

UNK **BOLD**

BUDGET FORUM

Sept. 14, 2023

UNIVERSITY *of* NEBRASKA *at* KEARNEY



Overview for today

Systemwide challenges

Action steps: Short- and long-term

UNK-specific challenges

History of reductions – previous scope and context

Doing the math: Expenditures will exceed budget

Faculty and Budget Advisory committees

Hiring freeze

Process, timeline, and feedback loop

Commitment to our mission



'We want to be No. 1': UNK volleyball reclaims regular-season attendance record

September 6, 2023 / Tyler Ellyson

"Nebraska is just the volleyball capital of the world. I think we proved that last week..."



UNK enrollment increases in first-time freshmen, graduate students

September 6, 2023 / Tyler Ellyson

Out-of-state and international student numbers also remain strong.



Groundbreaking UNK-UNMC partnership ushers in new era for rural health care

September 5, 2023 / Tyler Ellyson

"This partnership will have a significant lasting impact on the region, possibly unlike any Kearney has..."

Commitment to our mission

UNK *Bold*

UNIVERSITY *of* NEBRASKA *at* KEARNEY

UNK CORE VALUES

LEARNING MATTERS • STUDENT-CENTERED LEARNING
PEOPLE MATTER • RESPONSIBLE STEWARDSHIP



Higher Learning
Commission

System-wide Challenges

Estimated \$58 million shortfall

- **Wages & Inflation**
- **Muted Revenue Growth**
- **Enrollment Declines**

NU Short-term Action Steps

- **Hiring freeze on all non-faculty positions**
- **Administrative positions may not be refilled without approval from the Office of the President**
- **A temporary 2.5 percent quarterly across-the-board rescission on all departmental operating and supply budgets**

NU Long-term Action Steps

President Carter's Five-Point Plan:

1. A reinvigorated focus on student recruitment
2. A renewed commitment to raising the University of Nebraska's academic profile
3. A more proactive process for reviewing the university's range of academic programs
4. New strategies for communication and transparency around budget planning
5. A focus on operational excellence

UNK Challenges

Estimated \$4.3M shortfall

- Wages & Inflation
- Muted Revenue Growth
- State Appropriations
- Enrollment
- Tuition Remissions

UNK Short-term Action Steps

Estimated \$4.3 million shortfall

- Expanded hiring freeze to include faculty positions
- Established a Personnel Advisory Group to review all request to hire
- A \$1.85 million temporary rescission was made to operating in Chancellor, Business & Finance, and UNK Online funds

UNK Long-term Action Steps

Budget cut process will occur this fall

- **Form a Faculty Advisory Committee**
- **Revive Campus Budget Advisory Committee**
- **Encourage open communication regarding proposed reductions**
- **Reconvene in November to discuss reductions as a campus community**
- **Submit a plan to the President's Office by Dec. 1, 2023.**

Recent Reductions

Unprecedented shortfalls in recent years

- **\$3.4M in 2018**
 - 38 positions
- **\$2.8M in 2020-23**
 - 15 staff positions

FY2023-24 Revenues

General Fund:

State Appropriation of Tax	\$46,999,100
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Cash Funds:

Gross Tuition	\$40,191,155
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Remissions	(\$10,310,139)
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Refunds/Uncollected	\$(1,039,287)
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Student Fees	\$245,000
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Misc. Other Cash	\$551,000
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<u>U-Wide Debt Svc</u>	<u>(\$ 1,131,134)</u>
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Total Cash Fund	\$28,506,595
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TOTAL	\$75,505,695
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FY2023-24 Expenses

Expenditures:

Faculty Salaries	\$27,389,792
Nonfaculty Salaries	\$19,095,824
Benefits	\$6,929,057
Health Insurance	\$8,699,309
Total Compensation	\$62,113,982

Utilities	\$2,879,769
Nebraska Promise	\$2,894,000
Non-Personal Services	\$11,933,391
Total Expenses	\$79,821,142

FY2023-24 Net Activity

Revenues:

Total Revenues \$75,505,695

Expenditures:

Total Expenses \$79,821,142

(\$4,315,447)

