, human resources and student applications; (2) a web portal that allows for improved access to software from a single entry point; and (3) a data warehouse that provides greater data access, reporting capability and quantity and quality of information. Phase I of the project will fund hardware and software related to implementation of the student module and web portal. The remaining modules would follow in future biennia.

The NSHE indicates the new student system in Phase I will improve services to students by enhancing the ability to offer courses that are responsive to student need, reducing time to graduation, enhancing student recruitment and retention, and increasing efficiency. The student system will enhance advising and record-keeping and provide for more timely disbursement of financial aid. Student access to the system will be available 24 hours a day, 7 days a week.

NATIONAL DIRECT STUDENT LOAN PROGRAM

The National Direct Student Loan (NDSL) program historically has provided financial assistance for need-based students. Nevada consistently furnished the state matching funds needed to secure federal funding for the program. Recently however, the federal government eliminated NDSL funding. As recommended by the Governor, the Legislature continued the need-based student loan program on a state-funded basis and approved state General Fund appropriations of \$50,904 in each fiscal year of the

2007-09 biennium with no federal contributions. The Legislature also authorized NSHE to retain the FY 2006-07 NDSL General Fund appropriation rather than revert the funding at the end of the fiscal year.

UNLV PARADISE PROPERTY LEASE INFLATION

As recommended by the Governor, the Legislature approved \$1.57 million per year over the 2007-09 biennium for lease cost increases on the Paradise property. The UNLV previously paid \$154,150 per year to lease the facility – the new lease rate represents an increase of more than 1,000 percent. The NSHE appealed the lease increase to Clark County and the Airport Authority. Final negotiations between NSHE and the county were not complete prior to the close of the 2007 Legislative Session. Noting the continued uncertainty regarding the final negotiated lease agreement, the Legislature approved the Governor's funding recommendation with a letter of intent from the money committees directing NSHE to revert any unspent portion of the Paradise property lease funding and prohibiting use of the funding for other purposes. The money committees also directed NSHE to report to the Interim Finance Committee on the results of any negotiations with Clark County and the Airport Authority regarding the Paradise property including potential property trade agreements.

OPERATION AND MAINTENANCE (O&M) OF NEW SPACE

The Governor recommended General Fund appropriations of \$8.17 million in FY 2007-08 and \$13.53 million in FY 2008-09 for O&M costs related to new space added or anticipated to be added before or during the 2007-09 biennium. Descriptions of the notable new space additions as recommended by the Governor are as follows:

Institution/Facility	Square Footage	Gov Rec Est. Completion Date
UNR		
Knowledge Center	295,000	July 2008
Crowley Student Union	123,294	August 2007
Stead Job Corps space reacquisition	54,137	July 2006
National Judicial College expansion	62,936	January 2009
Getchell Library	<45,000>	July 2008
JTSU conversion to student services/Davidson Academy	30,107	July 2008
Other space additions/subtractions – net	92,306	Varies
UNR New Space Square Footage Subtotal	612,780	
UNLV		
Science and Engineering Building	200,871	February 2008
Greenspun Building	121,000	January 2008
Recreation Center and Wellness Center	169,383	June 2007
Student Union Phase I	59,304	August 2006
Parking Garage Addition (10% of maintained sq. ft.)	22,572	September 2006
Campus Services Building (occupied remaining space)	23,866	Current
Shadow Lane Advanced Dental Education Building	7,000	July 2007
Other space additions/subtractions – net	24,963	Varies
UNLV New Space Square Footage Subtotal	628,959	
CSN		
Classroom Learning Center-Charleston	75,000	January 2008
Transportation Technology Building-Phase I	35,000	August 2006
New Lease Space	1,336	July 2007
CSN New Space Square Footage Subtotal	111,336	
Great Basin College		
Modular Classroom-Wendover	1,960	September 2006
Electrical and Industrial Building	40,555	August 2007
Great Basin College Square Footage Subtotal	42,515	
Nevada State College		
Leased space and other space adjustments	32,958	Varies
Nevada State College Square Footage Subtotal	32,958	
Desert Research Institute		
CAVE Facility	33,849	November 2007
Desert Research Institute Square Footage Subtotal	33,849	

During the 2007 Legislative Session, NSHE reported modifications to anticipated occupancy dates, square footage and acreage estimates. The Legislature also noted The Executive Budget omitted O&M support for the new Academic and Student Services building at Nevada State College. The Legislature made adjustments to the Governor's budget that resulted in General Fund savings of \$996,859 in FY 2007-08 and \$44,880 in FY 2008-09. The net General Fund reduction for the biennium totaled \$1.04 million as compared to the Governor's recommended amounts.

The Legislature made the following notable adjustments to the Governor's budget:

University of Nevada, Reno

- Removed 62,936 square feet of supported space for the National Judicial College expansion.
- Removed 15,000 additional square feet of the Getchell building space (beyond the 45,000 square feet removed in the Governor's budget).
- Reduced state O&M support in the Crowley Student Union from 74 to 60 percent of total space and modified the building completion date from August 2007 to October 2007.

Great Basin College

- Added space for the electrical program annex in Elko and vocational education.
- Changed the completion date of the Electrical & Industrial building from August 2007 to April 2008.

Nevada State College

- Added 42,587 square feet and 4.97 improved acres for the new Academic and Student Services building anticipated to be completed in July 2008.

University of Nevada, Las Vegas

- Revised the completion dates for numerous buildings including the Moot Court, Student Union Phase II, Advanced Dental Education, Student Services and Science and Engineering.
- Reduced maintained acreage for off-site facilities by 40 acres.

During the 2007 Legislative Session, there was considerable discussion regarding the planned usage of the Jot Travis Student Union (UNR) building upon opening of the new Crowley Student Union. The UNR expects the lower level of the Jot Travis building to be occupied by several departments within Student Services and by lecture hall/classrooms with a student lounge. The Davidson Academy for Profoundly Gifted Students will occupy 26,750 square feet in the upper levels of the Jot Travis building. The Governor's budget reflected state O&M funding for the entire amount of the maintained square footage in the Jot Travis building which includes \$242,088 for the Davidson Academy space in FY 2008-09. The UNR reported that the Davidson's have donated \$5 million to pay for tenant improvements.

The money committees noted that A.B. 567 of the 2007 Legislative Session provides that the pupils enrolled in a university school for profoundly gifted pupils must be included in the count of pupils of the school district in which the university school is located for purposes of apportionments and allowances from the state Distributive School Account. The Department of Education submitted a fiscal note that estimates basic support costs at \$187,257 in FY 2007-08 and \$203,376 in FY 2008-09. As a result, the Legislature denied state O&M funding in FY 2008-09 for the space in the Jot Travis building that will be occupied by the Davidson Academy for Profoundly Gifted Students.

NEW SPACE RENTALS

The Executive Budget included \$1.31 million in FY 2007-08 and \$1.34 million in FY 2008-09 for new space rentals at System Administration, NSCH, DRI and CSN as follows:

Campus	FY 2008	FY 2009
CSN	\$175,000	\$175,000
NSCH	\$927,520	\$958,578
DRI	\$181,090	\$181,090
System Admin	\$25,979	\$25,979
Totals	\$1,309,589	\$1,340,647

- College of Southern Nevada: The Governor's budget included \$175,000 in each year of the biennium to lease general purpose and remedial course classroom space, off-site storage and paved, lighted parking at CSN's Mesquite campus. The Legislature reduced the amount by \$100,830 per year based upon updated information provided by NSHE.
- Nevada State College at Henderson: The Legislature approved the Governor's recommendation for additional lease funding for facilities on Water Street in Henderson, bringing total leased space on Water Street to 45,867 square feet. Nevada State College also currently leases 34,120 square feet of space for \$1.00 per year on Nevada State Drive.
- Desert Research Institute: As recommended by the Governor, the Legislature approved funding for 2,375 square feet of leased space at Sierra Nevada College to provide research and staging facilities so that researchers can efficiently and effectively pursue Lake Tahoe research activities. The Legislature reduced the funded amount by \$59,110 per year to accurately reflect anticipated lease costs.
- System Administration: The Legislature approved funding to add 1,169 square feet of office space for System Administration in southern Nevada. The additional funding also recognizes 257 square feet of space NSHE indicates was excluded from previous versions of the lease.
- Great Basin College: The Governor's budget did not include additional lease funding for GBC. The Legislature added General Fund appropriations of \$29,332 in FY 2007-08 and \$30,108 in FY 2008-09 to recognize lease costs for vocational training space in Elko that was excluded from the Governor's budget.

