

UNIVERSITY OF NEBRASKA AT KEARNEY

**BUDGET OVERVIEW
2014-15**

*Barbara L. Johnson
Vice Chancellor
Business and Finance*

October 1, 2014

University of Nebraska at Kearney FY 2014-2015 Priorities

UNK Priorities

- **Quality teaching & undergraduate research**
 - **Conduct annual reviews of selected academic programs**
 - **Enhance academic offerings with POE financial support**
 - ❖ **Computer Science**
 - ❖ **Supply Chain Management**
 - ❖ **Visual Communications & Design**
 - **Increase the research opportunities for faculty and students working with the new Director of Sponsored Programs and the Director of the Honors Program**
 - **Continue to enhance our on-line offerings**

- **Review and develop a long-term strategic plan for enrollment management with a focus on increasing overall enrollment and increasing both retention and our four-year graduation rates**

- **Healthier Nebraska initiative: Health Science Education Building/Programs (continue planning for fall 2015 grand opening of the joint project between UNK and UNMC)**

- **Development of our next strategic plan**

UNK Priorities Continued

- **Facility capital renewal/new construction projects on the drawing board:**
 - **Otto Olsen II Replacement Plan (B & T , NSS , Fine Arts, IT & Child Care Center)**
 - **Martin Hall Renovation Plan (Enrollment Management, Communications and Community Relations, Honors , Residential Life Administration, Others**
 - **Fine Arts Renovation Plan**
 - **Develop a redeployment plan for MSAB**
 - **Develop Residential Capital Renewal Phase II**
 - **Develop a significant renovation plan for the Nebraska Student Union**
 - **Plan for the demolition of Conrad, East Heating Plant and Cranewood**
- **Continue with the development and all related activities for University Village (South Campus) Project**
- **Continue with the review of our campus ID Card, student directory information and keyless entry for the entire campus**
- **Coordinate with the City/NDOR to create safer crossings for pedestrians and vehicular traffic around the campus**
- **Complete our Capital Campaign by December 2014**

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

2014-2015 OPERATING BUDGETS

Estimated Revenue by Source

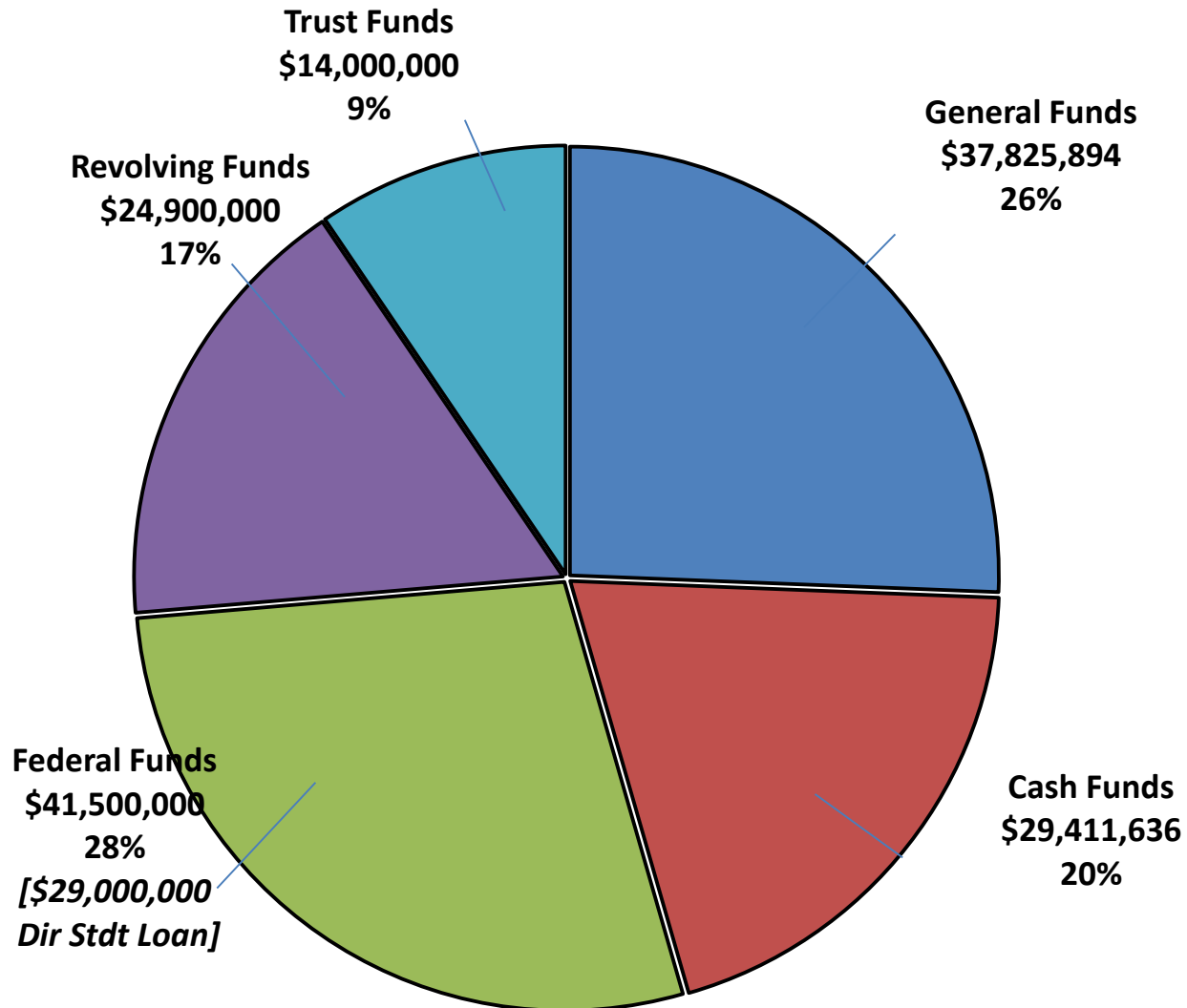
GENERAL FUNDS	\$37,825,894
CASH FUNDS	\$29,411,636
(includes \$160,000 Indirect Costs)	
FEDERAL FUNDS	\$41,500,000
REVOLVING FUNDS	\$24,900,000
TRUST FUNDS	\$14,000,000
TOTAL	<u>\$147,637,530</u>

