

UNIVERSITY OF NEBRASKA AT KEARNEY

BUDGET OVERVIEW

2016-17

Jon C. Watts
Vice Chancellor
Business and Finance

September 2016

Biennial Request Timeline

Jul 2014	Board action on biennial budget guidelines
Aug 2014	CCPE submission
Sep 2014	Governor & Legislature submission
Jan 2015(est.)	Collective Bargaining completed
Jan 2015	Governor's budget announced
Mar 2015 (est.)	NU Appropriation Committee hearing
May 2015	State of Nebraska biennial budget enacted
Jun 2015	Board adopts 2015-16 budget & tuition rates
June 2016	Board adopts 2016-17 budget and tuition rates



**First step in a two year
budget development process**

University of Nebraska Hank Bounds Cornerstones for Success

NU will be the best place in the nation to be a student.

- **Affordable and Accessible**
- **Maintain High Academic Standards**

NU will transform lives through research and innovation.

- **Targeted Faculty Hires**
- **Impact Areas: (Water & Agriculture, Early Childhood Education, National Security & Defense, Rural Development, Cancer, Public Health, Engineering, Information Technology, and Arts & Humanities)**

NU will work hand-in-hand with partners to achieve shared goals.

- **Stable Base of State Support**
- **Legislative Designations for Strategic Investments in Multi-Campus Initiatives**
- **Benefit State's Economy and Quality of Life
(UNMC Nursing & Allied Health at Kearney)**

NU will win with people.

- **Competitive Salaries and Fringe Benefits**

**University of Nebraska at Kearney
Strategic Plan 2016**

Goal 1: Academic Quality. Faculty and staff will ensure ongoing review and continuous improvement of the curriculum across all academic programs on campus.

Goal 2: Access and Success. Increase recruitment and enhance support for student success.

Goal 3: Quality Faculty and Staff. Recruit, support, develop, and retain a high quality and diverse faculty and staff.

Goal 4: Stewardship of Resources. Secure, generate, and responsibly steward the resources necessary to carry out the mission of the campus and ensure long-term institutional fiscal stability and environmental sustainability.

FUND DEFINITIONS

- GENERAL FUND
 - State tax revenue allocated to the University.
- CASH FUNDS
 - Derived from tuition, fees, investment income, and other miscellaneous income.
- FEDERAL FUNDS
 - Provided by federal agencies for research, grants and contracts, and student aid programs.
- REVOLVING FUNDS
 - Self-generated from departmental sales, charges for housing, food services, etc.
- TRUST FUNDS
 - State and private gifts, grants, and contracts, non-federal student aid programs, etc.