ATHLETIC FEE PAYMENTS

The Governor recommended \$202,175 in FY 2007-08 and \$324,570 in FY 2008-09 to fund fee and tuition cost increases associated with the existing athletic fee programs at UNR and UNLV. Based upon updated calculations, the Legislature reduced the athletic fee appropriation to UNLV by \$39,670 in FY 2007-08 and \$40,436 in FY 2008-09.

When establishing the direct appropriation for athletic fee payments during the 2005 Legislative Session, it was anticipated that the funding would cover the full payment amount at the FY 2005-06 funding level. However, during the 2007 Legislative Session, NSHE reported that the state's direct appropriation applied only to all male student athletes and the first 50 female student athletes. The NSHE reported that in 1996, the Board of Regents adopted student fee waivers for fifth-year student athletes and female student athletes beyond the 50 count. The NSHE indicated this group of athletes was not included in the direct appropriation and instead received fee waivers.

The 2007 Legislature made the changes necessary to completely remove athletic fee waivers and to instead reflect the costs as direct appropriations in the Intercollegiate Athletics (ICA) accounts. At UNR, waived fees in the main campus account totaling \$895,959 in FY 2007-08 and \$940,818 in FY 2008-09 were instead reflected as direct

costs in the ICA budget. At UNLV, the redirected amounts totaled \$992,180 in FY 2007-08 and \$1,026,253 in FY 2008-09. These changes did not affect net NSHE appropriations.

The NSHE expressed concerns that the direct appropriations would be based upon current resident/non-resident athlete distributions. The NSHE noted that the proportion of the more-costly non-resident student athlete at UNR (58 percent) is currently lower in comparison to UNLV (73 percent). To provide the NSHE with the authority to waive tuition for non-resident athletes that exceed current non-resident/resident proportions, the money committees issued a letter of intent with the following guidelines:

- The universities may waive fees for student athletes within currently-approved sports that may fall outside of the direct appropriation; but
- The NSHE must build any such waived fees back into the universities' base budgets for the next budget cycle; and
- The NSHE must seek direct appropriations to replace any revenues thus waived via an enhancement request during the next budget cycle. The NSHE must keep in mind that the Legislature is not bound to approve any future enhancements that may be sought through this action.

FRINGE BENEFIT ADJUSTMENTS

As recommended by the Governor, the Legislature approved \$13.74 million in FY 2007-08 and \$20.56 million in FY 2008-09 to fund fringe rate adjustments. The most significant increases are reflected in the employee health, retired employee group insurance and retirement rates. The Legislature implemented a statewide health insurance premium holiday effective only for the first month of FY 2007-08. The provision resulted in General Fund savings of \$3.8 million in the NSHE budgets.

The Governor also recommended the addition of a personnel assessment to NSHE's self-supported (non-state) accounts for an estimated cost of \$203,809 in FY 2007-08 and \$190,937 in FY 2008-09. The amounts do not appear in the NSHE section of The Executive Budget but are anticipated as a revenue source in the Department of Personnel budget. The NSHE submitted a correction that adjusted the amounts to \$187,316 in FY 2007-08 and \$175,486 in FY 2008-09, which was approved by the Legislature.

COST-OF-LIVING ADJUSTMENTS

The Governor recommended interagency transfers of \$10.82 million in FY 2007-08 to fund a two percent cost-of-living adjustment (COLA) and \$33.63 million in FY 2008-09 to fund an additional four percent COLA. The transfer transactions represent 100 percent of the COLA costs, while General Fund appropriations to the Board of Examiners' salary adjustment account reflect 80 percent of the full COLA cost (\$8.66 million in FY 2007-08 and \$26.91 million in FY 2008-09). The Legislature approved the Governor's recommendation with nominal adjustments.

As recommended by the Governor, the Legislature maintained the process begun during the 2005 Legislative Session whereby General Fund appropriations for NSHE professional positions are appropriated to the Board of Examiners account rather than to the Board of Regents.

The Legislature approved the Governor's recommendation to introduce COLA funding for part-time instructors at the community colleges, providing \$1.1 million for the 2007-09 biennium. Cost-of-living adjustments were not provided to part-time community college instructors during the 2005-07 biennium. Each of the community colleges indicated that if approved, the COLA would be used to increase the part-time rate per credit hour. The money committees issued a letter of intent reinforcing their desire that NSHE use the community college part-time COLA funding solely to increase part-time instructor salaries. The NSHE will report annually to the Interim Finance Committee explaining how the COLA funding was expended.

PROFESSIONAL MERIT INCREASES

The Legislature approved continuation of the 2.5 percent merit pool for professional employees (excluding positions at or above the Assistant Dean level). The 2003 Legislature implemented partial limits on funding for professional salaries at or beyond the maximum salary scale level. The 2005 Legislature added full merit pay exclusions for all non-instructional, administrative salaries beyond the maximum salary scale. The 2007 money committees noted that the Governor's budget did not include the merit exclusion added by the 2005 Legislature and did not correctly capture merit-related COLA calculations. The Legislature made adjustments that netted savings of \$193,761 in FY 2007-08 and \$219,080 in FY 2008-09 (\$412,841 for the biennium) as compared to the the Governor's recommended amounts. The adjusted merit pool funding approved by the Legislature totaled \$8.51 million in FY 2007-08 and \$17.40 million in FY 2008-09.

WORKFORCE DEVELOPMENT GRANT

The Governor recommended \$3.0 million in FY 2007-08 and \$4.0 million in FY 2008-09 to support workforce and economic development initiatives at the community colleges. The recommendation included a baseline distribution of \$300,000 to each college (\$1.2 million total) for workforce development programs. The distribution of the balance of the funding (\$5.8 million) was based upon the campuses' percentages of actual FY 2005-06 student enrollments. The NSHE proposed a wide variety of programs and initiatives including, but not limited to, literacy programs, emergency response, adult basic education, entrepreneurship, bilingual certification, dental lab technician training, manufacturing, pharmacy technician training, transportation, and enhancement of WNC's construction management degree program.

To meet budget reduction targets, NSHE and the Budget Division proposed to eliminate funding for the Workforce Development Grant enhancement. The Legislature concurred with the revised recommendation and eliminated the enhancement.

MEDICAL RISK MANAGEMENT AND MALPRACTICE

The Governor recommended \$78,272 in FY 2007-08 and \$142,460 in FY 2008-09, primarily for the state share of medical risk management. The recommendation also included funding for malpractice costs associated with physician faculty in NSHE health science programs. The NSHE and the Budget Division subsequently proposed to eliminate this enhancement module to address the system's budget reduction targets. The Legislature concurred with the revised recommendation and eliminated the enhancement.

In a related matter, the money committees noted that the UNSOM realized \$602,989 in medical malpractice insurance premium savings in FY 2006-07. The money committees considered continuing these savings in the Medical School budget for FY 2007-08 and FY 2008-09. However, NSHE indicated that it would not be prudent to budget ongoing savings based upon the FY 2006-07 experience as UNSOM renegotiates the allocation of premium costs with partner hospitals annually. The Medical School could not predict the amount of coverage that would be provided by partner hospitals during the 2007-09 biennium. Also, A.B. 483 of the 2007 Legislative Session increased the amount of damages that can be brought against a government entity. As noted by NSHE, this statutory revision could impact medical malpractice premium costs.

In light of NSHE's comments, the Legislature did not reduce the medical school's budget by the amount of FY 2006-07 malpractice insurance premium savings. However, recognizing that malpractice insurance premium savings are still a possibility, the money committees conveyed via letter of intent that NSHE should approach the Interim Finance Committee for approval prior to expending any savings that may accrue during the 2007-09 biennium. Otherwise, any malpractice insurance premium savings should be reverted to the General Fund.

DRI INSTITUTIONAL SUPPORT

The Governor recommended state General Fund appropriations of \$949,904 in FY 2007-08 and \$959,376 in FY 2008-09 to provide salary and benefits for three existing Vice President positions (Academic Affairs, Institutional Advancement, and Government and Business Relations), and three Administrative Assistant positions to support the Vice Presidents. The enhancement included funding for a Chief Information Officer position with an Administrative Assistant to provide support. The positions are currently funded through Indirect Cost Recovery (ICR) revenues generated through DRI's grant and contract activities. The Legislature instead approved reduced General Fund appropriations of \$300,000 per year for DRI Institutional Support.

