

TO:	The Board of Regents  Business Affairs	Addendum IX-B-6
MEETING DATE:	June 28, 2018	
SUBJECT:	FY 2018-19 Operating Budget for the University of Nebraska	
RECOMMENDED ACTION:	<p>Approve the University of Nebraska's FY 2018-19 Operating Budget. Reappropriate with the State of Nebraska's Department of Administrative Services any unexpended balances existing on June 30, 2018 that are committed to be spent in FY 2018-19. In order to meaningfully address a budget shortfall and appropriately sustain operations, the President is authorized to implement tuition increases, effective for the Spring 2019 semester, should a portion of the State approved (105<sup>th</sup> Legislature, 2<sup>nd</sup> Session) appropriation designated for the University be withheld from its regularly scheduled payment; provided that any such tuition increases shall not, in the aggregate, produce projected revenue in excess of the aggregate projected reduction in the State approved and appropriated payment(s).</p>	
PREVIOUS ACTION:	<p>June 1, 2017 – The Board of Regents approved the FY 2017-18 Operating Budget and tuition rates for FY 2017-18 and FY 2018-19.</p> <p>July 22, 2016 – The Board of Regents approved the FY 2017-18 and 2018-19 University of Nebraska's Biennial Operating Budget Request.</p>	
EXPLANATION:	<p>The attached materials provide an overview of the University's proposed 2018-19 operating budget. Expenditures, including compensation, are estimated and subject to availability of State funds appropriated to the Board of Regents.</p> <p>For the past two fiscal years, state agencies have been directed to restrain spending as a result of State revenue forecast shortfalls. In the current 2017-18 fiscal year, quarterly allotments of State appropriations to agencies, boards, and commissions were reduced by one percent in the third and fourth quarter to incentivize spending restraint and to prepare for budget reductions expected and subsequently adopted by the Legislature. Similarly, a two percent reduction in the original State approved appropriation was made for FY 2016-17.</p> <p>The revenue shortfall triggered by the reduction in State approved appropriations resulted in \$24 million of mid-year budget cuts (\$13 million in 2016-17 and an additional \$11 million in 2017-18), as well as adversely impacting the University's cash flow.</p> <p>These one-time mid-year cuts are in addition to an \$88 million recurring shortfall, the consequence of permanent State appropriation cuts made to the University's budget. In short, the University has made \$57 million in spending cuts and held spending growth to zero, compared to the prior</p>	

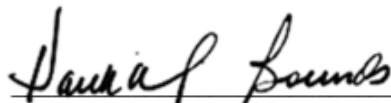
year. This budget requires no increase in tuition beyond that planned for and previously approved.

The great majority of these budget cuts require months at best, and in some instances years, to implement before the full budget impact is realized. Unfortunately, this lag time between the budget cut and the budget impact has necessitated the University's reliance on cash over the past two years, in order to meet its operational needs. The University's ability to respond to any future midyear reduction in the State approved appropriation is now severely limited. The University's need and reliance on the State appropriation is now particularly critical. Any reduction in the State approved appropriation can no longer be appropriately managed through spending cuts. Usually, setting tuition rates is within the purview of the Board of Regents, most commonly in conjunction with the approval of the budget. However, in order to provide the necessary speed and flexibility to address a midyear reduction in the State approved appropriation, the Board authorizes the President to make tuition adjustments, such authority to be exercised solely with respect to a reduction in the State approved (105<sup>th</sup> Legislature, 2<sup>nd</sup> Session) appropriation for this fiscal year. The President's authority to make additional tuition adjustments does not apply to future fiscal years. In addition, the aggregate projected revenue generated by any such tuition increase may not exceed the amount of the aggregate projected reduction in the State approved appropriation. In addition, the aggregate projected revenue generated by any such tuition increase may not exceed the amount of the aggregate projected reduction in the State approved appropriation.