UNIVERSITY OF NEBRASKA AT KEARNEY

2016-2017 OPERATING BUDGETS

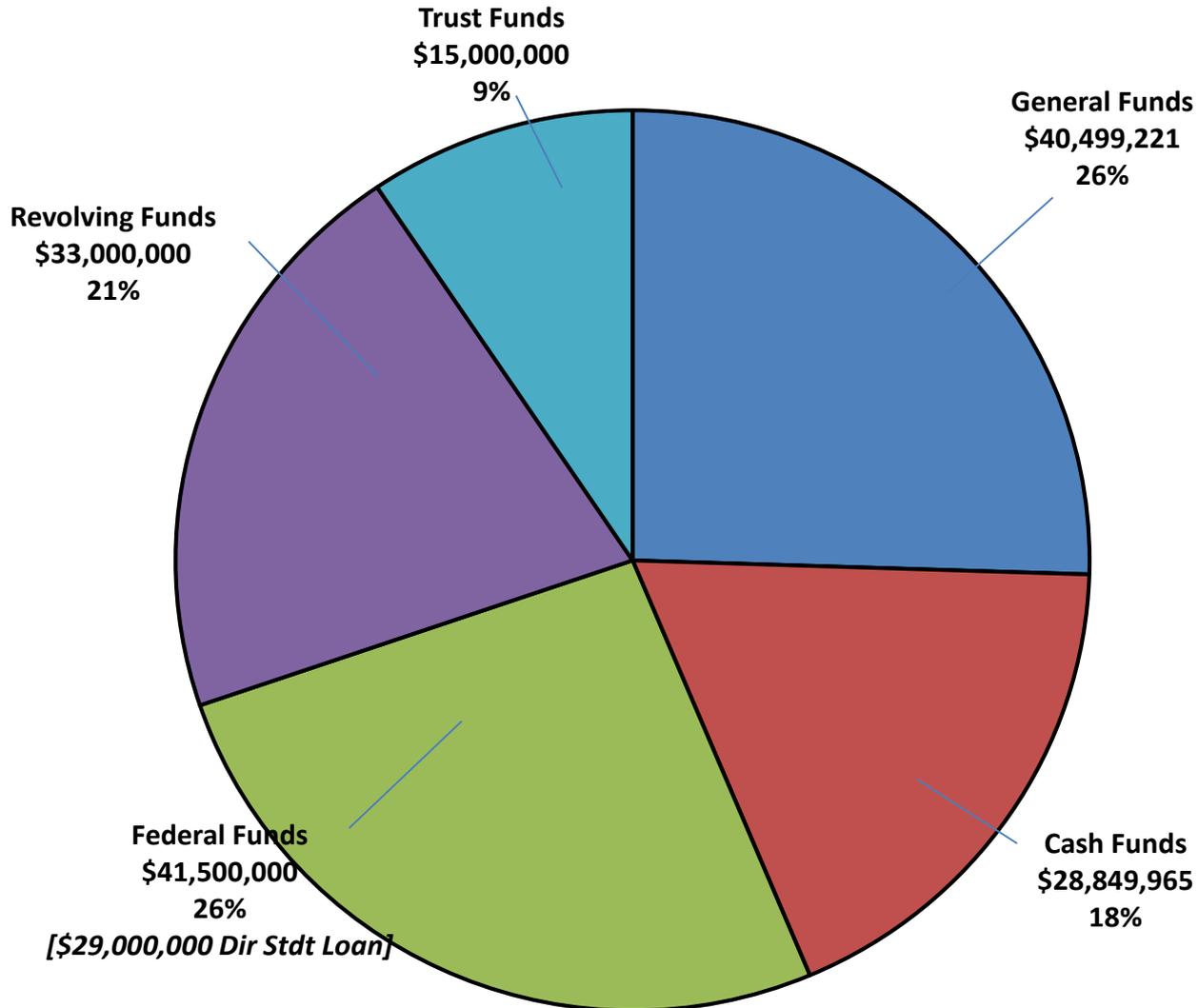
Estimated Revenue by Source

GENERAL FUNDS	\$40,499,221
CASH FUNDS	\$28,849,965
(includes \$170,000 Indirect Costs)	
FEDERAL FUNDS	\$41,500,000
REVOLVING FUNDS	\$33,000,000
TRUST FUNDS	\$15,000,000
TOTAL	<u>\$158,849,186</u>

Operating Budgets

	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
<i>Estimated Revenue by Source:</i>							
GENERAL FUNDS	\$34,097,172	\$34,260,675	\$34,867,838	\$36,393,192	\$37,825,894	\$39,431,069	\$40,499,221
CASH FUNDS	\$24,697,940	\$26,918,143	\$28,847,364	\$29,507,439	\$29,411,636	\$29,542,534	\$28,849,965
(includes \$160,000-\$170,000 Indirect Costs)							
FEDERAL FUNDS	\$39,300,000 *	\$40,000,000 *	\$40,800,000 *	\$41,000,000 *	\$41,500,000 *	\$41,500,000 *	\$41,500,000 *
REVOLVING FUNDS	\$20,600,000	\$23,000,000	\$23,460,000	\$24,185,000	\$24,900,000	\$26,000,000	\$33,000,000
TRUST FUNDS	\$5,300,000	\$7,000,000	\$7,700,000	\$8,100,000	\$14,000,000	\$15,000,000	\$15,000,000
TOTAL	<u>\$123,995,112</u>	<u>\$131,178,818</u>	<u>\$135,675,202</u>	<u>\$139,185,631</u>	<u>\$147,637,530</u>	<u>\$151,473,603</u>	<u>\$158,849,186</u>
*Federal - Direct Student Loan	\$ 25,066,963	\$ 27,934,552	\$ 28,104,519	\$ 28,693,286	\$ 29,000,000	\$ 29,000,000	\$ 29,000,000

University of Nebraska at Kearney 2016-2017 Est REVENUE by Source



2016-17 BUDGET

UNK ALL FUNDS

Trust Funds
\$15,000,000

[FY16 \$15,000,000]

[FY15 \$14,000,000]

General Funds
\$40,499,221

[FY16 \$39,431,069]

[FY15 \$37,825,894]

Federal Funds
\$41,500,000

[FY16 \$41,500,000]

[FY15 \$41,500,000]