WESTERN UNDERGRADUATE EXCHANGE

The Board of Regents may enter into agreements with other states to grant full or partial waivers of non-resident tuition, conditioned upon reciprocal agreements being available. The Western Interstate Commission for Higher Education (WICHE) added California as a participating member of Western Undergraduate Exchange (WUE) states. The UNR accepted California WUE students in FY 2006-07 and, as a result, experienced

significant decreases in non-resident tuition revenues. The Governor proposed to add General Fund appropriations of \$1.6 million per year to UNR's budgets, with corresponding non-resident tuition reductions. The Governor also recommended General Fund appropriations of \$525,599 in FY 2007-08 and \$582,998 in FY 2008-09 at UNLV for non-resident tuition losses unrelated to the California WUE issue.

Throughout the session, the Legislature expressed concern that Nevada is a net importer of WUE students. The NSHE reported that several WUE program policy changes will be implemented to ameliorate the current imbalance between non-residents educated by NSHE and Nevada students attending WUE institutions out-of-state. Effective fall 2007, to receive WUE support at UNLV, new students in all programs will need an overall GPA of 3.5. The UNR has likewise implemented admissions standards (3.0 GPA) that are higher than the standards for Nevada residents and a four-year limit on receipt of discounted WUE tuition. The NSHE testified that with the new changes, it would take roughly four to six years to achieve a balance in the numbers of Nevada students attending out-of-state institutions via the WUE program and the non-resident WUE students attending NSHE institutions.

The Legislature denied the General Fund appropriation increases recommended by the Governor in the WUE enhancement modules.

P-21 COUNCIL AND COLLEGE GOAL SUNDAY

The Governor recommended \$200,000 in each year of the 2007-09 biennium for two initiatives: (1) to provide operating support for College Goal Sunday and (2) to provide staff for the P-21 Council. College Goal Sunday is a statewide event designed to expose Nevada high school seniors to NSHE educational opportunities, as well as assist students and families with completion of the Free Application for Federal Student Aid (FAFSA).

The money committees noted that S.B. 239 creates a P-16 Council and includes a provision that the Office of the Governor shall provide administrative support. The NSHE reported that S.B. 239 removes the need for NSHE staffing support assuming the support provided by the Governor's Office includes the typical administrative support necessary to run a public committee. The Legislature eliminated the funding recommended in the P-21/College Goal Sunday enhancement module and applied the annual savings to the system's budget reduction targets.

CHRONIC FATIGUE SYNDROME

As recommended by the Governor, the Legislature approved General Fund appropriations in the Medical School budget of \$400,000 in FY 2007-08 and \$600,000 in FY 2008-09 to provide funding for staff and operating costs to study, research and understand Chronic Fatigue Syndrome. The Chronic Fatigue Syndrome enhancement was not included in NSHE's budget request. The NSHE reports that a total of 4.75 positions will be funded with the ongoing appropriations. The positions include an Executive Director (0.5 FTE), a Basic Research Director (0.75 FTE), a Clinical Virologist (0.5 FTE), a Postdoctoral Fellow (1.0 FTE), a Graduate Assistant (1.0 FTE), and a

clerical/support position (1.0 FTE). The NSHE notes that the positions will be employees of the Whittemore-Peterson Institute funded through UNSOM.

In a related matter, the Governor recommended a General Fund appropriation of \$3.5 million to the Institute for Neuro-Immune Disease for the support of faculty, staff and operating costs related to the research of neuro-immune disorders. The NSHE clarified that the purpose of the funding is instead for construction and FF&E costs of the Whittemore-Peterson Institute portion of the Center for Molecular Medicine at UNR. The Legislature approved a reduced amount for this purpose in S.B. 443 making a General Fund appropriation of \$2.0 million to the Institute for Neuro-Immune Disease.

DRI GROUNDWATER STUDY

The Governor recommended General Fund appropriations of \$1.0 million in each year of the 2007-09 biennium to map and study Nevada's groundwater resources with the goal of improving decision-making, reducing conflict and generating more accurate information. The Legislature did not approve the recommended funding for the groundwater study.

NEVADA SCHOLARS PROGRAM

To address budget reduction targets, the Legislature did not approve the Governor's recommendation to appropriate \$100,000 in each year of the 2007-09 biennium at both UNR and UNLV (\$400,000 total for the biennium) to support the Nevada Scholars scholarship and mentorship program. The Governor proposed the funding to assist in building a pool of Nevada students who would be competitive at the regional and national level for prestigious postgraduate awards and programs. The funding was intended to support operating costs and one full-time position each at UNR and UNLV (2.0 FTE total). The General Fund appropriations recommended in the Governor's budget were not intended to fund scholarships.

NYE COUNTY SERVICE AREA TRANSFER

Until recently, the CSN served Nye County residents. However, the Board of Regents approved an agreement between CSN and GBC that removed Nye County from the CSN service area and placed it in GBC's service area, effective FY 2006-07. The NSHE informed the Interim Finance Committee of the transfer at the June 13, 2006, meeting.

The higher education funding formulas recognize economies of scale and increased costs associated with the provision of services in a rural setting. Due to its small size, GBC currently enjoys more lucrative formula funding ratios or percentages than the larger community colleges. Consequently, the transition results in an increase in the formula amount, per student, calculated for the Nye County area. The Legislature approved the Governor's recommended funding increase of \$142,053 in FY 2007-08 and \$284,054 in FY 2008-09 to support the service area transfer.

Based upon revised enrollment projections and a correction to the original formula calculation, the Legislature adjusted the Governor's recommended budget by adding General Fund appropriations totaling \$146,117 in FY 2007-08 and \$27,122 in FY 2008-09 to GBC's budget. The Legislature also adjusted funding transfers from CSN to GBC based upon revised calculations provided by NSHE.

UNLV INTERCOLLEGIATE ATHLETICS OPERATING TRANSFER

The Governor proposed to transfer positions and operating funding for support of athletic facilities from the UNLV main campus account to the UNLV Intercollegiate Athletics account. The Legislature processed a similar transfer for UNR during the 2005 Session. However, in the case of UNR, the operating costs remained in the main campus account, and the Intercollegiate Athletics program paid through a recharge mechanism.

The transfer proposed by the Governor would have moved only a portion of the athletic facility O&M funding out of the UNLV main campus budget to the Intercollegiate Athletics (ICA) account. The Legislature made adjustments to fully transfer funding for UNLV athletics facility support from the main campus account to the ICA account. Similar to UNR, the UNLV ICA program will also pay for its operating costs through a recharge mechanism in the main campus account.

MEDICAL SCHOOL RESIDENCY FUNDING REALLOCATION AND INTERGOVERNMENTAL TRANSFER

The 2005 Legislature approved General Fund appropriations of \$1.28 million in FY 2005-06 and \$2.55 million in FY 2006-07 to expand the number of state-funded physician trainees by 17 per year (34 total). According to NSHE's original proposal, UNSOM planned to assign the trainees in Las Vegas and Reno and allocate them to existing programs in family medicine, internal medicine, obstetrics and gynecology, and psychiatry and surgery. However, there were significant modifications to UNSOM's resident physician expenditure plans for FY 2005-06 and FY 2006-07.

In FY 2005-06, UNSOM did not use 15 of the 17 approved state-funded residency positions. Of the \$1.28 million appropriated in FY 2005-06, UNSOM spent only \$146,375 on salary and benefits for two surgery fellowships in Las Vegas. The UNSOM reverted the balance of the unexpended funds in FY 2005-06. At the September 12, 2006, Interim Finance Committee meeting, UNSOM outlined a revised expenditure plan whereby the school planned to reallocate a portion of the resident appropriation to hire new FTE faculty positions. The UNSOM indicated the new faculty would support new residents and further expand postgraduate training programs in the following years.

The UNSOM noted its plans to expand the number of residents funded with self-supporting revenues, a portion of the original resident appropriation and CMS-allocated residency slots. The UNSOM estimates the number of residencies and fellowships will grow from 222.05 in FY 2005-06 to 306.64 by the end of FY 2008-09. The UNSOM plans to use \$1.23 million of the resident physician appropriation as

Intergovernmental Transfer (IGT) that will allow the school to leverage additional federal matching Medicaid dollars. The IGT will provide access to enhanced federal match for teaching physicians.