UNIVERSITY OF NEBRASKA AT KEARNEY

Operating Budgets

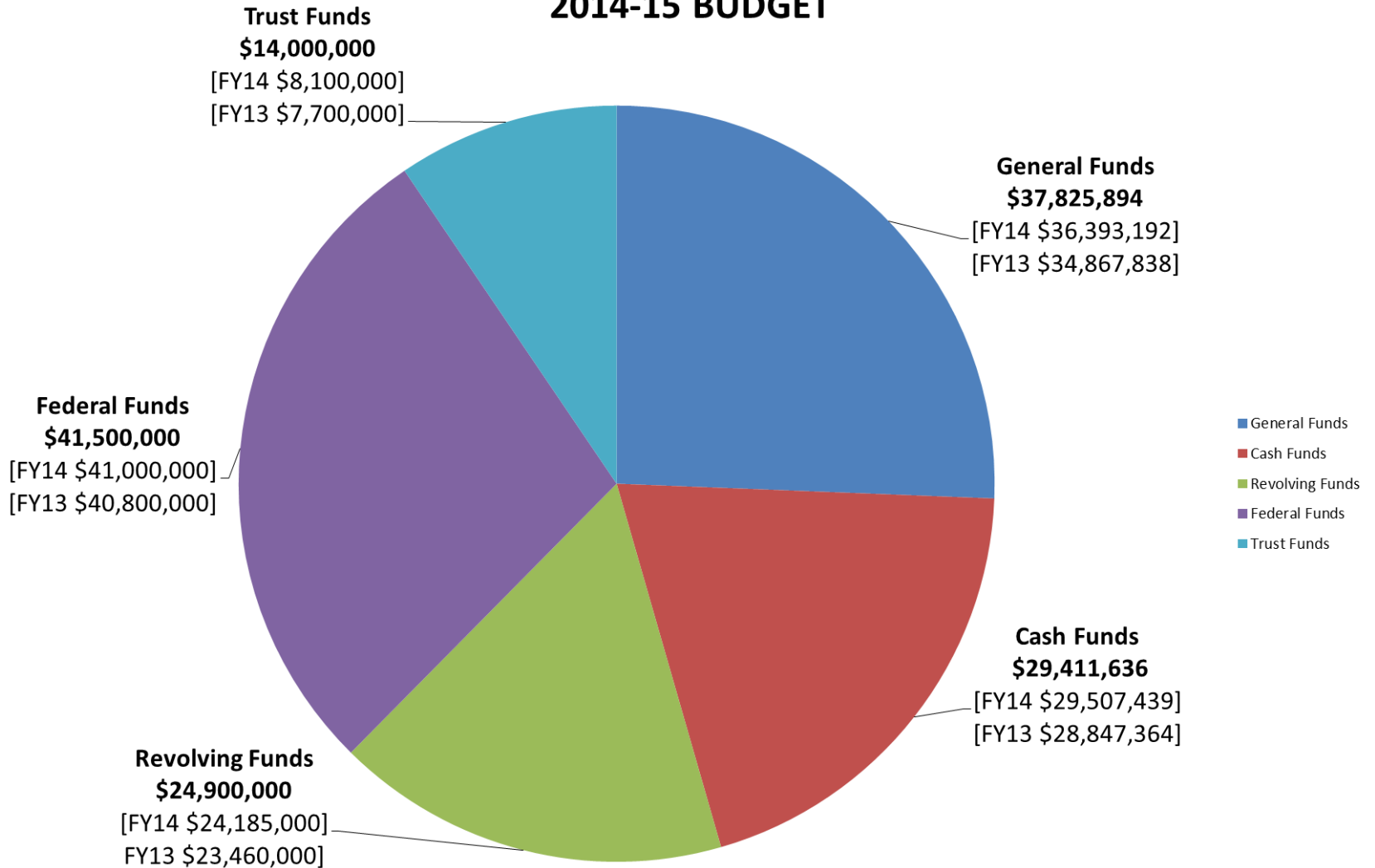
	2010-11	2011-12	2012-13	2013-14	2014-15
<i>Estimated Revenue by Source:</i>					
GENERAL FUNDS	\$34,097,172	\$34,260,675	\$34,867,838	\$36,393,192	\$37,825,894
CASH FUNDS	\$24,697,940	\$26,918,143	\$28,847,364	\$29,507,439	\$29,411,636
(includes \$160,000-\$170,000 Indirect Costs)					
FEDERAL FUNDS	\$39,300,000 *	\$40,000,000 *	\$40,800,000 *	\$41,000,000 *	\$41,500,000 *
REVOLVING FUNDS	\$20,600,000	\$23,000,000	\$23,460,000	\$24,185,000	\$24,900,000
TRUST FUNDS	\$5,300,000	\$7,000,000	\$7,700,000	\$8,100,000	\$14,000,000
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>
*Federal - Direct Student Loan	\$ 25,066,963	\$ 27,934,552	\$ 28,104,519	\$ 28,693,286	\$ 29,000,000

