APPENDIX A: BUDGET PLANNING

Presentation to the UNK Faculty Senate
April 7, 2011

Budget Update 2011-13 Biennium
March 11, 2011

Appropriation Committee Preliminary Recommendation

Operating Budget:
- Funding same as governor recommendation
- Flat funding for 2011-13 biennium
- Repeal 1% building depreciation assessment
- Governor recommended suspending another 2 years

Capital Budget:
- $25 million investment in Innovation Campus
- Flat operating funds
- Repeat 1% Building Depreciation
- $25m Innovation Campus investment

NU Operating State Appropriations
(in millions and including NCTA)

NU Operating State Appropriations
Adjusted for Inflation
(in millions and including NCTA)

15% decrease in purchasing power since 2000
Assumes 3% higher Education Price Index (EPI) inflation rate in 2011, 2012, and 2013

5 Years of flat state funding
NU Non State-aided FTE (Budget)

NU FTE Growth has come from non state revenue sources (Research Grants, Auxiliary revenues, Gifts, etc).

Peer Comparisons

UNL Faculty Salary Peer Gap History

2011 data will be reported in April

UNMC Faculty Salary Peer Gap History

2011 data will be reported in April

Salary Increases 2010 through 2013

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>NU Faculty &amp; Staff</td>
<td>1.9%</td>
<td>0%</td>
<td>TBD</td>
<td>TBD</td>
<td>1.9%+TBD</td>
</tr>
<tr>
<td>UNL Faculty (AUP)</td>
<td>4.6%</td>
<td>1.3%</td>
<td>1.1%</td>
<td>1.1%</td>
<td>8.0%</td>
</tr>
<tr>
<td>UNK Faculty (UNKEA)</td>
<td>2.9%</td>
<td>2.5%</td>
<td>1.0%</td>
<td>1.0%</td>
<td>7.4%</td>
</tr>
<tr>
<td>State Employees (NAPE)</td>
<td>2.9%</td>
<td>2.5%</td>
<td>0%</td>
<td>2.0%</td>
<td>7.4%</td>
</tr>
<tr>
<td>Lincoln Public Schools</td>
<td>4.0%</td>
<td>3.0%</td>
<td>TBD</td>
<td>TBD</td>
<td>7%+TBD</td>
</tr>
<tr>
<td>Omaha Public Schools</td>
<td>3.6%</td>
<td>2.4%</td>
<td>TBD</td>
<td>TBD</td>
<td>6%+TBD</td>
</tr>
<tr>
<td>Kearney Public Schools</td>
<td>4.9%</td>
<td>4.5%</td>
<td>TBD</td>
<td>TBD</td>
<td>9.4%+TBD</td>
</tr>
</tbody>
</table>

NU salary increases about 6% behind UNO, UNK and State Employee Collective Bargaining Units.
Salary Increases
Impact on Budget

Tuition

2012 Tuition Increases

UNO
PEERS:
- Missouri St. Louis: 5.5% (preliminary)
- Northern Iowa: 5%
- Wichita State: 4 to 5% (preliminary)

2012 Tuition Increases

UNL
PEERS:
- Colorado State: 20% (preliminary)
- U of Illinois: 6.9% (4 year tuition guarantee)
- Missouri: 5.5% (preliminary)
- Minnesota: 5% (preliminary)
- Iowa State and Iowa: 5%

OTHERS
- Michigan: 4 to 6% (preliminary)
- Michigan State: 5 to 7% (preliminary)
- Kansas State: 4%

Impact on Operating Budget

<table>
<thead>
<tr>
<th>Funding</th>
<th>2012</th>
<th>2013</th>
<th>Biennium Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Appropriation Change</td>
<td>(3.4)</td>
<td>6.6</td>
<td>3.2</td>
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<tr>
<td>Tuition Rate Increase</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
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<tr>
<td>Anticipated Expenses:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
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<tr>
<td>Operating Request</td>
<td>14.6</td>
<td>11.3</td>
<td>25.9</td>
</tr>
<tr>
<td>1% Bldg assessment elimination</td>
<td>(4.5)</td>
<td>(0.8)</td>
<td>(5.3)</td>
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<tr>
<td>Adjusted Expenses</td>
<td>10.1</td>
<td>10.5</td>
<td>20.6</td>
</tr>
<tr>
<td>(SHORTFALL)</td>
<td>(13.5)</td>
<td>(13.9)</td>
<td>(27.4)</td>
</tr>
<tr>
<td>1% Salary Increase</td>
<td>(6.6)</td>
<td>(5.7)</td>
<td>(11.3)</td>
</tr>
<tr>
<td>1% Tuition Increase</td>
<td>2.1</td>
<td>2.2</td>
<td>4.3</td>
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Reallocations will be required.