State-Aided Budget FY24

State Appropriations

Advocated for 3% increase in support

↑ NU System Received 3.7% over the
biennium

— UNK increase 1.6%, or \$735K

Tuition

Advocated for 3.5% increase in support

↑ NU BOR approved 3.5%

State-Aided Budget FY24



Tuition Revenues

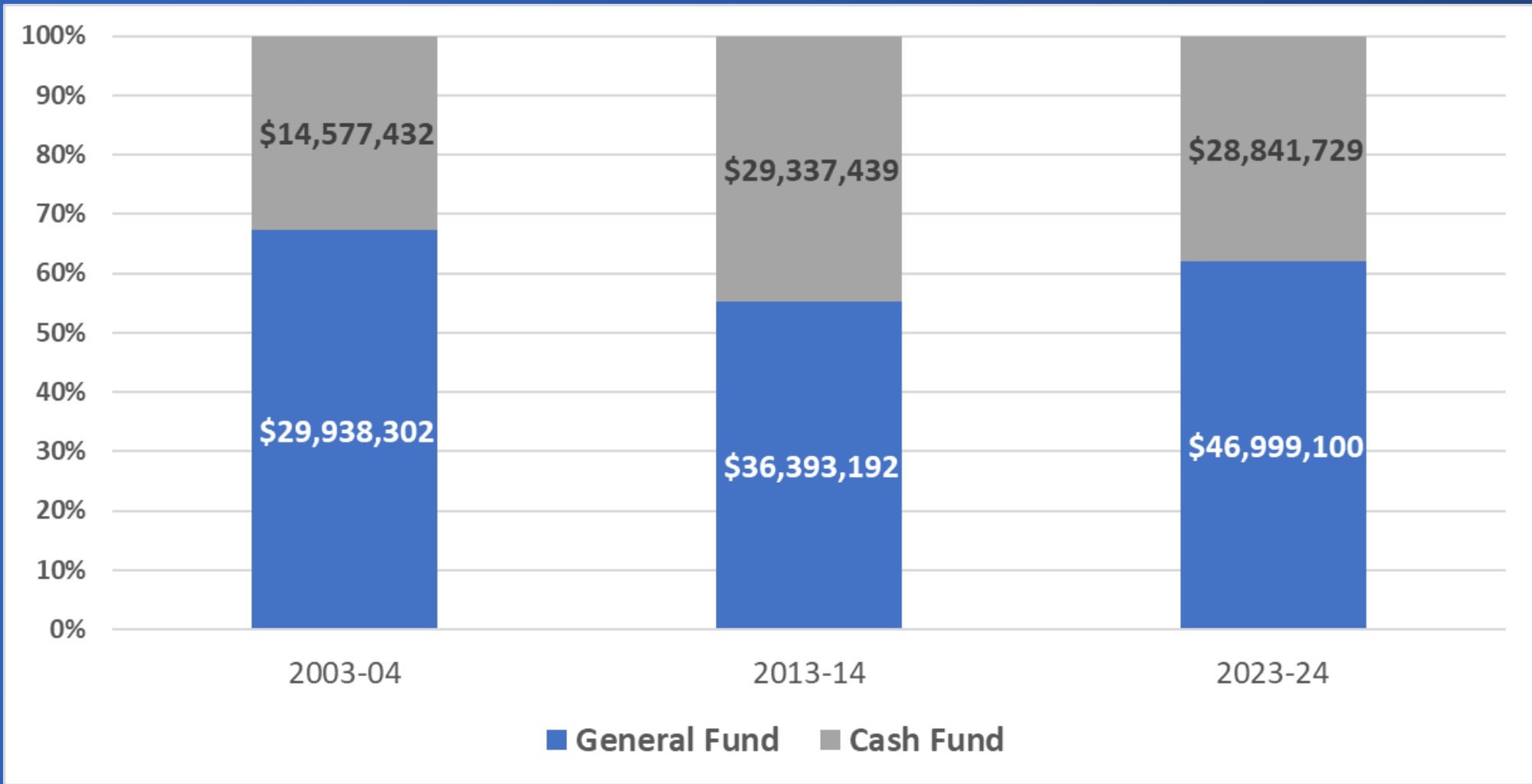
FY2022-23 \$31M Target

↓ \$27.6M actual

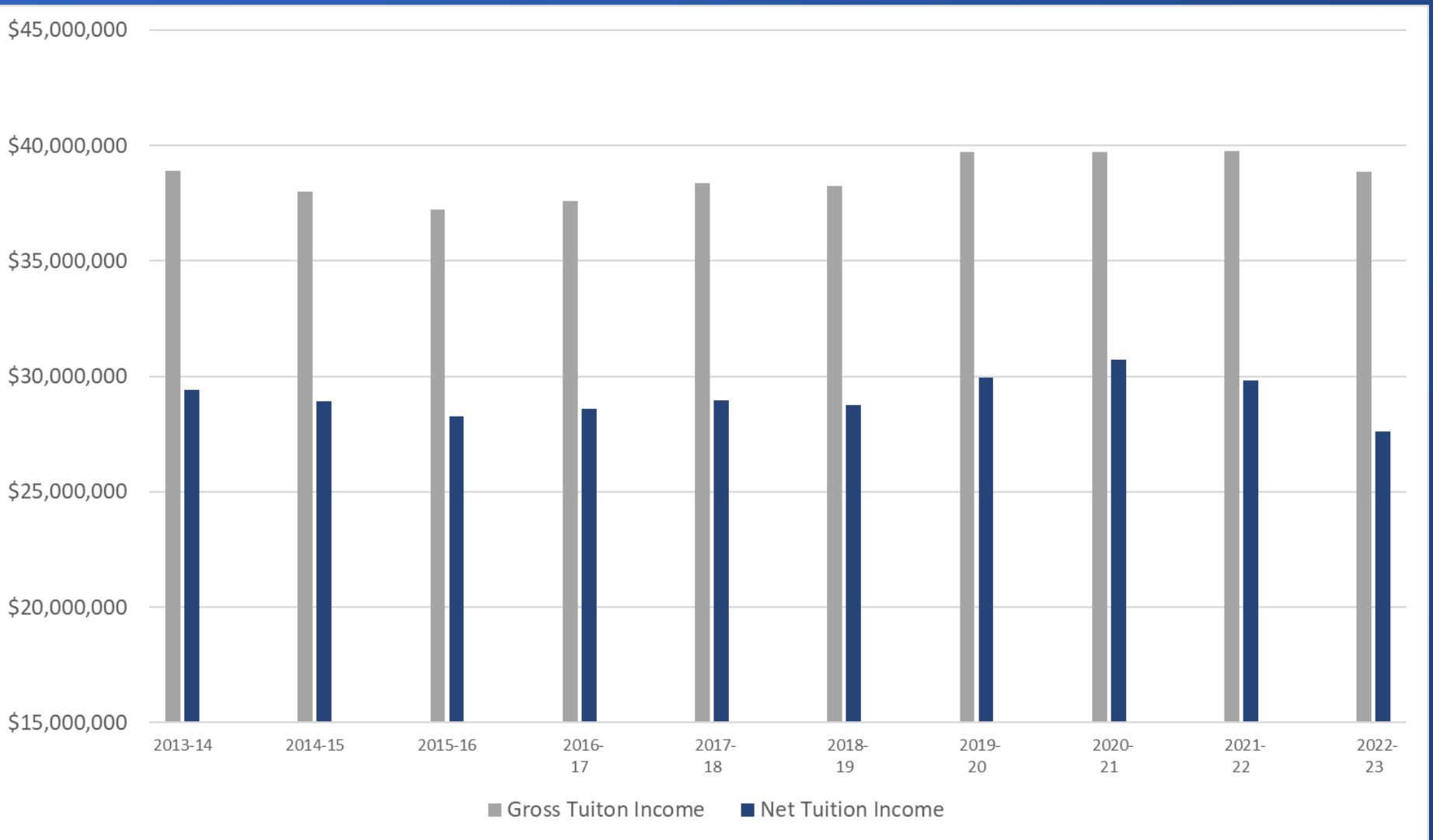
FY2023-24 Budget

- \$28.8M projected

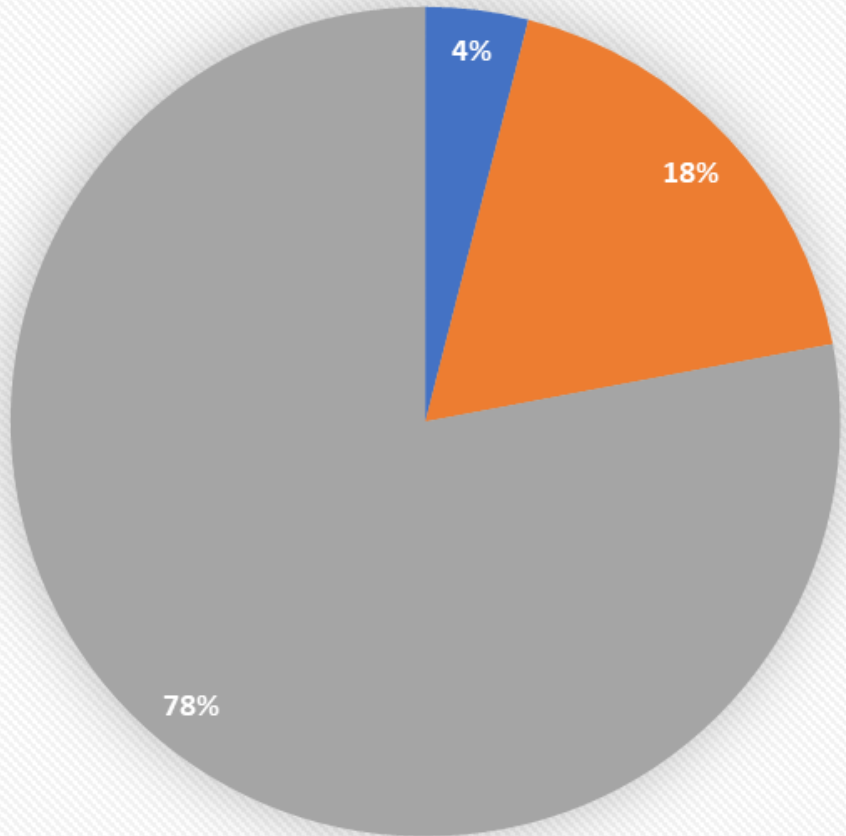
Historical Revenues



Gross vs. Net Tuition

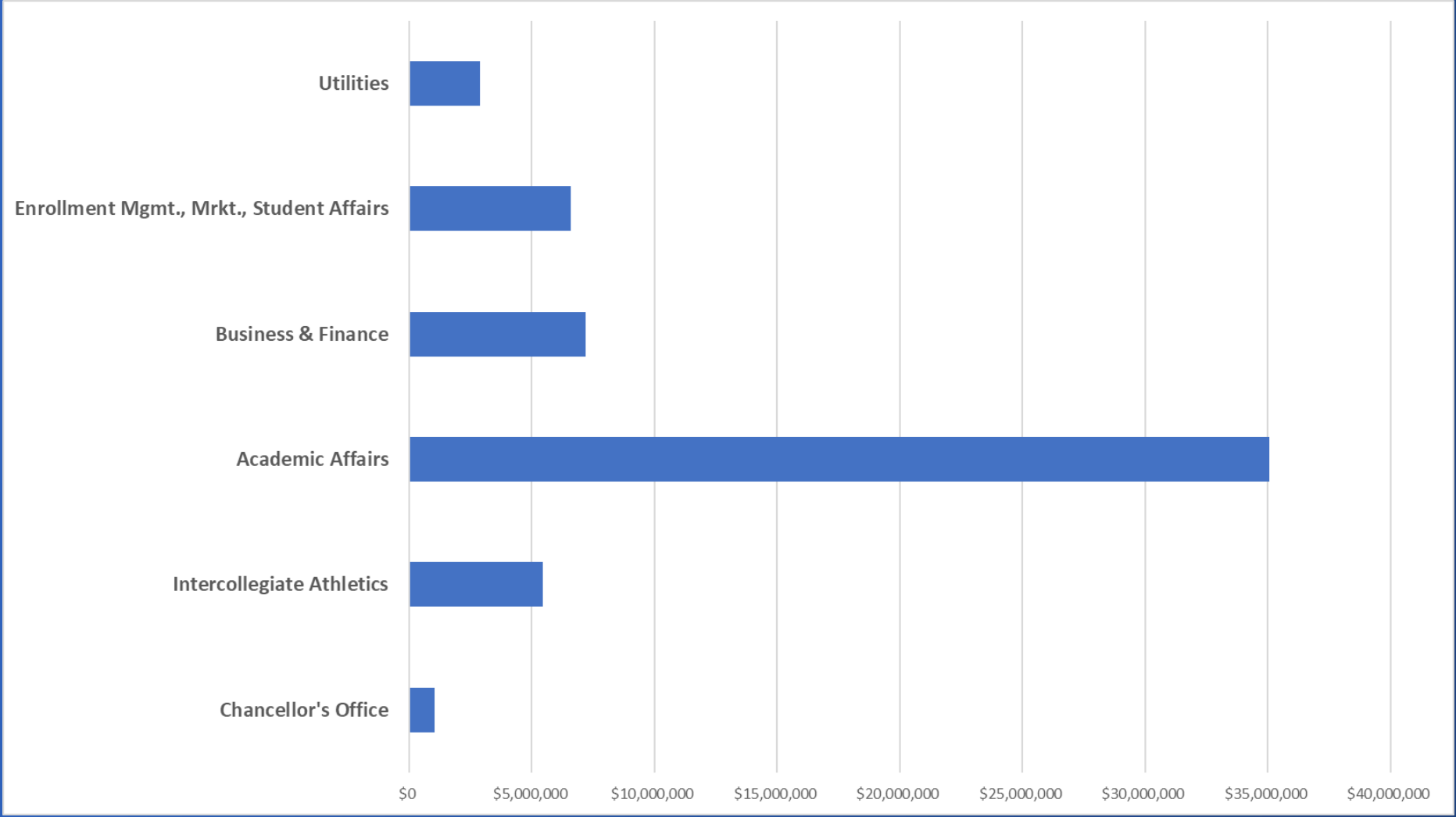


Historical Expenses



■ Utilities ■ Non-Personal Services ■ Salaries & Benefits

Expenses By Division



Faculty Advisory Committee

The Faculty Advisory Committee will provide feedback to campus administration for a faculty reduction-in-force and program elimination