- General Funds
- Cash Funds
- Revolving Funds
- Federal Funds
- Trust Funds

Cash Funds
\$28,849,965

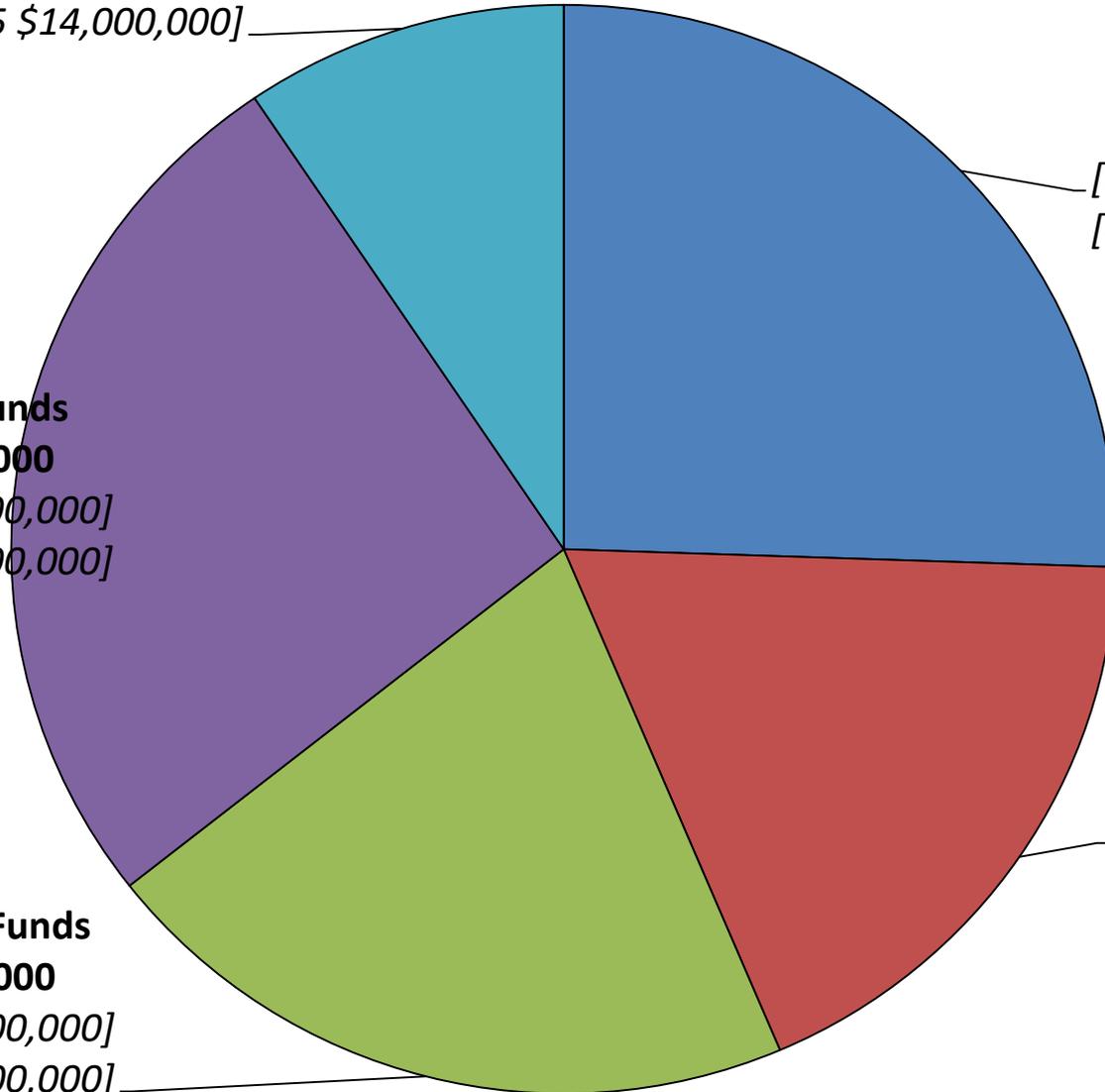
[FY16 \$29,542,534]

[FY15 \$29,411,636]