SPONSOR:

Chris J. Kabourek  
Interim Vice President for Business and Finance | CFO

RECOMMENDED:

  
Hank M. Bounie, President  
University of Nebraska

DATE:

June 20, 2018



# **University of Nebraska FY 2018-19 Operating Budget**

**Proposal to the Board of Regents  
June 28, 2018**

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**University of Nebraska (excluding NCTA)**  
**State-aided Operating Budget**  
(Operating Budget Supported Primarily by State Appropriations and Tuition Funding)

	FY 2017-18 Beginning Budget	FY 2018-19 Proposed Budget (a)	Change from 2017-18	
			Amount	Percent
<b>ESTIMATED FUNDING</b>				
State Appropriations	566,803,225	567,972,711	1,169,486	0.2%
Legislative Designation: Behavioral Health Professionals	400,000	400,000	-	0.0%
Legislative Designation: iEXCEL		3,000,000	3,000,000	0.5%
Tuition (less University Remissions)	292,717,000	290,886,856	(1,830,144)	-0.6%
2018-19 Rate Increase		9,390,000	9,390,000	3.2%
UNMC Differential Tuition		520,392	520,392	0.2%
UNO Differential Tuition		1,492,212	1,492,212	0.5%
Distance Education Tuition (less University Remissions)	63,780,000	65,561,261	1,781,261	2.8%
Investment Income, other cash funds	20,977,181	20,658,142	(319,039)	-1.5%
Federal Smith/Lever Appropriations	6,201,594	6,201,594	-	0.0%
<b>Total Estimated Funding</b>	<b>950,879,000</b>	<b>966,083,168</b>	<b>15,204,168</b>	<b>1.6%</b>
<b>EXPENDITURES (b)</b>				
Salaries (c)	636,298,678	648,398,678	12,100,000	1.9%
Benefits	75,005,762	76,605,762	1,600,000	2.1%
Health Insurance	72,526,803	76,607,803	4,081,000	5.6%
Workers Compensation	2,134,077	2,134,077	-	0.0%
General Operations	84,864,376	85,714,834	850,458	1.0%
Utilities	48,169,824	48,169,824	-	0.0%
Initiatives: Programs of Excellence	30,000,000	30,000,000	-	0.0%
Initiatives: Collegebound Nebraska (need-based aid)	11,910,000	12,290,000	380,000	3.2%
Core Operations	960,909,520	979,920,978	19,011,458	2.0%
Building O&M: UNO First Data Building	500,000	900,000	400,000	0.0%
Building O&M: UNO Strauss		215,000	215,000	0.0%
Building O&M: UNMC Nursing-Lincoln		417,000	417,000	0.0%
Tuition Designation: UNMC Differential Tuition (d)	1,171,000	1,691,392	520,392	0.1%
Tuition Designation: UNO Differential Tuition (d)		1,492,212	1,492,212	0.2%
Tuition Designation: Distance Education (d)	2,617,696	4,398,957	1,781,261	0.2%
Enrollment 2018-19		(1,830,144)	(1,830,144)	-0.2%
Legislative Designation: Behavioral Health Professionals	400,000	400,000	-	0.0%
Legislative Designation: iEXCEL		3,000,000	3,000,000	0.3%
<b>Total Expenditures</b>	<b>965,598,216</b>	<b>990,605,395</b>	<b>25,007,179</b>	<b>2.6%</b>
<b>SPENDING CUTS</b>				
Budget Response Team Spending Cuts	(5,000,000)	(22,000,000)		
Programmatic Cuts		(6,323,189)		
<b>Total Spending Cuts</b>	<b>(5,000,000)</b>	<b>(28,323,189)</b>		
<b>Expenditures less Spending Cuts</b>	<b>960,598,216</b>	<b>962,282,206</b>	<b>1,683,990</b>	<b>0.2%</b>
<b>NET ACTIVITY</b>	<b>(9,719,216)</b>	<b>3,800,962</b>		

**Notes:**

(a) An estimated \$90 million of one-time carryforward funds (encumbrances and other one-time commitments) are not reflected 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 not shown.

Notes, cont.:

(b) 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.

(c) Reflects a 1.75% merit salary pool to be distributed on employee performance. An additional 0.25% increase is included for faculty tenure and promotions.

(d) Differential and distance tuition rates, which are market driven, vary from course to course and are approved by the President. These funds are allocated for specific priorities.