As reflected in the plan outlined in the table below, the resident physician appropriation approved by the 2005 Legislature will be continued for faculty and related resident support costs, IGT and direct funding of residents. The UNSOM notes that the enhanced funding generated by the IGT will be reflected in NSHE's self-supporting accounts. The UNSOM reports the following annual line-item expenditures associated with continuation of the \$2.55 million in base residency funding:

UNSOM's Planned Use of Base Residency Funding	
Additional Residents and Fellows	
Internal Medicine – Reno (1.81 FTE)	\$213,138
Psychiatry – Reno (2.5 FTE)	\$133,128
Family Medicine – Las Vegas (1.34 FTE)	\$75,043
Psychiatry – Las Vegas (3.0 FTE)	\$132,977
Total Residents and Fellows	\$554,286
Reallocation for Additional Faculty and Support of GME	
Professor/Chair Internal Medicine – Las Vegas	\$307,008
Asst Prof (Neurologist) Internal Medicine – Las Vegas	\$108,383
Letters of Appointment – Pulmonary Specialist – Internal Med - Reno	\$67,335
Pediatric Geneticist – Las Vegas	\$136,304
Psychiatry Fellowship Coordinator	\$18,900
Instructor Family Medicine – Las Vegas	\$128,123
Total for Additional Faculty and Support of GME	\$766,053
Intergovernmental Transfer	\$1,229,661
Total Revised Expenditure Plan	\$2,550,000

The Legislature authorized the UNSOM to continue to use the residency funding authorized by the 2005 Legislature pursuant to the revised plan in the table above.

CAPITAL IMPROVEMENTS

The Legislature approved funding for a total of 18 NSHE capital improvement projects. Eight of the 18 items provide FF&E or completion funding for previously-authorized projects. A total of \$246.69 million in funding was approved, with \$193.25 million coming from state sources (General Funds and Bond Revenues) and \$53.44 million from other sources.

The “Other Funds” in project C89 (UNLV Shadow Lane Biomedical Research Building) reflect \$9.74 million in transfers from medical and health-related projects funded in previous legislative sessions. It is notable that the Governor did not recommend, nor did the Legislature approve funding in support of NSHE's \$73.0 million operating request for the University of Nevada Health Sciences System (UNHSS).

Project Number	Inst	Project Description	State Funds (Mil \$)	Other Funds (Mil \$)	Total Request (Mil \$)
C09	UNLV	Science, Eng & Tech Bldg - FF&E	\$21,022,409	\$0	\$21,022,409
C10	UNR	Knowledge Center - FF&E	\$18,950,552	\$0	\$18,950,552
C11	UNR	Math & Science Center – Completion & FF&E	\$17,024,069	\$0	\$17,024,069
C13	CSN	Classroom Bldg, W. Charleston - FF&E	\$4,481,169	\$0	\$4,481,169
C14	CSN	Transportation Technology – FF&E	\$2,621,789	\$0	\$2,621,789
C15	GBC	Electrical & Industrial Tech Bldg – FF&E	\$1,761,546	\$0	\$1,761,546
C16	UNLV	Greenspun Completion	\$19,362,043	\$0	\$19,362,043
C17	DRI	CAVE Completion	\$7,984,141	\$0	\$7,984,141
C24	WNC	ADA Retrofit	\$3,721,148	\$0	\$3,721,148
C89	UNHSS	UNLV Shadow Lane Biomed Research Bldg	\$6,006,698	\$9,743,302	\$15,750,000
C90a	UNHSS	Medical Ed Learning Lab Bldg-Reno	\$35,031,861	\$12,900,000	\$47,931,861
C90b	UNHSS	Remodel Savitt Hall for UNSOM Offices	\$3,000,000	\$0	\$3,000,000
C90c	UNHSS	Refurbish Cain Hall for School of Nursing	\$1,000,000	\$0	\$1,000,000
C91a	UNHSS	Advanced Clinical Trng & Research Ctr-L.V.	\$33,891,659	\$25,800,000	\$59,691,659
M04	TMCC	Red Mtn Bldg Fire Code Deficiencies	\$1,753,683	\$0	\$1,753,683
M38	TMCC	IGT Structural Reinforcement	\$2,332,836	\$0	\$2,332,836
M47	Multiple	Deferred Maintenance (HECC/SHECC)	\$10,000,000	\$5,000,000	\$15,000,000
P33	NSC	Nursing Facility Planning	\$3,302,364	\$0	\$3,302,364
		NSHE Totals	\$193,247,967	\$53,443,302	\$246,691,269

OTHER ONE-TIME APPROPRIATIONS

In addition to the systems integration appropriation, the 2007 Legislature approved several additional one-time General Fund appropriations outside of the NSHE state-supported operating budgets as follows:

- UNLV Statewide Programs – Section 8 of A.B. 629 appropriates \$400,000 to fund operational expenses for the Women’s Research Institute of Nevada and the National Education for Women’s Leadership Program that develops civic leaders among college women.
- UNLV Boyd School of Law – Section 15 of A.B. 629 appropriates \$250,000 to support operations expansion of the Saltman Center for Conflict Resolution.
- Truckee Meadows Community College – Section 4 of S.B. 579 appropriates \$500,000 to the Interim Finance Committee on behalf of TMCC for the design and planning of the Spanish Springs Education Center.
- UNLV – Section 5 of S.B. 579 appropriates \$200,000 for special programs and fellowships sponsored by the Black Mountain Institute.
- UNLV Center for Health Disparities Research – Section 15 of S.B. 579 appropriates \$100,000 to fund workshops for a two-year health education and promotion pilot program.
- AHEC, Southern Nevada – Section 34 of S.B. 579 appropriates \$50,000 to the LCB Disbursement Account on behalf of the Southern Nevada Area Health Education Center to fund projects and programs designed to promote and support child abuse prevention in Nevada.

WESTERN INTERSTATE COMMISSION FOR HIGHER EDUCATION

In 1959, the Nevada Legislature approved Nevada's participation as a member of WICHE to provide educational assistance to students seeking education in various professional fields of study not offered by higher education institutions within the state. The 1997 Nevada Legislature expanded the mission of WICHE to include the Health Care Access Program (HCAP). This program provides funds and educational opportunities to students in exchange for a two-year practice obligation to serve the medically underserved population of the state; in-state programs, as well as out-of-state programs are authorized under the HCAP. Beginning with the academic class of 2007, students enrolled in the HCAP will be required to pay back ten percent of the support fee; previously, there was no monetary payback unless the student failed to provide the two-year practice obligation.

In order to increase the number of applicants for WICHE programs from the southern area of the state, the 2007 Legislature approved the Governor's recommendation to fund a .51 Program Officer I position to be located in the Las Vegas area. The office for the new position will be located at the CSN.

The 2007 Legislature approved funding within the Loan and Stipend account totaling \$1.20 million in each fiscal year of the 2007-09 biennium. General Fund support for FY 2007-08 is \$703,450 and for FY 2008-09 is \$700,048; the remaining revenue comes from a combination of student fees, penalties, fines, interest income, and loan and stipend repayments. The 2007 Legislature approved a new loan repayment program for teachers who are certified to teach deaf and hearing impaired students; two slots were funded at a cost of \$12,000 in FY 2008-09. Although the Governor recommended funding of \$5,800 in FY 2008-09 for a new Dental Lab Technician program and \$5,450 in FY 2008-09 for a new Clinical Lab Scientist program, the Legislature did not approve these two new programs. Instead, the Legislature increased funding for veterinary slots, \$26,300 in FY 2007-08 and \$54,400 in FY 2008-09 to bring the number of slots back to five in each fiscal year of the biennium; the Governor's budget had reduced veterinary slots from five to four in each fiscal year of the biennium.

The 2007 Legislature noted that when WICHE professional slots do not have a sufficient applicant pool, WICHE transfers unfilled slots to other legislatively-approved professional areas where additional slots could be utilized. While the 2007 Legislature did not object to this practice, the money committees indicated through a letter of intent, that WICHE inform the Fiscal Analysis Division in writing of any change in the professional slots approved by the Legislature within 30 days of when the slots were altered.

DEPARTMENT OF CULTURAL AFFAIRS

The Department of Cultural Affairs provides leadership in cultural and information management, preservation of cultural heritage and the promotion of cultural resources, activities and education. The department is comprised of four divisions: the Division of Museums and History, the State Library and Archives, the State Historic Preservation Office and the Nevada Arts Council. The 2007 Legislature approved a net addition of 15.71 positions bringing the departmental total to 175.88 positions.

The 2007 Legislature approved General Fund appropriations of \$14.2 million in FY 2007-08 and \$15.5 million in FY 2008-09 for the department. The legislatively-approved General Fund total of \$29.7 million for the 2007-09 biennium represents an increase of approximately 18.1 percent over the \$25.1 million approved by the Legislature for the 2005-07 biennium.