University of Nebraska at Kearney
2014-2015 Est REVENUE by Source

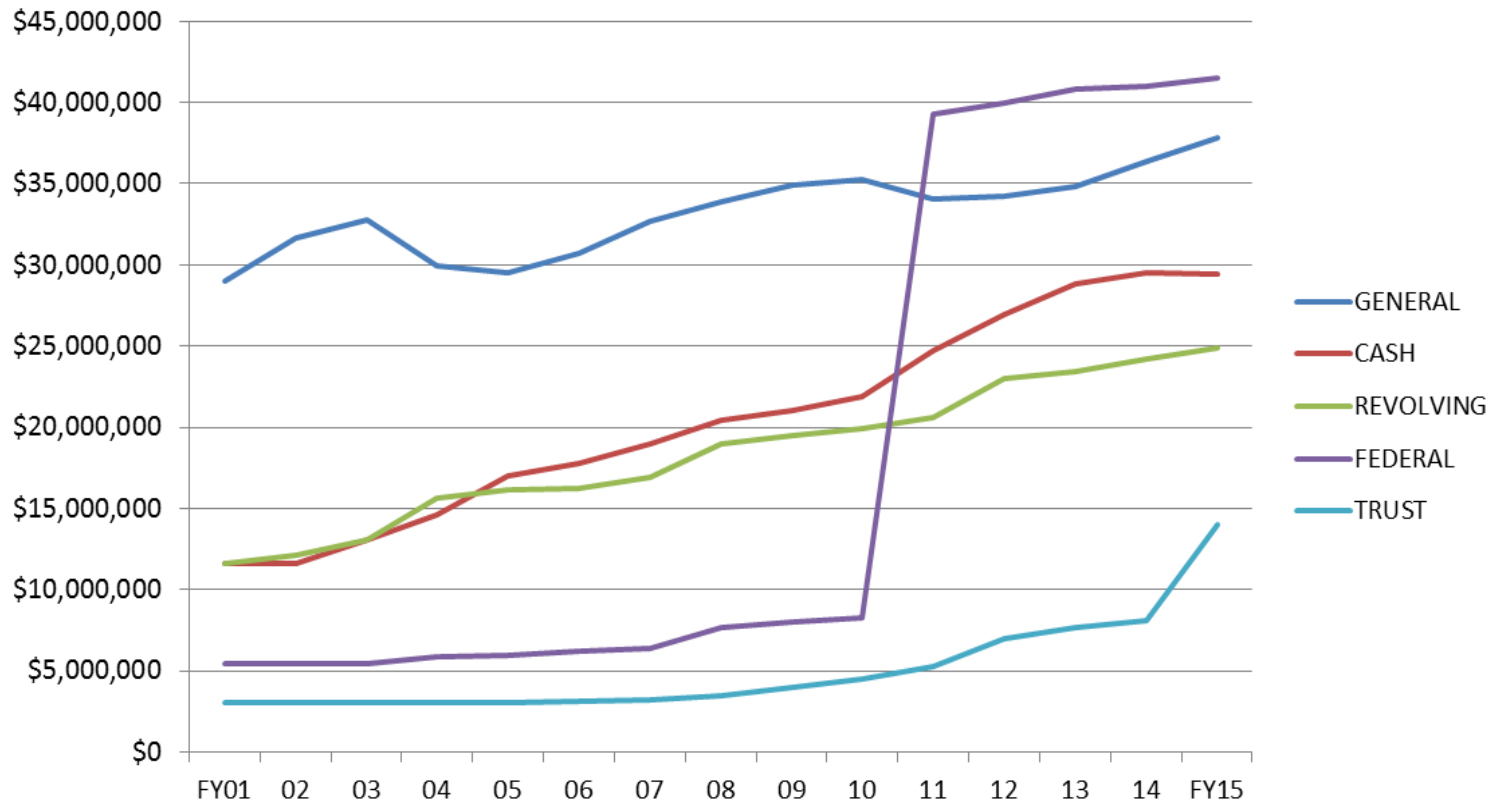


UNK ALL FUNDS

2014-15 BUDGET



UNK HISTORIC ALL FUNDS BUDGET



2014-15 University of Nebraska at Kearney

Budgeted Revenue by Fund Source

Federal Funds	41,500,000
Revolving Funds	24,900,000
General Funds	37,825,894
Trust Funds	14,000,000
Cash Funds	29,411,636
Total Estimated Funding	\$147,637,530

2014-2015 University of Nebraska at Kearney

Estimated Expenditures by Spending Category

10-Instruction	44,624,255
20-Research	1,277,995
30-Public Service	1,678,598
40-Academic Support	8,366,601
50-Student Services	6,689,332
60-Institutional Administration	8,928,874
70-Physical Plant Operations	7,795,764
80-Student Financial Support	13,831,479
90-Independent Operations	15,800,083
00-Other Non-Expenditures	38,644,549
Total Budgeted Expenditures	\$147,637,530

State Aided Budget 2014-15

(State and University Generated – Unrestricted & Designated)

- **General Fund** **\$37,825,894**

- **Cash Fund** **\$29,411,636**

- **TOTAL** **\$67,237,530**

State Aided Budget

(State & University Generated – Unrestricted)

- **General Fund:**

- State Appropriation of Tax \$'s \$37,825,894

- **Cash Funds:**

- Gross Tuition \$38,631,474

- Remissions (\$ 8,040,945)

- Refunds/Uncollect (\$ 1,093,902)