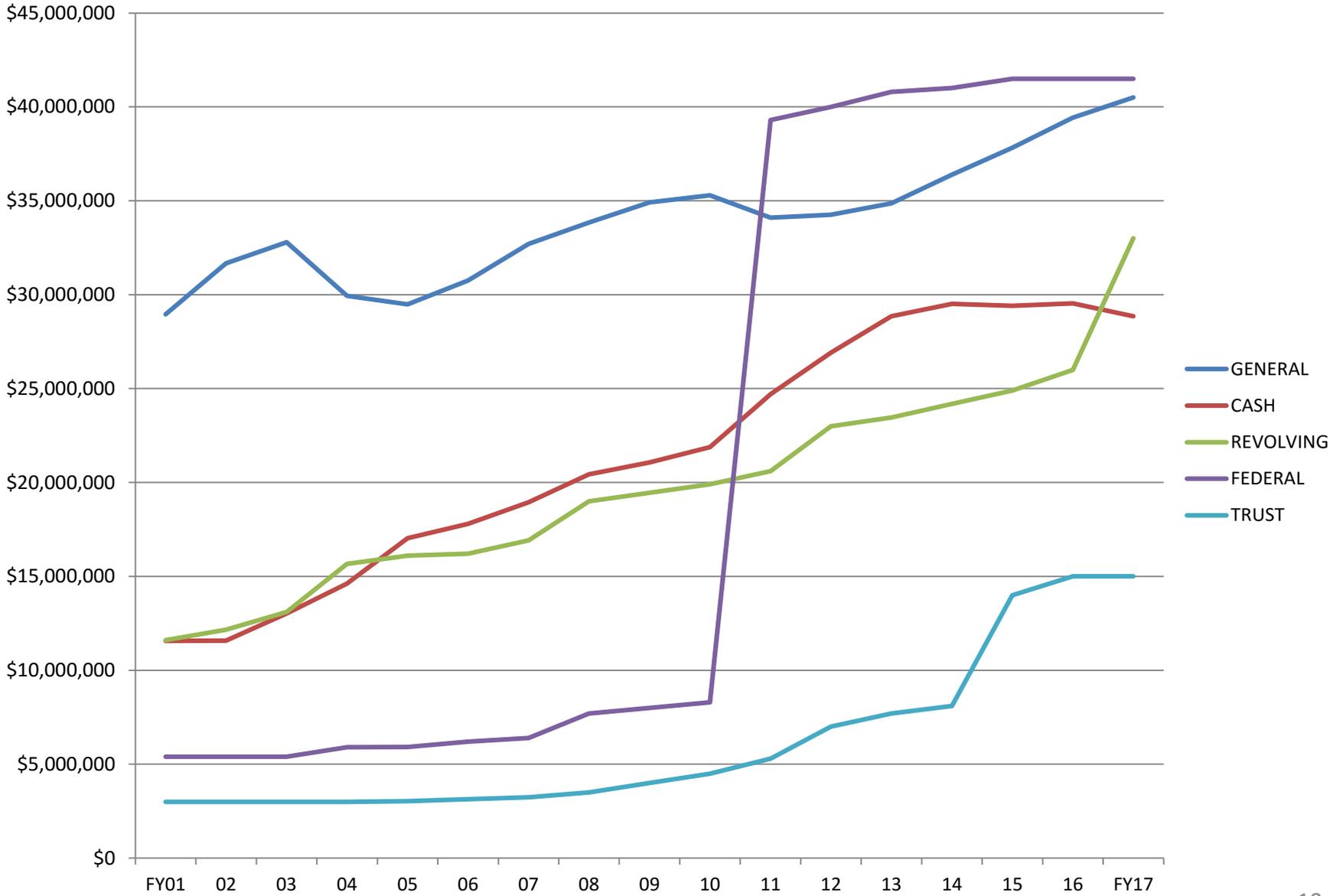
Revolving Funds
\$33,000,000

[FY16 \$26,000,000]

[FY15 \$24,900,000]



UNK ALL FUNDS BUDGET HISTORY



2016-17 University of Nebraska at Kearney**Budgeted Revenue by Fund Source**

Federal Funds	41,500,000
Revolving Funds	33,000,000
General Funds	40,499,221
Trust Funds	15,000,000
Cash Funds	28,849,965
Total Estimated Funding	\$158,849,186

2016-2017 University of Nebraska at Kearney**Estimated Expenditures by Spending Category**

10-Instruction	45,507,135
20-Research	1,278,554
30-Public Service	2,146,324
40-Academic Support	8,641,680
50-Student Services	7,004,894
60-Institutional Administration	9,830,291
70-Physical Plant Operations	8,493,636
80-Student Financial Support	43,452,048
90-Independent Operations	22,917,668
00-Other Non-Expenditures	9,576,956
Total Budgeted Expenditures	\$158,849,186

State Aided Budget 2016-17

(State and University Generated – Unrestricted & Designated)

- **General Fund** **\$40,499,221**

- **Cash Fund** **\$28,679,965**

- **TOTAL** **\$69,179,186**

State Aided Budget

(State & University Generated – Unrestricted)

- **General Fund:**

- State Appropriation of Tax \$'s \$40,499,221

- **Cash Funds:**

- Gross Tuition \$37,780,412

- Remissions (\$ 8,040,945)

- Refunds/Uncollect (\$ 925,268)