The Governor recommended and the Legislature approved a General Fund supplemental appropriation totaling \$22,760 to cover anticipated utility shortfalls for FY 2006-07 for the Nevada Historical Society (\$6,194) and for the Nevada State Museum, Carson City (\$16,566). The Legislature also approved the Governor's recommendation for a one-time General Fund appropriation totaling \$1.03 million over the 2007-09 biennium as described below:

- \$250,124 for the Director's Office to purchase computer replacement equipment and software for all agencies supported by General Funds within the department.
- \$505,092 for the State Museum in Carson City to purchase new and replacement equipment and a portion of the Liberty Belle antique slot machine collection.
- \$120,000 for the restoration of the McKeen Motor Car and feasibility study of the Hall-Scott Motor Car, No. 22, in compliance with the recently amended McKeen Motor Car agreement.
- \$157,261 for the State Library and Archives division to purchase three new Microfilm Remote Access Systems, a Records Center Box Tracking Software System and replacement equipment.

NEVADA STATE LIBRARY/ARCHIVES AND RECORDS

The division of State Library and Archives provides a variety of support services to assist state agencies, public libraries and the public throughout the state. One such service is the bookmobile program, in which the state provides three bookmobiles to serve in rural areas. The 2007 Legislature concurred with the Governor's recommended enhancement to increase the bookmobile program funding by \$40,000 each fiscal year of the 2007-09 biennium from \$77,953 to \$117,953, an increase of 51 percent over the funding provided in the 2005-07 biennium. Additionally, the Legislature approved General Fund appropriations of \$20,608 in FY 2007-08 and \$22,051 in FY 2008-09, as recommended by The Executive Budget, to fund the cost of an annual seven percent inflation increase related to the acquisition of books, periodicals and electronic products.

In lieu of the Governor's recommendation to fund collection development for public libraries with continued one-shot funding, the 2007 Legislature added General Fund appropriations of \$600,000 in each fiscal year of the 2007-09 biennium to the State Library's budget. With the approval of S.B. 579, the Legislature also appropriated \$150,000 of state funding for expenses related to the Nevada Online Encyclopedia, which was not recommended in The Executive Budget.

Lastly, the Legislature approved a General Fund appropriation of \$292,887 in FY 2008-09 for the addition of four positions and related costs to staff the new 31,150 square foot Southern Nevada Records Center as described below in the Capital

Improvements section under CIP 07-C19. The legislatively-approved positions for the new center are: Management Analyst II, Supply Technician III, Supply Assistant, and Maintenance Repair Specialist I.

NEVADA ARTS COUNCIL

The Nevada Arts Council (NAC) operates with ten positions with offices in Carson City and Las Vegas. A nine-member council appointed by the Governor advises the agency on cultural policies and approves grant allocations. In closing the budget for the NAC, the 2007 Legislature agreed with the Governor's recommendation to approve a new Accountant Technician position in the Carson City office to provide accounting and fiscal support which will assist in resolving various audit concerns. The Legislature did not approve converting a contract clerical position into a full-time state classified position. Further, with the passage of S.B. 579, the Legislature provided additional state funding of \$425,000 for the NAC to expand cultural programs, services and grants for communities statewide.

MUSEUMS AND HISTORY

The Division of Museums and History consists of an administrative office and the Nevada State Museum in Carson City, the Nevada State Railroad Museum located in Carson City, the Nevada State Museum in Las Vegas, the Nevada Historical Society in Reno, the Lost City Museum in Overton, the Railroad Museum in Boulder City and the Ely Railroad Depot. In closing the budgets for the division, the 2007 Legislature approved transfers of \$595,990 of room tax funds from the Commission on Tourism for various deferred maintenance and construction needs within the division. Major projects include stucco repair and exterior painting at the East Ely Railroad Depot; exterior painting, railroad track, railroad crossing, track lighting, and electrical panel replacement at the V&T Interpretive Center in Carson City; and stucco and compact shelving repair at the Nevada Historical Society in Reno.

In order to support increased utilities, operating costs and staffing (12.51 new positions) for the new Nevada State Museum, scheduled to open in early 2009 at the Las Vegas Springs Preserve site, the 2007 Legislature approved funding in FY 2008-09 totaling \$633,494 from admission charges, private funds and General Funds (\$556,397). It should also be noted the name of the Nevada State Museum and Historical Society, Las Vegas has been changed to the Nevada State Museum, Las Vegas with the passage of S.B. 196.

CAPITAL IMPROVEMENTS

The 2007 Legislature approved total funding of \$15.94 million (\$4.04 million in state funding) over the 2007-09 biennium for capital improvement projects within the Department of Cultural Affairs. Each of the approved projects were included in the Capital Improvement Program recommended by the Governor for the 2007-09 biennium. The following table provides a high-level summary of the projects (reported in millions) approved by the Legislature:

CIP Project Description	Gen. Funds	Bond Funds	Total Funds
<p>07-C01 — Construct an entrance to comply with the Americans with Disabilities Act (ADA) and a connecting structure for the State Museum in Carson City (a continuation of CIP 05-C27 funded in the 2005 Capital Improvement Program). This project will augment the 2005 CIP project to allow for unanticipated inflation, evidenced by construction bids that exceeded the project’s budget by nearly 50 percent.</p>		\$2.86	\$2.86
<p>07-C02 — Additional funding for a construction funding shortage for the Las Vegas Springs Preserve Museum (CIP 03-A03). In 2002, voters approved Question #1, which provided bond issue proceeds of \$35 million to support the planning, design, construction and exhibit costs for a new state museum to be built at the Las Vegas Springs Preserve site. However, due to the current increase in steel, concrete and other related construction costs, construction estimates were significantly higher than the available funding. This project will cover unanticipated inflation to allow for the completion of the new state museum.</p>	\$3.2	\$8.3	\$11.5
<p>07-C19 — Remodel a portion of the Southern Nevada State Museum (Lorenzi Park) into a departmental resource center. The center will include space for the new Southern Nevada Records Center, services for the Library to the Blind and Physically Handicapped, a research and exhibit museum, the Nevada Arts Council and the State Historic Preservation Office.</p>	\$0.84	\$0.74	\$1.58
<p>Department of Cultural Affairs CIP Total</p>	\$4.04	\$11.9	\$15.94

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2007 Legislature

	2006 - 07 Work Program	2007 - 08 Governor Recommended	2007 - 08 Legislature Approved	2008 - 09 Governor Recommended	2008 - 09 Legislature Approved
EDUCATION					
DEPARTMENT OF EDUCATION					
DISTRIBUTIVE SCHOOL ACCOUNT	1,206,363,472	1,172,442,700	1,213,602,052	1,245,252,645	1,273,495,064
GENERAL FUND	971,783,690	1,012,678,153	1,041,380,667	1,075,036,081	1,090,814,060
BALANCE FORWARD	97,255,668				
FEDERAL FUND	3,858,462	8,071,523	6,354,164	8,313,669	6,354,164
OTHER FUND	133,465,652	151,693,024	165,867,221	161,902,895	176,326,840
NDE - SCHOOL REMEDIATION TRUST FUND	68,984,064	59,798,073	79,070,504	61,315,922	95,734,506
GENERAL FUND	50,000,000	59,798,073	60,375,718	61,315,922	85,539,038
BALANCE FORWARD	11,894,728		17,182,016		9,011,648
INTER AGENCY TRANSFER	7,089,336				
OTHER FUND			1,512,770		1,183,820
NDE - OTHER STATE EDUCATION PROGRAM	14,243,791	17,617,629	23,970,297	18,399,404	27,747,181
GENERAL FUND	13,996,447	17,579,629	23,932,297	18,340,404	27,688,181
BALANCE FORWARD	239,379			21,000	21,000
OTHER FUND	7,965	38,000	38,000	38,000	38,000
NDE - EDUCATION STATE PROGRAMS	2,908,938	3,083,974	3,229,637	3,258,514	3,484,155
GENERAL FUND	2,736,906	2,932,387	3,046,782	3,009,684	3,188,144
FEDERAL FUND			55,293		74,535
INTER AGENCY TRANSFER	169,032	142,036	118,011	239,279	211,925
OTHER FUND	3,000	9,551	9,551	9,551	9,551
NDE - EDUCATION SUPPORT SERVICES	2,520,847	2,943,501	2,962,887	3,013,551	3,144,884
GENERAL FUND	1,016,567	1,152,304	1,167,308	1,203,573	1,223,825
BALANCE FORWARD	142,275	192,472	192,472	118,201	221,754
INTER AGENCY TRANSFER	1,362,005	1,598,725	1,603,107	1,691,777	1,699,305
NDE - EDUCATION STAFFING SERVICES	468,526	496,217	591,535	532,519	638,594
INTER AGENCY TRANSFER	468,526	496,217	591,535	532,519	638,594
NDE - PROFICIENCY TESTING	4,349,220	5,016,438	5,011,631	5,375,516	5,375,529
GENERAL FUND	4,331,677	5,006,798	5,001,991	5,345,695	5,345,708
INTER AGENCY TRANSFER	17,543	9,640	9,640	29,821	29,821
NDE - TEACHER EDUCATION AND LICENSIN	1,443,819	2,104,080	2,104,080	2,198,763	2,220,250
GENERAL FUND	100	100	100	100	100
BALANCE FORWARD	122,245	363,211	363,211	473,869	495,356
INTER AGENCY TRANSFER	82,428	91,719	91,719	96,149	96,149
OTHER FUND	1,239,046	1,649,050	1,649,050	1,628,645	1,628,645
NDE - ELEMENTARY & SECONDARY ED - TI	82,325,072	84,678,544	84,678,544	84,678,545	84,678,545
FEDERAL FUND	82,325,072	84,678,544	84,678,544	84,678,545	84,678,545
NDE - ELEMENTARY & SECONDARY ED TITL	26,668,171	23,248,894	23,248,894	23,248,895	23,248,895
FEDERAL FUND	26,668,171	23,248,894	23,248,894	23,248,895	23,248,895
NDE - DISCRETIONARY GRANTS - UNRESTR	2,713,691	2,754,961	2,754,961	2,780,713	2,781,453
BALANCE FORWARD	132,119			25,752	26,492
FEDERAL FUND	2,265,175	2,754,961	2,754,961	2,754,961	2,754,961
OTHER FUND	316,397				