Faculty Advisory Committee

Membership:

- **Dr. Derek Boeckner, Associate Professor of Mathematics & Statistics (Faculty Senate)**
- **Dr. Roger Davis, Professor of History (UNKEA)**
- **Dr. Chelsea Feusner, Associate Professor Educational Administration (Graduate Faculty)**
- **Dr. Greg Benson, Professor Supply Chain Management (College of Business & Technology)**
- **Dr. Miechelle McKelvey, Professor Communication Disorders (College of Education)**
- **Dr. Mahesh Pattabiraman, Professor of Chemistry (College of Arts & Sciences)**
- **Dr. Duane Bierman, Professor of Music (College of Arts & Sciences)**
- **David Arredondo, Assistant Professor of Library (Library)**

Budget Advisory Committee

The Campus Budget Advisory Committee will provide a forum for considering and shaping recommendations to the Chancellor and the Cabinet

Budget Advisory Committee



Membership:

- Chris Moran, Budget Director
- Megan Fryda, Director of Academic Resources
- Renee Besse, Director of Financial Aid
- Megan Telecky, Assistant Director, Facilities Management & Planning
- Dr. Chris Exstrom, Professor of Chemistry, Faculty Senate President
- Luis Olivas, Interim Director, Intercultural Engagement & Leadership
- Olivia Whittaker, Assistant Registrar, Staff Senate President
- Temo Molina, Student Body President & Student Regent
- George Holman, Associate Vice Chancellor
- Rachael Page, Assistant Director Compliance & Student Services
- Rochelle Reeves, Associate Professor, Curriculum Librarian
- Dr. Janet Steele, Professor of Biology
- Travis Reynolds, Interim Director, Sponsored Programs and Research
- Dr. Megan Adkins, Professor of Kinesiology and Sport Science
- Tricia Danburg, Assistant Director of Engagement, NU Foundation & Alumni

Process and Timeline

Both committees will be provided recommendations for cuts

Committee feedback is due Oct. 25

A campus forum will be held in November to discuss the cuts

The plan will be submitted to the President's Office by Dec. 1

Hiring freeze

Positions held as of Sept. 1:

- 70 full-time equivalent - \$4.8M
- 156 partial positions - \$3M
- After benefits are reflected the holding cost center balance exceeds \$10M

Commitments against vacant lines:

- Estimated Summer Instruction - \$1.3M
- Estimated Temporary Instruction/Adjuncts - \$2.5M
- Other?

Questions

Feedback to
chancellor@unk.edu