- Student Fees \$ 256,900

- Misc Other Cash \$ 740,000

- U-Wide Debt Svc (\$ 1,131,134) \$28,679,965

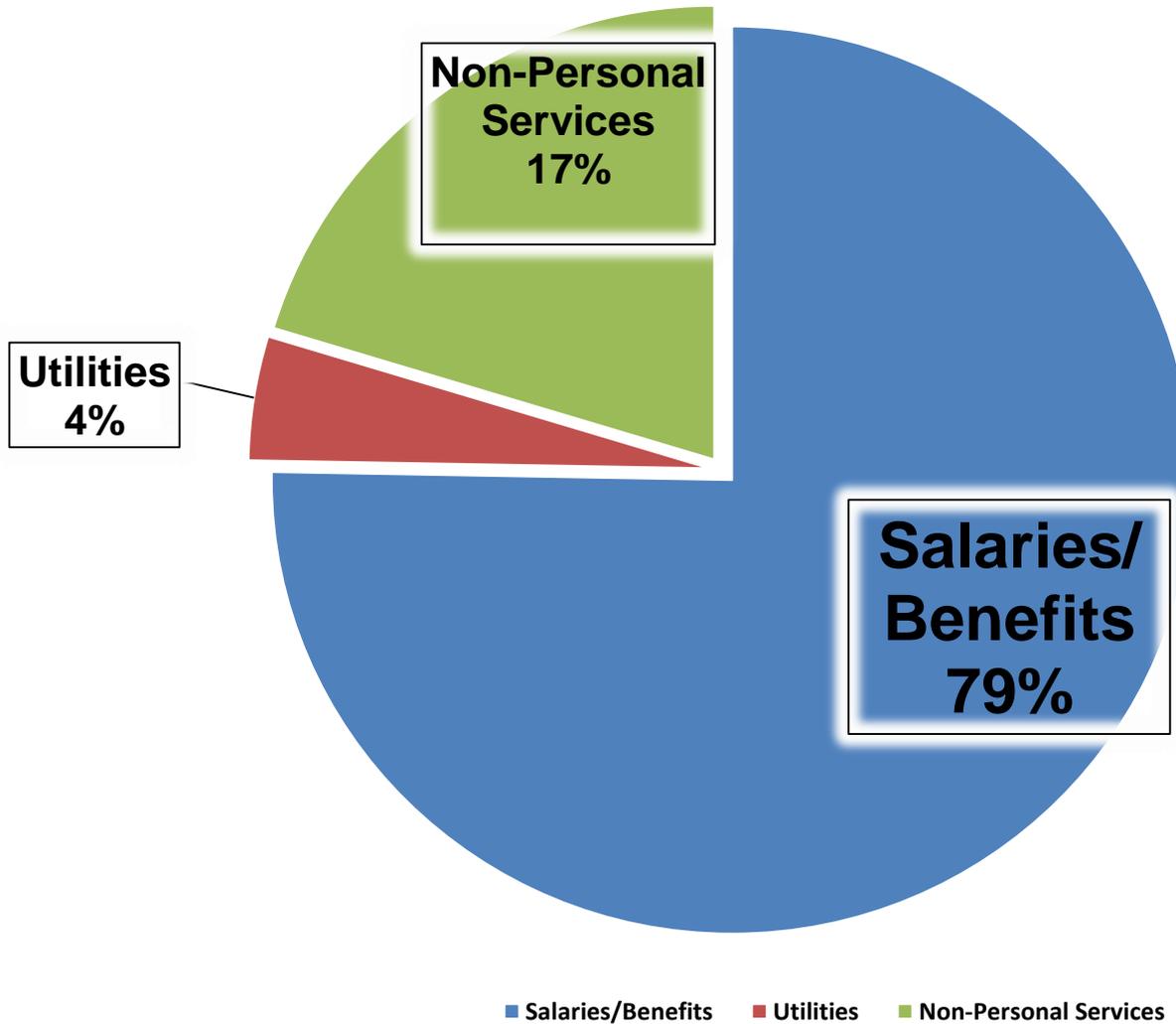
- TOTAL \$69,179,186**

UNIVERSITY OF NEBRASKA AT KEARNEY

2016-17 BUDGET

	<i>Amount</i>	<i>% of Total</i>
SALARIES	41,985,021	
BENEFITS	12,491,344	
PERSONAL SERVICES	\$ 54,476,365	79%
UTILITIES	3,186,138	4%
NON-PERSONAL SERVICES	11,516,683	17%
TOTAL BUDGET	\$ 69,179,186	100%
FUNDING SOURCE:		
General Fund	\$ 40,499,221	59%
Cash Fund	28,679,965	41%
TOTAL BUDGET	\$ 69,179,186	100%

UNIVERSITY OF NEBRASKA AT KEARNEY
2016-17
BUDGET



UNIVERSITY OF NEBRASKA AT KEARNEY

State Aided Budget

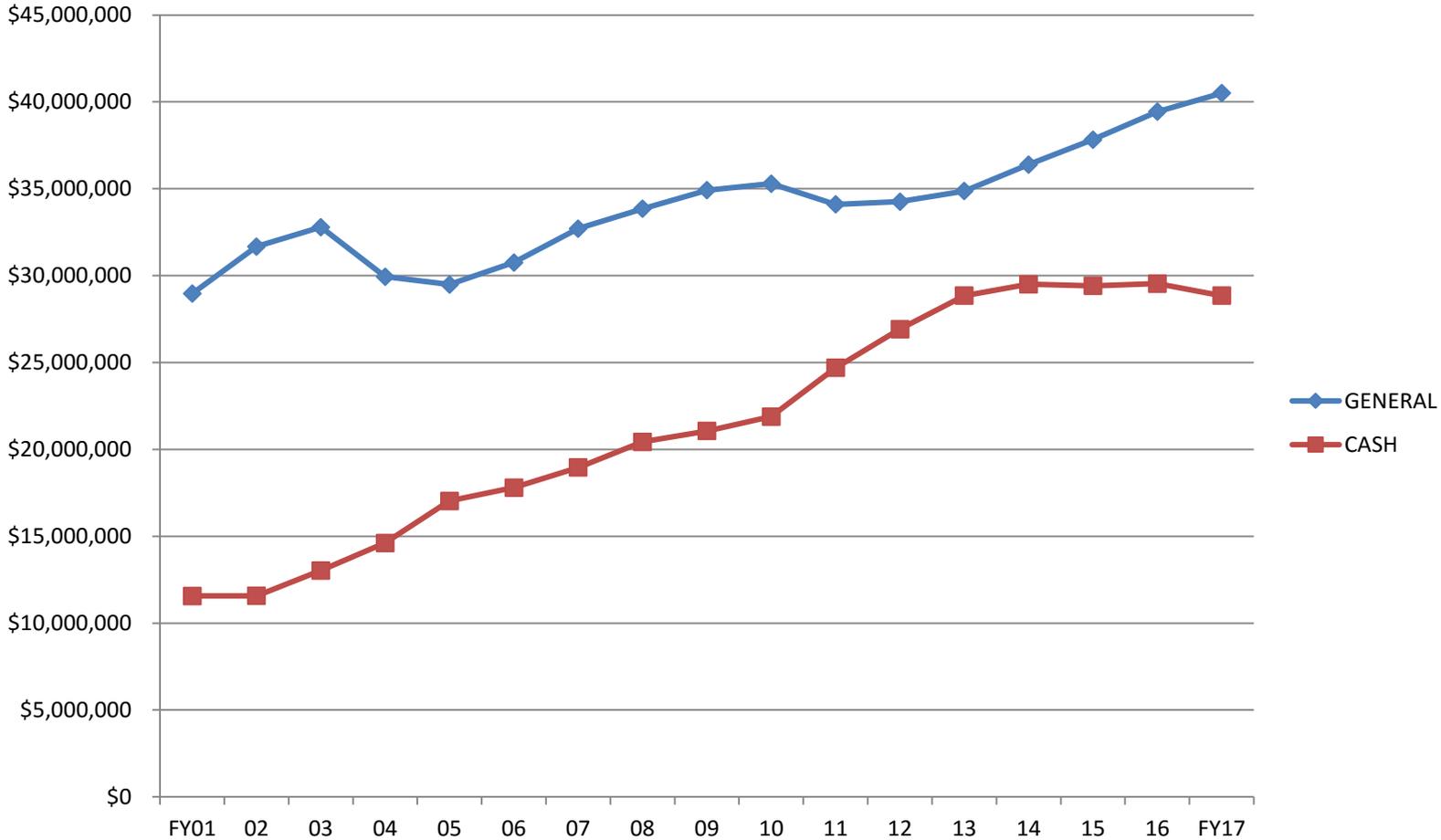
	2001-02	% of Budget	2002-03	% of Budget	2003-04	% of Budget	2004-05	% of Budget	2005-06	% of Budget	2006-07	% of Budget	2007-08	% of Budget	2008-09	% of Budget
Revenue Budget:																
General Fund	31,676,315	73.2%	31,583,598	70.8%	29,938,302	67.3%	29,489,468	63.5%	30,753,739	63.5%	32,705,096	63.4%	33,849,888	62.6%	34,919,679	62.6%
Cash Fund	11,573,457	26.8%	13,030,397	29.2%	14,577,432	32.7%	16,959,287	36.5%	17,672,788	36.5%	18,855,172	36.6%	20,257,670	37.4%	20,903,706	37.4%
GRAND TOTAL	43,249,772	100.0%	44,613,995	100.0%	44,515,734	100.0%	46,448,755	100.0%	48,426,527	100.0%	51,560,268	100.0%	54,107,558	100.0%	55,823,385	100.0%