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Summary of Appropriations and Authorizations (Detail)

2007 Legislature

	2006 - 07 Work Program	2007 - 08 Governor Recommended	2007 - 08 Legislature Approved	2008 - 09 Governor Recommended	2008 - 09 Legislature Approved
DEPARTMENT OF EDUCATION					
NDE - DISCRETIONARY GRANTS - RESTRICTED	15,405,449	15,045,479	15,045,479	15,045,499	15,045,499
FEDERAL FUND	15,405,449	15,045,479	15,045,479	15,045,499	15,045,499
NDE - STUDENT INCENTIVE GRANTS	528,204	532,129	531,560	534,827	534,833
GENERAL FUND	376,952	381,358	380,789	382,870	382,876
FEDERAL FUND	150,206	150,206	150,206	150,206	150,206
INTER AGENCY TRANSFER	1,046	565	565	1,751	1,751
NDE - CAREER AND TECHNICAL EDUCATION	9,264,845	9,253,829	9,254,149	9,281,812	9,281,812
GENERAL FUND	365,406	379,292	379,612	392,500	392,500
FEDERAL FUND	8,886,651	8,867,038	8,867,038	8,865,895	8,865,895
INTER AGENCY TRANSFER	12,788	7,499	7,499	23,417	23,417
NDE - CONTINUING EDUCATION	4,991,371	4,788,745	4,788,745	4,798,637	4,798,637
GENERAL FUND	558,063	614,015	614,015	617,430	617,430
FEDERAL FUND	4,421,277	4,171,628	4,171,628	4,171,628	4,171,628
INTER AGENCY TRANSFER	12,031	3,102	3,102	9,579	9,579
NDE - GEAR UP	1,202,959	1,500,000	1,500,000	1,500,000	1,500,000
FEDERAL FUND	1,202,959	1,500,000	1,500,000	1,500,000	1,500,000
NDE - NUTRITION EDUCATION PROGRAMS	67,980,749	69,046,094	69,044,061	71,156,067	71,156,067
GENERAL FUND	278,640	307,108	305,075	315,286	315,286
BALANCE FORWARD	186,281				
FEDERAL FUND	67,480,942	68,730,214	68,730,214	70,820,049	70,820,049
INTER AGENCY TRANSFER	24,886	5,694	5,694	17,654	17,654
OTHER FUND	10,000	3,078	3,078	3,078	3,078
NDE - DRUG ABUSE EDUCATION	2,043,002	1,345,228	1,345,228	1,345,228	1,345,228
FEDERAL FUND	2,043,002	1,345,228	1,345,228	1,345,228	1,345,228
NDE - SCHOOL HEALTH EDUCATION - AIDS	230,750	231,046	231,046	231,046	231,046
FEDERAL FUND	230,750	231,046	231,046	231,046	231,046
NDE - INDIVIDUALS WITH DISABILITIES (IDE)	67,265,611	64,522,502	64,293,652	64,521,375	64,295,575
GENERAL FUND	215,103	175,220	96,609	175,221	99,359
FEDERAL FUND	67,012,625	64,304,766	64,154,828	64,301,565	64,151,627
INTER AGENCY TRANSFER	37,883	42,516	42,215	44,589	44,589
SUB-FUNCTION RECAP					
DEPARTMENT OF EDUCATION	1,581,902,551	1,540,450,063	1,607,258,942	1,618,469,478	1,690,737,753
GENERAL FUND	1,045,659,551	1,101,004,437	1,136,680,963	1,166,134,766	1,215,606,507
BALANCE FORWARD	109,972,695	555,683	17,737,699	638,822	9,776,250
FEDERAL FUND	281,950,741	283,099,527	281,287,523	285,427,186	283,392,278
INTER AGENCY TRANSFER	9,277,504	2,397,713	2,473,087	2,686,535	2,772,784
OTHER FUND	135,042,060	153,392,703	169,079,670	163,582,169	179,189,934

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Summary of Appropriations and Authorizations (Detail)

2007 Legislature

	2006 - 07 Work Program	2007 - 08 Governor Recommended	2007 - 08 Legislature Approved	2008 - 09 Governor Recommended	2008 - 09 Legislature Approved
EDUCATION					
COMMISSION ON POSTSECONDARY EDUCATION					
COMMISSION ON POSTSECONDARY EDUCATION	359,750	380,804	436,190	400,463	478,701
GENERAL FUND	244,994	276,514	331,900	308,483	386,721
FEDERAL FUND	104,000	98,400	98,400	73,800	73,800
INTER AGENCY TRANSFER	10,756	5,890	5,890	18,180	18,180
SUB-FUNCTION RECAP					
COMMISSION ON POSTSECONDARY EDUCATION	359,750	380,804	436,190	400,463	478,701
GENERAL FUND	244,994	276,514	331,900	308,483	386,721
FEDERAL FUND	104,000	98,400	98,400	73,800	73,800
INTER AGENCY TRANSFER	10,756	5,890	5,890	18,180	18,180

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Summary of Appropriations and Authorizations (Detail)