- Student Fees \$ 261,475

- Misc Other Cash \$ 624,668

- U-Wide Debt Svc (\$ 1,131,134) \$29,251,636

- TOTAL \$67,077,530**

UNIVERSITY OF NEBRASKA AT KEARNEY

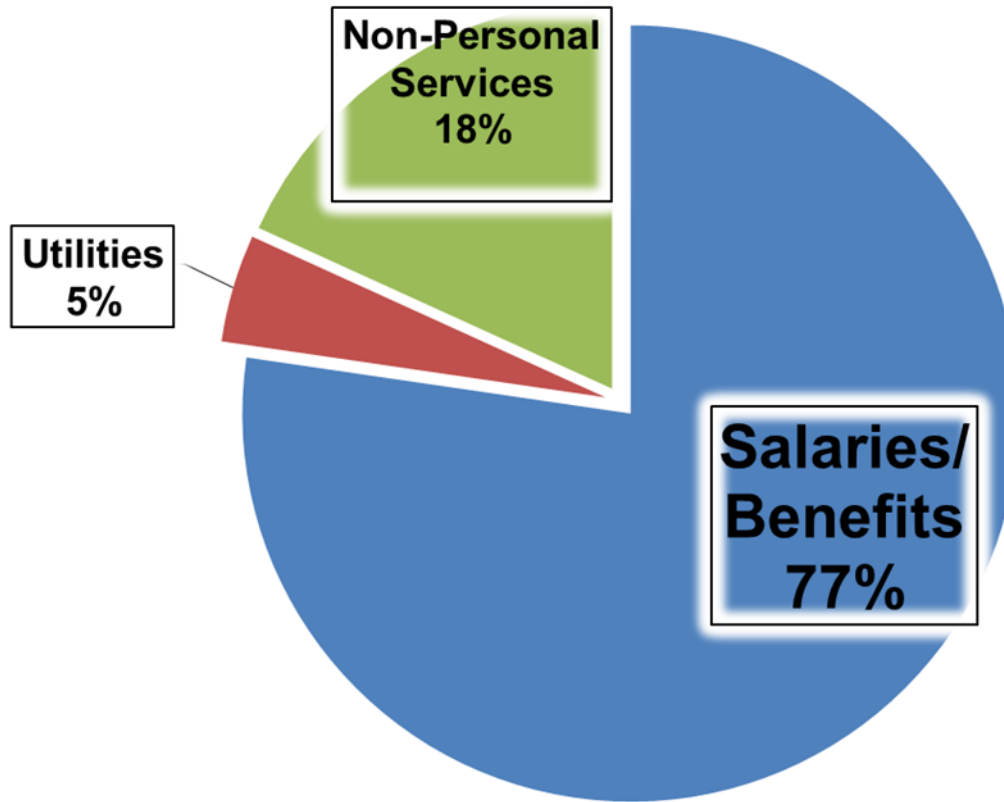
2014-15 BUDGET

	<u>Amount</u>	<u>% of Total</u>
SALARIES	39,656,243	
BENEFITS	12,199,404	
PERSONAL SERVICES	\$ 51,855,647	77%
UTILITIES	3,010,138	5%
NON-PERSONAL SERVICES	12,211,745	18%
TOTAL BUDGET	\$ 67,077,530	100%

FUNDING SOURCE:

General Fund	\$ 37,825,894	56%
Cash Fund	29,251,636	44%
TOTAL BUDGET	\$ 67,077,530	100%