	2009-10	% of Budget	2010-11	% of Budget	2011-12	% of Budget	2012-13	% of Budget	2013-14	% of Budget	2014-15	% of Budget	2015-16	% of Budget	2016-17	% of Budget
Revenue Budget:																
General Fund	35,292,044	61.9%	34,097,172	58.2%	34,260,675	56.1%	34,867,838	54.9%	36,393,192	55.4%	37,825,894	56.4%	39,431,069	57.3%	40,499,221	58.5%
Cash Fund	21,729,346	38.1%	24,537,940	41.8%	26,758,143	43.9%	28,687,364	45.1%	29,337,439	44.6%	29,251,636	43.6%	29,372,534	42.7%	28,679,965	41.5%
GRAND TOTAL	57,021,390	100.0%	58,635,112	100.0%	61,018,818	100.0%	63,555,202	100.0%	65,730,631	100.0%	67,077,530	100.0%	68,803,603	100.0%	69,179,186	100.0%

STATE AIDED BUDGET

FY 2016-17

University of Nebraska at Kearney



UNK Allocation	2015-16	2016-17	% Change FY16 to FY17
1. State-Aided Revenues			
State Appropriation - General Fund	\$ 39,431,069	\$ 40,499,221	2.71%
Cash Fund:			
Net Tuition	29,548,073	28,814,199 *	-2.48%
Student Fees	258,595	256,900	
Other Cash	697,000	740,000	
Subtotal Cash Fund	\$ 30,503,668	\$ 29,811,099	
Less LB 1100/605 Debt Service (U-Wide Transfer)	\$ (1,131,134)	\$ (1,131,134)	
TOTAL ESTIMATED REVENUE	\$ 68,803,603	\$ 69,179,186	
2. Expenditures			
July 1 Base	67,077,530	68,803,603	
Cash Shortfall (2015-16 cash actuals vs. budget)	(535,837)	(1,125,545) <small>w/ Remissions Budget Same as FY</small>	
Adjusted Base	66,541,693	67,678,058	
Increases			
Salary Pool Increase 3% Faculty 3% NonFaculty	1,189,687	1,233,766	
Corresponding Benefits	172,505	166,396	
Health Insurance LB254 Autism	35,489	275,610	
Workers Compensation	(48,479)	-	
Programs of Excellence	300,000	-	
College Bound Nebraska/Need-Based Aid	24,304	36,000	
DAS Accounting Fees	-	-	
Distance Education Tuition Increase	341,168	324,320	
Projected 2016-17 Enrollment Decline	-	(293,711)	
Utilities	-	-	
Health Science Education Complex O&M	424,000	-	
UNK Internal Alloc	-	-	
Budget Cut - UNK Share	(176,764) **	(241,253)	
SUBTOTAL New Expenses	\$ 2,261,910	\$ 1,501,128	
TOTAL ESTIMATED EXPENDITURES	\$ 68,803,603	\$ 69,179,186	