**University of Nebraska (excluding NCTA)**  
**FY 2018-19 Total Budget**  
 (All Funds)

	FY 2017-18 Beginning Budget	FY 2018-19 Proposed Budget (a)	Change from 2017-18	
			Amount	Percent
<b>REVENUES</b>				
State-aided Funds	950,879,000	966,083,168	15,204,168	1.6%
Designated Cash Funds	82,375,000	87,765,000	5,390,000	6.5%
Revolving/Auxiliary Funds	657,902,000	660,800,000	2,898,000	0.4%
Restricted Federal Funds	523,280,000	524,350,000	1,070,000	0.2%
Restricted Trust Funds	397,500,000	404,500,000	7,000,000	1.8%
<b>Total Revenue</b>	<b>2,611,936,000</b>	<b>2,643,498,168</b>	<b>31,562,168</b>	<b>1.2%</b>
<b>EXPENDITURES</b>				
State-aided Expenditures	960,598,216	962,282,206	1,683,990	0.2%
Non State-aided Expenditures	1,661,057,000	1,677,415,000	16,358,000	1.0%
<b>Total Expenditures</b>	<b>2,621,655,216</b>	<b>2,639,697,206</b>	<b>18,041,990</b>	<b>0.7%</b>

## Tuition Rates

### University of Nebraska-Lincoln

Student Category	Per Tuition Unit	2017-18 Rate	2018-19 Rate	Change
<b>Undergraduate</b>				
Resident	Sem. Credit Hr.	\$237.50	\$245.00	\$7.50
Nonresident	Sem. Credit Hr.	\$747.50	\$771.50	\$24.00
<b>Graduate</b>				
Resident	Sem. Credit Hr.	\$313.25	\$323.25	\$10.00
Nonresident	Sem. Credit Hr.	\$896.50	\$925.25	\$28.75
<b>College of Architecture Undergraduate</b>				
Resident	Sem. Credit Hr.	\$321.00	\$331.25	\$10.25
Nonresident	Sem. Credit Hr.	\$955.50	\$986.00	\$30.50
<b>College of Architecture Graduate</b>				
Resident	Sem. Credit Hr.	\$415.00	\$428.25	\$13.25
Nonresident	Sem. Credit Hr.	\$1,140.75	\$1,177.25	\$36.50
<b>College of Business Undergraduate</b>				
Resident	Sem. Credit Hr.	\$294.50	\$304.00	\$9.50
Nonresident	Sem. Credit Hr.	\$925.50	\$955.00	\$29.50
<b>College of Business Graduate</b>				
Resident	Sem. Credit Hr.	\$387.50	\$400.00	\$12.50
Nonresident	Sem. Credit Hr.	\$1,108.25	\$1,143.75	\$35.50
<b>College of Engineering Undergraduate</b>				
Resident	Sem. Credit Hr.	\$340.25	\$351.25	\$11.00
Nonresident	Sem. Credit Hr.	\$973.75	\$1,005.00	\$31.25
<b>College of Engineering Graduate</b>				
Resident	Sem. Credit Hr.	\$433.25	\$447.00	\$13.75
Nonresident	Sem. Credit Hr.	\$1,156.75	\$1,193.75	\$37.00
<b>Law</b>				
Resident	Sem. Credit Hr.	\$372.75	\$384.75	\$12.00
Nonresident	Sem. Credit Hr.	\$984.75	\$1,016.25	\$31.50

Rates rounded to the nearest \$0.25.



## University of Nebraska at Omaha

Student Category	Per Tuition Unit	2017-18 Rate	2018-19 Rate	Change
<b>Undergraduate</b>				
Resident	Sem. Credit Hr.	\$216.25	\$223.25	\$7.00
Nonresident	Sem. Credit Hr.	\$677.25	\$699.00	\$21.75
<b>Graduate</b>				
Resident	Sem. Credit Hr.	\$269.50	\$299.00	\$29.50
Nonresident	Sem. Credit Hr.	\$753.00	\$777.00	\$24.00
<b>College of Business Administration Undergraduate</b>				
Resident	Sem. Credit Hr.	\$270.25	\$289.00	\$18.75
Nonresident	Sem. Credit Hr.	\$758.00	\$797.50	\$39.50
<b>College of Business Administration Graduate</b>				
Resident	Sem. Credit Hr.	\$350.50	\$372.00	\$21.50
Nonresident	Sem. Credit Hr.	\$874.50	\$917.25	\$42.75
<b>College of Information Science &amp; Technology Undergraduate</b>				
Resident	Sem. Credit Hr.	\$216.25	\$267.25	\$51.00
Nonresident	Sem. Credit Hr.	\$677.25	\$836.50	\$159.25
<b>College of Information Science &amp; Technology Graduate</b>				
Resident	Sem. Credit Hr.	\$269.50	\$336.75	\$67.25
Nonresident	Sem. Credit Hr.	\$753.00	\$941.25	\$188.25

Rates rounded to the nearest \$0.25.