**UNIVERSITY OF NEBRASKA AT KEARNEY
2014-15
BUDGET**



■ Salaries/Benefits ■ Utilities ■ Non-Personal Services

UNIVERSITY OF NEBRASKA AT KEARNEY

State Aided Budget

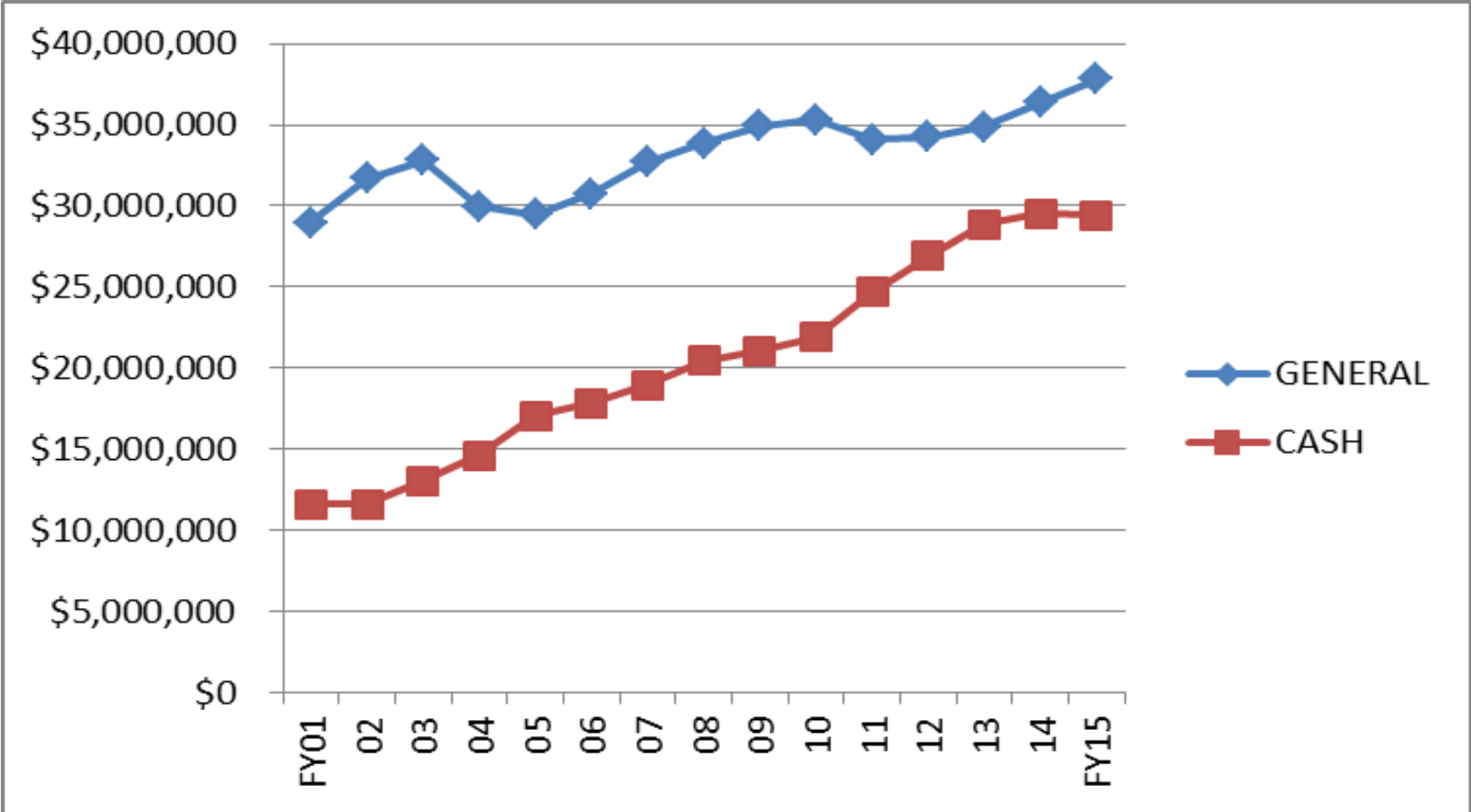
	2001-02		2002-03		2003-04		2004-05		2005-06		2006-07		2007-08		2008-09	
		% of Budget		% of Budget		% of Budget		% of Budget		% of Budget		% of Budget		% of Budget		% of Budget
Revenue Budget:																
General Fund	31,676,315	73.2%	31,583,598	70.8%	29,938,302	67.3%	29,489,468	63.5%	30,753,739	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		2010-11		2011-12		2012-13		2013-14		2014-15	
		% of Budget		% of Budget		% of Budget		% of Budget		% of Budget		% 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	56.3%
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%	29,411,636	43.7%
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%	67,237,530	100.0%

STATE AIDED BUDGET

FY 2014-15

University of Nebraska at Kearney



UNK Allocation

2013-14

2014-15

1. State-Aided Revenues

State Appropriation - General Fund	\$ 36,393,192	*	\$ 37,825,894
Cash Fund:			
Net Tuition	29,461,373	**	29,496,627 **
Student Fees	282,200		261,475
Other Cash	725,000		624,668
Subtotal Cash Fund	\$ 30,468,573		\$ 30,382,770
Less LB110/605 Debt Service (U-Wide Transfer)	\$ (1,131,134)		\$ (1,131,134)
TOTAL ESTIMATED REVENUE	\$ 65,730,631		\$ 67,077,530