* 1% Increase in Tuition = \$288,142

** Enrollment/Revenue Decline - Additional Budget Reduction FY16 <\$988,880> = <\$1,165,644>

University of Nebraska at Kearney
2016-17 General Operating Budget

STATE-AIDED FUNDS (Non-Revolving)	FY17 Base Budget			
	Personal Services	NonPersonal Services	2016-17 BASE BUDGET	% OF BASE BUDGET
<i>Unit- benefits separated</i>				
Chancellor's Office & General	\$599,732	\$67,000	\$666,732	0.96%
Alumni	4,700	75,000	79,700	0.12%
Intercollegiate Athletics	1,724,022	249,418	1,973,440	2.85%
Communications & Community Relations	422,596	163,912	586,508	0.85%
<i>Subtotal</i>	<u>\$ 2,751,050</u>	<u>\$ 555,330</u>	<u>\$ 3,306,380</u>	<u>4.78%</u>
Academic Affairs Office & General, incl Honors	\$1,946,994	\$237,866	\$2,184,860	3.16%
College of Business & Technology	6,029,399	386,627	6,416,026	9.27%
College of Education	5,118,570	428,568	5,547,138	8.02%
College of Fine Arts & Humanities	6,117,133	555,332	6,672,465	9.65%
College of Natural & Social Sciences	8,018,592	534,128	8,552,720	12.36%
Graduate Studies/Sponsored Programs/RSC	1,079,734	179,631	1,259,365	1.82%
eCampus	388,425	40,126	428,551	0.62%
Summer School	1,152,576	-	1,152,576	1.67%
Information Tech Svcs	958,487	-	958,487	1.39%
Library	1,510,453	625,935	2,136,388	3.09%
Student Affairs	689,937	34,782	724,719	1.05%
Enrollment Management (Adms/FinAid/AdvCareer/1st	1,521,170	339,526	1,860,696	2.69%
Student Aid	-	1,539,000	1,539,000	2.22%
<i>Subtotal</i>	<u>\$ 34,531,470</u>	<u>\$ 4,901,521</u>	<u>\$ 39,432,991</u>	<u>57.00%</u>
Business & Finance	\$4,618,864	\$2,091,639	\$6,710,503	9.70%
Utilities	\$0	\$3,186,138	\$3,186,138	4.61%
Benefits/DE Reclass/Alloc to Depts	12,486,064	\$3,248,693	\$15,734,757	22.74%
Campus Enhancement/Priority Funds	\$88,917	\$699,500	\$788,417	1.14%
SUBTOTAL BASE BUDGET	<u>\$ 54,476,365</u>	<u>\$ 14,682,821</u>	<u>\$ 69,159,186</u>	<u>99.97%</u>
Indirect Costs Rsch Incentive Alloc-Campus		\$20,000	\$20,000	0.03%
	<u>\$ 54,476,365</u>	<u>\$ 14,702,821</u>	<u>\$ 69,179,186</u>	<u>100.00%</u>
Indirect Costs Rsch Incentive Alloc-to Depts		\$170,000	\$170,000	
TOTAL BASE BUDGET	<u>\$ 54,476,365</u>	<u>\$14,872,821</u>	<u>\$ 69,349,186</u>	
FUNDING SOURCE:				
GENERAL FUND			\$ 40,499,221	
CASH FUND			28,679,965	
TOTAL BASE BUDGET			<u>\$ 69,179,186</u>	

Current Year Allocation Personnel/Non-Personnel Percentages FY17

◆ Academic & Student Affairs	57.00%
- Distance Learning - Dept Alloc's	2.80%
◆ Business & Finance Division	14.30%
◆ Chancellor's Division	4.78%
◆ Campus Enhancement/Priorities	1.14%
◆ Benefits	19.95%
◆ Indirect Costs Research Incentive	0.03%
TOTAL	100.00%

Current Year Allocation

Personnel/Non-Personnel Base Budget FY17

◆ Academic & Student Affairs	\$39,432,991
■ Distance Learning - Dept Alloc's	\$ 1,930,000
◆ Business & Finance Division	\$ 9,896,641
◆ Chancellor's Division	\$ 3,306,380
◆ Campus Enhancement/Priorities	\$ 788,417
◆ Benefits	\$13,804,757
◆ Indirect Costs Research Incentive	\$ 20,000
TOTAL	\$69,179,186

DISTANCE EDUCATION BUDGET

	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Gross Income	\$ 6,030,498	\$ 8,066,343	\$ 9,426,570	\$ 10,032,916	\$ 11,402,280	\$ 12,602,165	\$ 13,562,086
Net Income	\$ 5,368,767	\$ 6,414,180	\$ 8,100,628	\$ 8,804,777	\$ 10,189,941	\$ 11,200,143	\$ 12,317,089
Allocated to Depts	\$ 799,100	\$ 1,195,000	\$ 1,500,000	\$ 1,755,000	\$ 1,930,000	\$ 1,930,000	\$ 1,930,000

BUDGET REDUCTION HISTORY

• 2001-02 Special Session	(\$ 288,246) (FY02)
• 2001-02 Special Session	(\$ 592,303) (FY03)
• 2001-02 April	(\$ 536,116) (FY03)
• 2002-03 July 1	(\$1,208,572)
• 2003-04 July 1	(\$1,675,828)
• 2004-05 July 1	(\$ 86,335)
• 2005-06 July 1	(\$ 531,021)
• 2006-07 July 1	\$ 0
• 2007-08 July 1	(\$ 243,893)
• 2008-09 July 1	(\$ 385,401)
• 2009-10 July 1	(\$ 794,059)
• 2009-10 Special Session	(\$ 342,763)
• 2010-11 July 1	(\$1,086,478)
• 2011-12 July 1	(\$ 368,430)
• 2012-13 July 1	\$ 0
• 2013-14 July 1	\$ 0
• 2014-15 July 1	\$ 0
• 2015-16 July 1	(\$ 176,764)
• 2015-16 Enrollment/Revenue Decline-Add'l Reduction	(\$ 988,880)
• <u>2016-17 July 1</u>	<u>(\$ 241,253)</u>
– TOTAL	(\$9,546,342)