## University of Nebraska at Kearney

Student Category	Per Tuition Unit	2017-18 Rate	2018-19 Rate	Change
<b>Undergraduate</b>				
Resident	Sem. Credit Hr.	\$191.75	\$198.00	\$6.25
Nonresident	Sem. Credit Hr.	\$417.75	\$431.00	\$13.25
<b>Graduate</b>				
Resident	Sem. Credit Hr.	\$238.00	\$245.50	\$7.50
Nonresident	Sem. Credit Hr.	\$522.00	\$538.75	\$16.75

Rates rounded to the nearest \$0.25.

## University of Nebraska Medical Center

Student Category	Per Tuition Unit	2017-18 Rate (a)	2018-19 Rate	Change
<b>Undergraduate</b>				
Resident	Sem. Credit Hr.	\$237.50	\$245.00	\$7.50
Nonresident	Sem. Credit Hr.	\$747.50	\$771.50	\$24.00
<b>Graduate</b>				
Resident	Sem. Credit Hr.	\$313.25	\$323.25	\$10.00
Nonresident	Sem. Credit Hr.	\$896.50	\$925.25	\$28.75
<b>Allied Health - Cardiovascular Interventional Technology (Semester)</b>				
Resident	Semester	\$3,527	\$3,638	\$111
Nonresident	Semester	\$11,096	\$11,460	\$364
<b>Allied Health - Cardiovascular Interventional Technology (Summer)</b>				
Resident	Session	\$784	\$809	\$25
Nonresident	Session	\$2,469	\$2,550	\$81
<b>Allied Health - Clinical Perfusion (Semester)</b>				
Resident	Semester	\$6,132	\$6,328	\$196
Nonresident	Semester	\$15,939	\$16,446	\$507
<b>Allied Health - Clinical Perfusion (Summer)</b>				
Resident	Session	\$2,725	\$2,812	\$87
Nonresident	Session	\$7,084	\$7,309	\$225
<b>Allied Health - Cytotechnology (Semester)</b>				
Resident	Semester	\$4,968	\$5,126	\$158
Nonresident	Semester	\$12,913	\$13,887	\$411
<b>Allied Health - Cytotechnology (Summer)</b>				
Resident	Session	\$1,105	\$1,140	\$35
Nonresident	Session	\$2,869	\$2,960	\$91
<b>Allied Health - Diagnostic Medical Sonography (Semester)</b>				
Resident	Semester	\$4,275	\$4,410	\$135
Nonresident	Semester	\$13,446	\$13,887	\$441
<b>Allied Health - Diagnostic Medical Sonography (Summer)</b>				
Resident	Session	\$950	\$980	\$30
Nonresident	Session	\$2,988	\$3,086	\$98
<b>Allied Health - Magnetic Resonance Imaging (Semester)</b>				
Resident	Semester	\$3,800	\$3,920	\$120
Nonresident	Semester	\$11,952	\$12,344	\$392
<b>Allied Health - Medical Laboratory Science (Semester)</b>				
Resident	Semester	\$5,107	\$5,268	\$161
Nonresident	Semester	\$16,061	\$16,587	\$526