2007 Legislature

	2006 - 07 Work Program	2007 - 08 Governor Recommended	2007 - 08 Legislature Approved	2008 - 09 Governor Recommended	2008 - 09 Legislature Approved
EDUCATION					
NEVADA SYSTEM OF HIGHER EDUCATION					
NSHE SYSTEM ADMINISTRATION	4,859,225	8,890,631	5,657,589	10,204,725	5,978,475
GENERAL FUND	4,555,582	8,699,724	5,466,936	9,847,017	5,622,271
INTER AGENCY TRANSFER	192,183	79,447	79,193	246,248	244,744
OTHER FUND	111,460	111,460	111,460	111,460	111,460
NSHE SALARY ADJUSTMENTS	24,988,092	8,663,928	8,660,829	26,917,227	26,906,578
GENERAL FUND	24,988,092	8,663,928	8,660,829	26,917,227	26,906,578
NSHE - SPECIAL PROJECTS	4,752,752	2,745,533	2,743,859	2,765,473	2,765,534
GENERAL FUND	2,366,543	2,741,156	2,739,482	2,751,671	2,751,729
BALANCE FORWARD	2,021,911				
INTER AGENCY TRANSFER	364,298	4,377	4,377	13,802	13,805
UNIVERSITY PRESS	819,767	891,272	886,808	951,070	951,253
GENERAL FUND	785,102	880,094	875,630	916,225	916,397
INTER AGENCY TRANSFER	34,665	11,178	11,178	34,845	34,856
SYSTEM COMPUTING CENTER	22,283,493	23,073,706	22,981,780	23,881,399	23,838,350
GENERAL FUND	21,659,261	22,854,951	22,763,460	23,202,871	23,162,289
INTER AGENCY TRANSFER	624,232	218,755	218,320	678,528	676,061
NATIONAL DIRECT STUDENT LOAN PROGR.	50,904	50,904	50,904	50,904	50,904
GENERAL FUND	50,904	50,904	50,904	50,904	50,904
UNIVERSITY OF NEVADA - RENO	176,694,299	186,079,925	183,020,816	198,655,218	196,512,557
GENERAL FUND	123,939,366	137,820,410	132,264,763	142,124,063	136,590,971
BALANCE FORWARD	691,087				
INTER AGENCY TRANSFER	14,252,859	11,197,739	10,929,819	16,313,314	16,042,445
OTHER FUND	37,810,987	37,061,776	39,826,234	40,217,841	43,879,141
INTERCOLLEGIATE ATHLETICS - UNR	5,592,321	5,898,249	6,763,868	6,136,798	7,054,213
GENERAL FUND	5,457,948	5,824,866	6,690,710	5,983,481	6,902,237
INTER AGENCY TRANSFER	134,373	73,383	73,158	153,317	151,976
STATEWIDE PROGRAMS - UNR	7,848,337	8,442,554	8,405,103	8,894,757	8,892,041
GENERAL FUND	7,473,392	8,319,422	8,282,094	8,511,480	8,509,466
INTER AGENCY TRANSFER	374,945	123,132	123,009	383,277	382,575
SCHOOL OF MEDICAL SCIENCES	33,993,892	37,135,008	36,880,891	39,273,735	39,058,043
GENERAL FUND	30,705,592	34,143,855	33,883,844	34,973,615	34,753,277
INTER AGENCY TRANSFER	1,193,554	507,287	506,931	1,581,366	1,579,762
OTHER FUND	2,094,746	2,483,866	2,490,116	2,718,754	2,725,004
NSHE HEALTH LABORATORY AND RESEAR	1,928,771	2,054,149	2,035,229	2,144,717	2,129,397
GENERAL FUND	1,806,750	2,026,993	2,008,216	2,060,833	2,046,391
INTER AGENCY TRANSFER	122,021	27,156	27,013	83,884	83,006
AGRICULTURE EXPERIMENT STATION	9,819,554	10,434,923	10,384,876	10,959,411	10,940,073
GENERAL FUND	8,058,015	9,040,960	8,991,117	9,267,900	9,249,670
FEDERAL FUND	1,282,530	1,253,645	1,253,645	1,253,645	1,253,645
INTER AGENCY TRANSFER	479,009	140,318	140,114	437,866	436,758

Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)

2007 Legislature

	2006 - 07 Work Program	2007 - 08 Governor Recommended	2007 - 08 Legislature Approved	2008 - 09 Governor Recommended	2008 - 09 Legislature Approved
NEVADA SYSTEM OF HIGHER EDUCATION					
COOPERATIVE EXTENSION SERVICE	10,335,832	11,143,762	11,082,674	11,838,968	11,833,480
GENERAL FUND	7,958,662	9,123,444	9,062,442	9,415,480	9,410,306
FEDERAL FUND	1,214,924	1,195,311	1,195,311	1,197,186	1,197,186
INTER AGENCY TRANSFER	534,638	181,395	181,309	566,278	565,964
OTHER FUND	627,608	643,612	643,612	660,024	660,024
BUSINESS CENTER NORTH	2,375,102	2,527,804	2,509,513	2,682,696	2,681,831
GENERAL FUND	2,225,024	2,485,543	2,467,263	2,551,265	2,550,450
INTER AGENCY TRANSFER	150,078	42,261	42,250	131,431	131,381
UNIVERSITY OF NEVADA - LAS VEGAS	241,761,467	257,960,069	253,018,215	276,318,162	270,250,842
GENERAL FUND	149,886,957	167,470,538	168,614,876	169,847,774	172,988,843
BALANCE FORWARD	1,062,662				
INTER AGENCY TRANSFER	12,038,659	5,990,943	7,993,531	12,878,265	14,889,307
OTHER FUND	78,773,189	84,498,588	76,409,808	93,592,123	82,372,692
INTERCOLLEGIATE ATHLETICS - UNLV	4,926,752	6,384,288	8,940,854	6,672,756	9,256,767
GENERAL FUND	4,777,527	6,335,053	8,891,619	6,519,109	9,103,052
INTER AGENCY TRANSFER	149,225	49,235	49,235	153,647	153,715
STATEWIDE PROGRAMS - UNLV	1,364,603	1,440,110	1,432,379	1,526,780	1,527,282
GENERAL FUND	1,306,109	1,418,144	1,410,413	1,458,093	1,458,566
INTER AGENCY TRANSFER	58,494	21,966	21,966	68,687	68,716
UNLV LAW SCHOOL	11,776,346	12,657,814	12,472,466	13,301,671	13,167,595
GENERAL FUND	8,153,772	9,038,943	8,853,595	9,260,910	9,126,630
INTER AGENCY TRANSFER	458,109	163,856	163,856	511,540	511,744
OTHER FUND	3,164,465	3,455,015	3,455,015	3,529,221	3,529,221
DENTAL SCHOOL - UNLV	12,299,929	13,110,356	12,936,528	13,882,344	13,780,908
GENERAL FUND	7,558,066	8,373,214	8,105,386	8,627,124	8,431,499
INTER AGENCY TRANSFER	455,906	197,190	197,190	615,710	615,899
OTHER FUND	4,285,957	4,539,952	4,633,952	4,639,510	4,733,510
BUSINESS CENTER SOUTH	2,020,414	2,148,782	2,131,247	2,287,346	2,281,231
GENERAL FUND	1,896,828	2,113,544	2,096,071	2,177,228	2,171,463
INTER AGENCY TRANSFER	123,586	35,238	35,176	110,118	109,768
DESERT RESEARCH INSTITUTE	9,455,693	11,398,870	9,621,266	11,846,735	10,288,849
GENERAL FUND	7,940,225	11,139,447	9,361,843	11,353,115	9,795,172
BALANCE FORWARD	1,105,623				
INTER AGENCY TRANSFER	261,359	110,937	110,937	345,134	345,191
OTHER FUND	148,486	148,486	148,486	148,486	148,486
GREAT BASIN COLLEGE	16,554,751	18,938,070	18,716,697	19,955,844	20,036,523
GENERAL FUND	14,079,872	16,815,599	16,363,069	17,183,457	16,997,300
INTER AGENCY TRANSFER	706,771	264,500	264,500	825,814	826,047
OTHER FUND	1,768,108	1,857,971	2,089,128	1,946,573	2,213,176
WESTERN NEVADA COMMUNITY COLLEGE	22,586,407	24,322,486	24,206,743	25,578,389	25,674,552
GENERAL FUND	18,756,858	21,026,111	20,769,184	21,381,341	21,251,842
INTER AGENCY TRANSFER	959,307	355,230	355,230	1,106,663	1,106,975
OTHER FUND	2,870,242	2,941,145	3,082,329	3,090,385	3,315,735

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	2006 - 07 Work Program	2007 - 08 Governor Recommended	2007 - 08 Legislature Approved	2008 - 09 Governor Recommended	2008 - 09 Legislature Approved
NEVADA SYSTEM OF HIGHER EDUCATION					
COMMUNITY COLLEGE OF SOUTHERN NEVADA	120,955,663	126,572,619	124,621,315	133,553,826	132,475,638
GENERAL FUND	89,256,692	97,522,965	95,156,439	99,586,614	97,672,554
INTER AGENCY TRANSFER	4,430,091	1,680,610	1,680,485	5,220,903	5,221,576
OTHER FUND	27,268,880	27,369,044	27,784,391	28,746,309	29,581,508
TRUCKEE MEADOWS COMMUNITY COLLEGE	47,255,944	50,242,379	49,530,704	53,110,482	52,498,889
GENERAL FUND	36,604,794	40,879,046	40,132,380	41,747,097	41,002,040
INTER AGENCY TRANSFER	1,816,979	704,001	703,703	2,185,321	2,184,075
OTHER FUND	8,834,171	8,659,332	8,694,621	9,178,064	9,312,774
NEVADA STATE COLLEGE AT HENDERSON	11,845,363	18,116,628	18,212,511	20,827,828	21,591,514
GENERAL FUND	9,565,135	15,373,147	15,330,975	17,155,957	17,670,035
INTER AGENCY TRANSFER	190,329	152,969	152,969	475,719	475,881
OTHER FUND	2,089,899	2,590,512	2,728,567	3,196,152	3,445,598
SUB-FUNCTION RECAP					
NEVADA SYSTEM OF HIGHER EDUCATION	809,145,673	851,324,819	837,905,664	924,219,261	912,423,319
GENERAL FUND	591,813,068	650,182,001	639,293,540	684,871,851	677,091,932
BALANCE FORWARD	4,881,283				
FEDERAL FUND	2,497,454	2,448,956	2,448,956	2,450,831	2,450,831
INTER AGENCY TRANSFER	40,105,670	22,333,103	24,065,449	45,121,677	46,852,227
OTHER FUND	169,848,198	176,360,759	172,097,719	191,774,902	186,028,329
WICHE PROGRAM					
W.I.C.H.E. ADMINISTRATION	340,766	381,742	369,576	441,014	434,125
GENERAL FUND	333,863	373,568	365,789	424,517	422,146
INTER AGENCY TRANSFER	6,903	8,174	3,787	16,497	11,979
W.I.C.H.E. LOAN & STIPEND	1,285,578	1,181,450	1,202,500	1,166,848	1,199,098
GENERAL FUND	797,728	688,600	703,450	673,998	700,048
OTHER FUND	487,850	492,850	499,050	492,850	499,050
SUB-FUNCTION RECAP					
WICHE PROGRAM	1,626,344	1,563,192	1,572,076	1,607,862	1,633,223
GENERAL FUND	1,131,591	1,062,168	1,069,239	1,098,515	1,122,194
INTER AGENCY TRANSFER	6,903	8,174	3,787	16,497	11,979
OTHER FUND	487,850	492,850	499,050	492,850	499,050