2. Expenditures

July 1 Base	63,555,202		65,730,631
Tuition Incentive (Prior Yr cash actuals vs. budget)	418,259		(213,658)
Adjusted Base	63,973,461		65,516,973

Increases

Salary Increases (Faculty 2% NonFaculty 3%)	895,606		930,925
Corresponding Benefits	163,242		168,880
Health Insurance	108,954		144,249
Worker's comp adjustments	38,856		-
Programs of Excellence (2011-12 and 2012-13)	150,000		
Programs of Excellence (2013-14)		*	206,000
Need-Based Aid	-		-
Distance Education Tuition Increase	91,530		-
Utilities	219,598		-
UNK Internal Alloc	89,384		110,503
SUBTOTAL New Expenses	\$ 1,757,170		\$ 1,560,557

TOTAL ESTIMATED EXPENDITURES

\$ 65,730,631

\$ 67,077,530

* Plus Program of Excellence 2013-14 General Fund \$206,000

** 1% Increase in Tuition FY14 = \$294,614; FY15 = \$294,966

University of Nebraska at Kearney
2014-15 General Operating Budget

STATE-AIDED FUNDS (Non-Revolving)	FY15 Base Budget			
	Personal Services	NonPersonal Services	2014-15 BASE BUDGET	% OF BASE BUDGET
<i>Unit -benefits separated</i>				
Chancellor's Office & General	\$517,784	\$59,200	\$576,984	0.86%
Alumni	4,247	24,670	28,917	0.04%
Intercollegiate Athletics	1,585,944	362,237	1,948,181	2.90%
Communications & Community Relations	223,105	57,979	281,084	0.42%
<i>Subtotal</i>	\$ 2,331,080	\$ 504,086	\$ 2,835,166	4.23%
Academic Affairs Office & General	\$1,833,560	\$249,635	\$2,083,195	3.11%
College of Business & Technology	5,793,457	285,759	6,079,216	9.06%
College of Education	5,035,363	439,098	5,474,461	8.16%
College of Fine Arts & Humanities	5,912,312	468,900	6,381,212	9.51%
College of Natural & Social Sciences	7,513,356	702,889	8,216,245	12.25%
Graduate Studies/Sponsored Programs/RSC/Honors	1,180,808	182,204	1,363,012	2.03%
eCampus	363,227	49,682	412,909	0.62%
Summer School	1,086,414	-	1,086,414	1.62%
Information Tech Svcs	875,989	-	875,989	1.31%
Library	1,375,058	673,342	2,048,400	3.05%
Student Affairs	562,487	28,314	590,801	0.88%
Enrollment Management (Adms/FinAid/AdvCareer/1st Yr)	1,210,404	373,799	1,584,203	2.36%
Student Aid	-	1,478,696	1,478,696	2.20%
<i>Subtotal</i>	\$ 32,742,435	\$ 4,932,318	\$ 37,674,753	56.17%
Business & Finance	\$4,579,128	\$2,133,912	\$6,713,040	10.01%
Utilities	\$0	\$3,010,138	\$3,010,138	4.49%
Benefits/DE Reclass/Alloc to Depts	\$12,203,004	\$2,907,525	\$15,110,529	22.53%
Campus Enhancement/Priority Funds	\$0	\$1,713,904	\$1,713,904	2.56%
SUBTOTAL BASE BUDGET	\$ 51,855,647	\$ 15,201,883	\$ 67,057,530	99.97%
Indirect Costs Rsch Incentive Alloc-Campus		\$20,000	\$20,000	0.03%
	\$ 51,855,647	\$ 15,221,883	\$ 67,077,530	100.00%
Indirect Costs Rsch Incentive Alloc-to Depts		\$160,000	\$160,000	
TOTAL BASE BUDGET	\$ 51,855,647	\$15,381,883	\$ 67,237,530	
FUNDING SOURCE:				
GENERAL FUND			\$ 37,825,894	
CASH FUND			29,251,636	
TOTAL BASE BUDGET			\$ 67,077,530	

Current Year Allocation

Personnel/Non-Personnel Percentages FY15

◆ Academic & Student Affairs	56.17%
▪ Distance Learning - Dept Alloc's	2.87%
◆ Business & Finance Division	14.50%
◆ Chancellor's Division	4.23%
◆ Campus Enhancement/Priorities	2.56%
◆ Benefits	19.64%
◆ Indirect Costs Research Incentive	0.03%
TOTAL	100.00%