## University of Nebraska Medical Center, continued

Student Category	Per Tuition Unit	2017-18 Rate (a)	2018-19 Rate	Change
<b>Allied Health - Medical Nutrition (Semester)</b>				
Resident	Semester	\$4,871	\$5,032	\$161
Nonresident	Semester	\$7,507	\$7,755	\$248
<b>Allied Health - Medical Nutrition (Summer)</b>				
Resident	Session	\$1,624	\$1,678	\$54
Nonresident	Session	\$2,502	\$2,585	\$83
<b>Allied Health - Physical Therapy (Semester)</b>				
Resident	Semester	\$7,432	\$7,659	\$227
Nonresident	Semester	\$13,083	\$13,475	\$392
<b>Allied Health - Physical Therapy (Summer)</b>				
Resident	Session	\$4,189	\$4,376	\$187
Nonresident	Session	\$7,383	\$7,700	\$317
<b>Allied Health - Physician Assistant (Semester)</b>				
Resident	Semester	\$7,638	\$7,882	\$244
Nonresident	Semester	\$19,854	\$20,485	\$631
<b>Allied Health - Physician Assistant (Summer)</b>				
Resident	Session	\$4,243	\$4,378	\$135
Nonresident	Session	\$7,463	\$7,700	\$237
<b>Allied Health - Radiation Therapy (Semester)</b>				
Resident	Semester	\$4,275	\$4,410	\$135
Nonresident	Semester	\$13,446	\$13,887	\$441
<b>Allied Health - Radiation Therapy (Summer)</b>				
Resident	Session	\$950	\$980	\$30
Nonresident	Session	\$2,988	\$3,086	\$98
<b>Allied Health - Radiography (Semester)</b>				
Resident	Semester	\$3,848	\$3,969	\$121
Nonresident	Semester	\$12,103	\$12,500	\$397
<b>Allied Health - Radiography (Summer)</b>				
Resident	Session	\$1,710	\$1,764	\$54
Nonresident	Session	\$5,374	\$5,550	\$176
<b>Dentistry - Dental Hygiene</b>				
Resident	Sem. Credit Hr.	\$237.50	\$276.75	\$39.25
Nonresident	Sem. Credit Hr.	\$747.50	\$771.50	\$24.00
<b>Dentistry (Semester)</b>				
Resident	Semester	\$13,500	\$15,325	\$1,825
Nonresident	Semester	\$30,956	\$31,947	\$991
<b>Dentistry (Summer)</b>				
Resident	Session	\$6,749	\$7,662	\$913
Nonresident	Session	\$15,478	\$15,973	\$495

## University of Nebraska Medical Center, continued

Student Category	Per Tuition Unit	2017-18 Rate (a)	2018-19 Rate	Change
<b>Medicine</b>				
Resident	Semester	\$16,228	\$16,747	\$519
Nonresident	Semester	\$38,272	\$39,497	\$1,225
<b>Nursing - Undergraduate</b>				
Resident	Sem. Credit Hr.	\$330.75	\$358.25	\$27.50
Nonresident	Sem. Credit Hr.	\$933.50	\$963.25	\$29.75
<b>Nursing – Graduate</b>				
Resident	Sem. Credit Hr.	\$531.50	\$576.00	\$44.50
Nonresident	Sem. Credit Hr.	\$1,008.25	\$1,040.50	\$32.25
<b>Pharmacy</b>				
Resident	Semester	\$11,918	\$12,299	\$381
Nonresident	Semester	\$20,755	\$15,374	(\$5,381)
<b>Public Health - Doctoral Programs</b>				
Resident	Sem. Credit Hr.	\$313.25	\$333.00	\$19.75
Nonresident	Sem. Credit Hr.	\$896.50	\$925.25	\$28.75
<b>Public Health - Professional Programs</b>				
Resident	Sem. Credit Hr.	\$410.50	\$436.50	\$26.00
Nonresident	Sem. Credit Hr.	\$1,028.25	\$1,061.25	\$33.00

Differential rates may only apply to new students.

- (a) In May 2018, the College of Allied Health Professions was approved to move from a semester credit hour-based to a semester-based tuition model. The 2018-19 rates are congruent with those approved by the Board of Regents on June 1, 2017. For comparison purposes, 2017-18 semester-based figures have been estimated.

## Details and Rationale

### Compensation

#### **Salaries, Wages, and Benefits**

A 1.75 percent salary merit pool is proposed. The UNO and UNK collective bargaining contracts will be funded at their negotiated 1.75 percent levels. An additional 0.25 percent is included for faculty promotions. Corresponding fringe benefits were adjusted accordingly (FICA, retirement contributions, etc.).

