

TO: The Board of Regents
Business Affairs

MEETING DATE: May 25, 2016

SUBJECT: FY 2016-17 Nebraska College of Technical Agriculture Operating Budget

RECOMMENDED ACTION: Approve the Nebraska College of Technical Agriculture's FY 2016-17 Operating Budget

PREVIOUS ACTION: January 29, 2016 – A budget update was provided to the Business Affairs Committee

March 18, 2016 – A budget update was provided to the Business Affairs Committee

June 12, 2015 – The Board of Regents approved the 2015-16 operating budget and FY 2015-16 and 2016-17 Tuition Rates

July 18, 2014 – The Board of Regents approved the FY 2015-16 and 2016-17 Nebraska College of Technical Agriculture Biennial Operating Budget Request


EXPLANATION: The attached materials provide an overview of the proposed 2016-17 Nebraska College of Technical Agriculture's operating budget. Expenditures, including salaries and benefits, are estimated and subject to availability of state funds appropriated to the Board of Regents.

A 2.5% tuition rate increase was previously approved by the Board in June 2015.

SPONSORS: Ron Yoder
Interim NU Vice President and IANR Vice Chancellor

Chris Kabourek
Assistant Vice President and Director of Budget and Planning

David E. Lechner
Senior Vice President | CFO

RECOMMENDED: 
Hank M. Bounds, President
University of Nebraska

DATE: May 13, 2016

State-Aided Less Revolving Funds

**(Operating Budget primarily supported
from State Appropriations & Tuition)**

Nebraska College of Technical Agriculture (NCTA)

FY 2016-17 State-aided Budget

(Operating Budget Supported Primarily by State Appropriations and Tuition Funds)

	2015-16 Budget			2016-17 Proposed Budget (a)		
	July 1	Current	Change	Estimates	Change from July 1 Amount	Percent
FUNDING:						
State Appropriations	\$ 2,891,129	\$ 2,891,129	0.0%	\$2,977,863	\$ 86,734	3.0%
NCTA Talent Enhancement	160,150	160,150	0.0%	320,300	160,150	100.0%
Veterinarian	100,000	100,000	0.0%	100,000	-	0.0%
Total State Support	3,151,279	3,151,279	0.0%	3,398,163	246,884	7.8%
Tuition (less University Remissions)						
Resident	668,851	739,727	10.6%	732,330	(7,397)	-1.1%
Nonresident	276,847	223,940	-19.1%	212,743	(11,197)	-4.0%
Subtotals with enrollment changes	945,698	963,667	1.9%	945,073	(18,594)	-2.0% (b)
Rate Increase				23,627	23,627	2.5%
Total Tuition	945,698	963,667	1.9%	968,700	5,033	0.5%
Total Estimated Funding	4,096,977	4,114,946	0.4%	4,366,863	251,917	6.1%
EXPENDITURES:						
Compensation & Core Operations						
Salaries	2,102,534	2,118,303	0.7%	2,171,261	52,958	2.5% (d)
Salary Competitiveness (catch-up/retention/market adjustments)				10,600	10,600	(e)
Benefits	320,701	322,901	0.7%	332,117	9,216	2.9%
Health Insurance	340,171	340,171	0.0%	355,819	15,648	4.6% (f)
General Operations (Building O&M, etc.)	626,391	626,391	0.0%	628,391	2,000	0.3%
Utilities	447,030	447,030	0.0%	448,375	1,345	0.3%
Subtotals	3,836,827	3,854,796	0.5%	3,946,563	91,767	2.4%
Strategic Initiatives						
NCTA Talent Enhancement	160,150	160,150	0.0%	320,300	160,150	
Veterinarian	100,000	100,000	0.0%	100,000	-	
Subtotals	260,150	260,150	0.0%	420,300	160,150	
Total Expenses	4,096,977	4,114,946	0.4%	4,366,863	251,917	6.1%

Notes:

- (a) An estimated \$500,000 of one-time carry forward funds (encumbrances and other one-time commitments) are excluded from the recurring budget figures presented above. Reinstatement of allotment (spending) authority for these funds will be submitted to the State of Nebraska Department of Administrative Services (DAS). Capital construction budgets are excluded from the operating budget figures presented above.
- (b) Tuition/cash budgets are based on prior year revenue collections plus a projection for 2016-17. Tuition receipts were up 1.9% in 2015-16 but enrollments are projected to be down in 2016-17.
- (c) Expenditure line items are estimated. Final budget figures may vary from figures noted above. All expenses are subject to availability of state funds appropriated to the Board of Regents.
- (d) Reflects a 2.5% merit salary pool to be distributed on employee performance.
- (e) Reflects a merit salary pool to address competitiveness issues (market catch-up/retention/adjustments/etc.) to be allocated upon employee performance.
- (f) Health insurance premiums projected to go up 9.2% on Jan 1, 2017. Six months of the increased premiums are reflected in the FY 2016-17 budget (4.6%)

Total Budget (All Funds)

Nebraska College of Technical Agriculture FY 2016-17 Budget *Total - All Funds*

	Budget FY 2015-16	Budget FY 2016-17	CHANGE	
			Amount	Percent
REVENUES				
State-aided Funds	\$ 4,114,946	\$ 4,366,863	\$ 251,917	6.1%
Revolving/Auxiliary Funds	1,655,000	1,750,000	95,000	5.7%
Total Revenues	5,769,946	6,116,863	346,917	6.0%
EXPENDITURES				
State-Aided Activities	4,114,946	4,366,863	251,917	6.1%
Non State-Aided Activities	1,655,000	1,750,000	95,000	5.7%
Total Expenditures	\$ 5,769,946	\$ 6,116,863	\$ 346,917	6.0%

FY 2016-17 Tuition Rates

Student Category	Per Tuition Unit	2015-16 Rates	2016-17 Rates	Change
Resident	Sem. Credit Hr.	\$118.00	\$121.00	\$3.00
Nonresident	Sem. Credit Hr.	\$250.25	\$256.50	\$6.25

Note, rates are rounded to the nearest \$0.25.