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EDUCATION					
DEPARTMENT OF CULTURAL AFFAIRS					
CULTURAL AFFAIRS ADMINISTRATION	931,313	968,121	953,500	1,013,734	1,003,729
GENERAL FUND	887,434	936,795	931,180	955,614	954,381
INTER AGENCY TRANSFER	43,879	31,326	22,320	58,120	49,348
NEVADA HUMANITIES	100,000	100,000	100,000	100,000	100,000
GENERAL FUND	100,000	100,000	100,000	100,000	100,000
COMSTOCK HISTORIC DISTRICT	153,393	167,807	165,999	176,882	176,817
GENERAL FUND	150,024	165,653	163,845	170,222	170,157
INTER AGENCY TRANSFER	3,369	2,154	2,154	6,660	6,660
STATE HISTORIC PRESERVATION OFFICE	2,173,594	1,143,871	1,131,888	1,207,119	1,200,598
GENERAL FUND	321,101	361,012	356,627	372,888	367,728
FEDERAL FUND	1,601,991	597,535	587,450	632,754	621,425
INTER AGENCY TRANSFER	242,002	176,824	179,311	192,977	202,945
OTHER FUND	8,500	8,500	8,500	8,500	8,500
NEVADA STATE LIBRARY	4,876,291	4,919,372	5,496,773	5,058,591	5,664,561
GENERAL FUND	3,435,124	3,942,842	4,530,131	4,003,388	4,610,707
BALANCE FORWARD	18,809				
FEDERAL FUND	1,228,713	930,194	925,215	933,163	937,281
INTER AGENCY TRANSFER	189,818	40,778	35,869	116,482	111,015
OTHER FUND	3,827	5,558	5,558	5,558	5,558
ARCHIVES AND RECORDS	804,537	874,136	868,427	1,279,928	1,208,524
GENERAL FUND	772,698	857,612	851,903	1,237,541	1,166,137
FEDERAL FUND	7,389	2,846	2,846	2,846	2,846
INTER AGENCY TRANSFER	22,828	12,270	12,270	38,133	38,133
OTHER FUND	1,622	1,408	1,408	1,408	1,408
MICROGRAPHICS AND IMAGING	687,810	602,708	599,765	550,059	552,266
BALANCE FORWARD	164,604	133,540	130,597	80,891	83,098
INTER AGENCY TRANSFER	523,206	469,168	469,168	469,168	469,168
NEVADA STATE LIBRARY - LITERACY	233,826	187,016	185,966	197,581	197,767
GENERAL FUND	147,586	147,656	146,606	153,187	153,373
FEDERAL FUND	19,347	37,014	37,014	37,014	37,014
INTER AGENCY TRANSFER	66,893	2,346	2,346	7,380	7,380
NEVADA STATE LIBRARY-CLAN	596,016	348,330	346,794	358,123	357,789
BALANCE FORWARD	226,009				
FEDERAL FUND	3,591	2,600	2,600	2,600	2,600
INTER AGENCY TRANSFER	72,994	72,444	72,277	93,173	93,734
OTHER FUND	293,422	273,286	271,917	262,350	261,455
NEVADA ARTS COUNCIL	2,448,095	2,320,201	2,293,037	2,386,404	2,361,205
GENERAL FUND	1,696,422	1,822,149	1,800,122	1,861,516	1,841,608
BALANCE FORWARD	63,376				
FEDERAL FUND	583,300	403,700	403,700	403,700	403,700
INTER AGENCY TRANSFER	34,203	17,600	12,463	44,436	39,145
OTHER FUND	70,794	76,752	76,752	76,752	76,752

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DEPARTMENT OF CULTURAL AFFAIRS					
MUSEUMS AND HISTORY	340,613	452,623	444,738	415,984	411,628
GENERAL FUND	321,158	441,501	374,331	392,518	393,660
INTER AGENCY TRANSFER	19,455	11,122	70,407	23,466	17,968
LOST CITY MUSEUM	471,195	466,424	462,074	494,889	494,661
GENERAL FUND	375,056	377,770	373,637	389,768	389,141
INTER AGENCY TRANSFER	11,425	6,265	6,265	19,423	19,423
OTHER FUND	84,714	82,389	82,172	85,698	86,097
NEVADA HISTORICAL SOCIETY	767,668	995,096	988,813	924,935	924,610
GENERAL FUND	683,781	931,646	774,098	832,841	832,094
INTER AGENCY TRANSFER	21,177	11,749	162,825	36,335	36,335
OTHER FUND	62,710	51,701	51,890	55,759	56,181
STATE MUSEUM, CARSON CITY	1,806,226	1,997,672	1,956,159	2,035,750	2,029,900
GENERAL FUND	1,382,059	1,619,161	1,542,803	1,593,237	1,604,455
FEDERAL FUND	12,143				
INTER AGENCY TRANSFER	57,771	25,123	82,623	78,176	78,176
OTHER FUND	354,253	353,388	330,733	364,337	347,269
NV STATE MUSEUM, LV	1,288,577	1,126,967	1,117,047	2,228,358	1,831,798
GENERAL FUND	1,202,941	1,071,901	1,062,317	1,894,435	1,661,662
INTER AGENCY TRANSFER	42,381	16,545	16,545	51,742	51,742
OTHER FUND	43,255	38,521	38,185	282,181	118,394
STATE RAILROAD MUSEUMS	2,064,860	2,228,456	2,723,962	1,723,301	1,722,684
GENERAL FUND	1,132,394	1,802,104	1,196,320	1,238,040	1,237,452
BALANCE FORWARD	537,035		507,343		
INTER AGENCY TRANSFER	164,542	155,684	750,754	198,359	198,359
OTHER FUND	230,889	270,668	269,545	286,902	286,873
SUB-FUNCTION RECAP					
DEPARTMENT OF CULTURAL AFFAIRS	19,744,014	18,898,800	19,834,942	20,151,638	20,238,537
GENERAL FUND	12,607,778	14,577,802	14,203,920	15,195,195	15,482,555
BALANCE FORWARD	1,009,833	133,540	637,940	80,891	83,098
FEDERAL FUND	3,456,474	1,973,889	1,958,825	2,012,077	2,004,866
INTER AGENCY TRANSFER	1,515,943	1,051,398	1,897,597	1,434,030	1,419,531
OTHER FUND	1,153,986	1,162,171	1,136,660	1,429,445	1,248,487

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FUNCTION RECAP					
TOTAL EDUCATION	2,412,778,332	2,412,617,678	2,467,007,814	2,564,848,702	2,625,511,533
GENERAL FUND	1,651,456,982	1,767,102,922	1,791,579,562	1,867,608,810	1,909,689,909
INTER AGENCY TRANSFER	50,916,776	25,796,278	28,445,810	49,276,919	51,074,701
OTHER FUND	306,532,094	331,408,483	342,813,099	357,279,366	366,965,800
BALANCE FORWARD	115,863,811	689,223	18,375,639	719,713	9,859,348
FEDERAL FUND	288,008,669	287,620,772	285,793,704	289,963,894	287,921,775
TOTAL EDUCATION	2,412,778,332	2,412,617,678	2,467,007,814	2,564,848,702	2,625,511,533
LESS: INTER AGENCY TRANSFER	50,916,776	25,796,278	28,445,810	49,276,919	51,074,701
NET: EDUCATION	2,361,861,556	2,386,821,400	2,438,562,004	2,515,571,783	2,574,436,832