Current Year Allocation

Personnel/Non-Personnel Base Budget FY15

◆ Academic & Student Affairs	\$ 37,679,353
▪ Distance Learning - Dept Alloc's	\$ 1,930,000
◆ Business & Finance Division	\$ 9,723,178
◆ Chancellor's Division	\$ 2,835,166
◆ Campus Enhancement/Priorities	\$ 1,713,904
◆ Benefits	\$ 13,175,929
◆ Indirect Costs Research Incentive	\$ 20,000
TOTAL	\$ 67,077,530

UNIVERSITY OF NEBRASKA AT KEARNEY

DISTANCE EDUCATION BUDGET

	2010-11	2011-12	2012-13	2013-14	2014-15
Gross Income	\$6,030,498	\$8,066,343	\$9,426,570	\$ 10,032,916	\$11,402,280
Net Income	\$5,368,767	\$6,414,180	\$8,100,628	\$ 8,804,777	\$10,189,941
Allocated to Depts	\$ 799,100	\$1,195,000	\$1,500,000	\$ 1,755,000	\$ 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
<hr/>	
– TOTAL	(\$8,139,445)

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

REVENUE BOND BUDGET

(Designated/Restricted)

2014-15

• Dormitory Rental	\$7,700,000
• Food Service	\$7,102,000
• Facility Fee	\$ 780,000
• Union Expansion	\$ 508,000
• Bookstore Commission	\$ 210,000
• University Heights Apts	\$ 350,000
• Misc Income	\$1,024,000
• Interest Income	<u>\$ 100,000</u>
– TOTAL INCOME	\$ 17,774,000

LESS OPERATION & MAINTENANCE (\$8,500,000)

LESS FOOD COSTS (\$4,830,000)

Available for Debt Service \$4,444,000

Bond Interest Committed \$2,045,006

Debt Service Charge 2.17

University of Nebraska at Kearney
2014-15 General Operating Budget

REVENUE BOND (Auxiliary/Revolving)

	FY15 Base Budget			
	Personal Services	NonPersonal Services	2014-15 BASE BUDGET 1-Jul-14	% OF BASE BUDGET
<i>Unit -benefits separated</i>				
Chancellor				
Intercollegiate Athletics Pre-Season Meals	\$0	\$20,000	\$20,000	0.24%
<i>Subtotal</i>	<i>\$0</i>	<i>\$20,000</i>	<i>\$20,000</i>	<i>0.24%</i>
Academic Affairs				
College of Education - Intramurals	\$38,757	\$0	\$38,757	0.46%
Information Technology Svcs	\$16,651	\$79,066	\$95,717	1.13%
Student Affairs	\$998,482	\$315,287	\$1,313,769	15.46%
<i>Subtotal</i>	<i>\$1,053,890</i>	<i>\$394,353</i>	<i>\$1,448,243</i>	<i>17.04%</i>
Business & Finance	\$2,212,177	\$1,385,625	\$3,597,802	42.33%
Utilities	\$0	\$1,693,839	\$1,693,839	19.93%
Benefits	\$978,475	\$0	\$978,475	11.51%
Campus Enhancement/Priority Funds*	\$0	\$761,641	\$761,641	8.96%
TOTAL BASE BUDGET	\$4,244,542	\$4,255,458	\$8,500,000	100.00%

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

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

FREQUENTLY ASKED QUESTIONS

- Why does tuition increase when we want to keep attendance affordable?
We have annual increases in expenses, therefore, we increase tuition and fees to cover the increases in expenses. While 56% of our state budget is provided through state appropriations, this is not sufficient to cover all of our operating expenses.
- What is our number one expenditure?
Compensation (salaries and benefits) which is 77% of our operating budget.
- What is the average amount of debt a student has when they graduate from UNK?
All students do not have debt when they graduate. Nation wide, 34% of undergraduates do not have debt. At UNK those students that have debt usually have between \$20,000-\$21,000 of debt.
- Will more classes and programs be offered on-line?
The number of programs and courses that are available on-line is a market driven decision which is managed by the administrators of our on-line programs as well as the deans and faculty members.

**QUESTIONS OR COMMENTS SHOULD BE SUBMITTED
TO VICE CHANCELLOR BARBARA JOHNSON AT
JOHNSONBL@UNK.EDU**