TUITION INCREASE HISTORY

	<u>Tuition</u>
• 2001-02	10.0%
• 2002-03	10.0%
• 2003-04	14.9%
• 2004-05	12.0%
• 2005-06	4.9%
• 2006-07	5.9%
• 2007-08	6.0%
• 2008-09	6.0%
• 2009-10	4.0%
• 2010-11	6.0%
• 2011-12	5.0%
• 2012-13	3.75%
• 2013-14	0.00% Res; 3% NonRes
• 2014-15	0.00% Res; 3% NonRes
• 2015-16	1.75%
• 2016-17	2.50%

REVENUE BOND BUDGET

(Designated/Restricted)

2016-17

• Dormitory Rental	\$8,139,000
• Food Service	\$7,297,000
• Facility Fee	\$ 680,000
• Union Expansion	\$ 440,000
• Bookstore Commission	\$ 160,000
• University Heights Apts	\$ 290,000
• Misc Income	\$1,089,000
• Interest Income	<u>\$ 160,000</u>
– TOTAL INCOME	\$ 18,255,000

LESS OPERATION & MAINTENANCE (\$9,018,000)

LESS FOOD COSTS (\$4,778,000)

Available for Debt Service \$4,459,000

Bond Interest Committed \$1,849,290

Debt Service Charge 2.41

University of Nebraska at Kearney
2016-17 General Operating Budget

REVENUE BOND (Auxiliary/Revolving)	FY17 Base Budget			
	Personal Services	NonPersonal Services	2016-17 BASE BUDGET	% OF BASE BUDGET
<i>Unit -benefits separated</i>				
Chancellor				
Internal Audit-Revenue Bond	\$32,623	\$0	\$32,623	0.21%
Intercollegiate Athletics Pre-Season Meals	\$0	\$20,000	\$20,000	0.13%
<i>Subtotal</i>	<u>\$32,623</u>	<u>\$20,000</u>	<u>\$52,623</u>	<u>0.34%</u>
Academic Affairs				
Information Technology Svcs	\$29,774	\$244,066	\$273,840	1.75%
Student Affairs (incl Intramurals)	\$1,112,587	\$333,287	\$1,445,874	9.24%
<i>Subtotal</i>	<u>\$1,142,361</u>	<u>\$577,353</u>	<u>\$1,719,714</u>	<u>10.99%</u>
Business & Finance (Incl Food Svcs & Principle/Interest Payments)	<u>\$2,479,387</u>	<u>\$7,954,856**</u>	<u>\$10,434,243</u>	<u>66.69%</u>
Utilities	\$0	\$1,693,839	\$1,693,839	10.83%
Benefits	\$1,192,018	\$0	\$1,192,018	7.62%
Campus Enhancement/Priority Funds*	\$8,693	\$544,160	\$552,853	3.53%
TOTAL BASE BUDGET	<u><u>\$4,855,082</u></u>	<u><u>\$10,790,208</u></u>	<u><u>\$15,645,290</u></u>	<u><u>100.00%</u></u>

* Funding accumulation will be used for future revenue bond projects.

** Food Svc Exp's \$4,778,000; Principle/Interest Payments \$1,849,290

ROOM & BOARD INCREASE HISTORY

	<u>ROOM/Sem</u>		<u>BOARD/Sem</u>		<u>Per Year</u>
• 2001-02	\$1,008	+\$88	\$ 943	+\$53	\$3,902
• 2002-03	\$1,071	+\$63	\$1,007	+\$64	\$4,156
• 2003-04	\$1,146	+\$75	\$1,072	+\$65	\$4,436
• 2004-05	\$1,289	+\$143	\$1,206	+\$134	\$4,990
• 2005-06	\$1,376	+\$87	\$1,287	+\$81	\$5,326
• 2006-07	\$1,469	+\$93	\$1,374	+\$87	\$5,686
• 2007-08	\$1,550	+\$81	\$1,450	+\$76	\$6,000
• 2008-09	\$1,635	+\$85	\$1,530	+\$80	\$6,330
• 2009-10	\$1,725	+\$90	\$1,690	+\$160	\$6,830
• 2010-11	\$1,820	+\$95	\$1,783	+\$93	\$7,206
• 2011-12	\$1,911	+\$91	\$1,868	+\$85	\$7,558
• 2012-13	\$2,007	+\$96	\$1,962	+\$94	\$7,938
• 2013-14	\$2,107	+\$100	\$2,060	+\$98	\$8,434
• 2014-15	\$2,212	+\$105	\$2,163	+\$103	\$8,880
• 2015-16	\$2,300	+\$88	\$2,250	+\$87	\$9,230
• 2016-17	\$2,392	+\$92	\$2,340	+\$90	\$9,594

**QUESTIONS OR COMMENTS SHOULD BE SUBMITTED
TO VICE CHANCELLOR Jon C. Watts
AT Wattsjc@UNK.EDU**