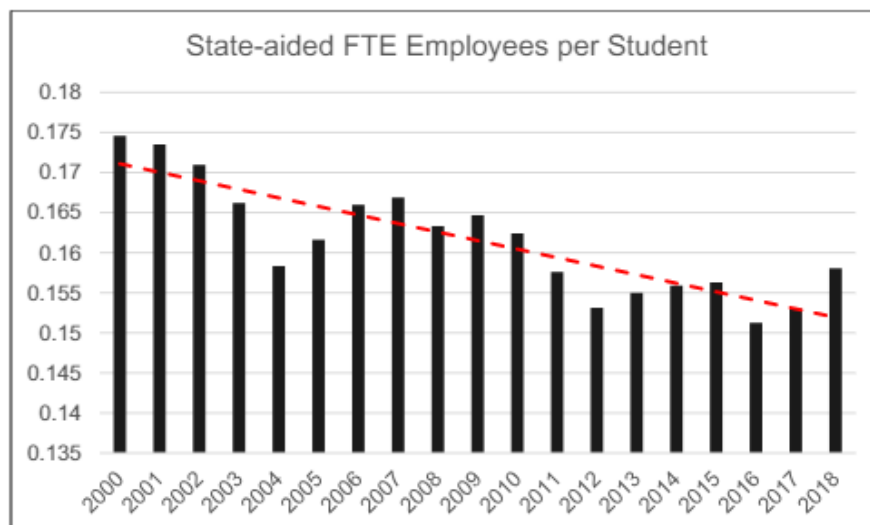
None of the University's goals would be possible without talented, dedicated, hard-working people who share a commitment to the fundamental values of public higher education. The University of Nebraska would not have the impact that it does without the 16,000 people who are working daily on behalf of students and the state.

Nebraska cannot recruit and retain talent with mountains, beaches, or the promise of year-round seventy-degree weather. But we can be a great place to work by compensating our talented employees competitively.

Like most universities, personnel costs are the largest component of our budget, accounting for over 80 percent of the expenses in our state-aided budget (supported by state tax dollars and tuition). Thus, compensation strategy is a key priority for the University.

Although compensation is a huge component of our budget, compensation costs have not been increasing due to additional employees being added to the state-aided payroll. As the chart below demonstrates, the number of University of Nebraska employees per student has decreased over the past two decades.

While we are always looking for ways to operate more cost-effectively and efficiently, the facts demonstrate that the University is doing more teaching, research, and outreach with fewer employees funded from state general funds and tuition.



## Health Insurance

The University of Nebraska offers a preferred provider (PPO) "self-insured" health plan providing medical, dental, and pharmacy coverage to its employees. Most employers the size of the University are self-insured for medical coverage as it gives them more control over plan design. In addition, any 'profits', typically built into insurance company prices, are retained by the Plan and its participants.

On June 28, the Board of Regents will consider approving a change to certain outside vendors to assist in the administration of the Plan. If approved, the new outside vendors will be:

<u>Entity</u>	<u>Description of Service Provided</u>
UMR (United Health Care)	Third party administrator for medical claims
Ameritas	Third party administrator for dental claims
CVS Caremark	Third party administrator for pharmacy claims
Wells Fargo	Trustee bank
Milliman	Independent actuaries providing projections used to set premiums

The plan, which operates on a calendar year basis, collects premiums through payroll deductions from eligible, participating employees and combines them with University premium contributions. The Plan deposits these funds into a trust account held by a trustee bank, Wells Fargo. Under state law, the Board of Regents is fully empowered to establish trust accounts, as they ensure the funds are protected and, in this case, may only be spent for health care purposes.

When covered employees and their dependents incur medical expenses, health providers (hospitals, doctors, pharmacies) send their bills to the third party administrators listed above for medical, dental, and pharmacy claims. The third party administrators assure that the submitted claims are valid using coverage criteria, limits, deductibles, and copays as set by the University. When the third party administrators pay claims, they are reimbursed by Wells Fargo, the trustee bank, for the claims cost plus an administrative fee.

Premiums charged to both the employer (University) and employees are designed to cover the Plan's projected claims costs plus administrative expenses. Any potential changes in premiums, which become effective on January 1, are established by University management each fall after analyzing Milliman's actuarial expense projections, which are based on a combination of University internal experience along with Milliman's book of business experience.

If approved, the third party administrator changes would take effect January 1, 2019. Based on actuarial expense projections prior to the third party administrator changes, healthcare costs are projected to increase 5.7 percent during the next fiscal year.

## Workers Compensation

The University belongs to the State of Nebraska's workers' compensation plan. Workers compensation premiums are assessed by the Department of Administrative Services. Pursuant to the State of Nebraska's budget instructions, the University's workers' compensation assessment will be flat in FY 2018-19.

## **Operations**

### **General Operations - Inflation**

While inflation (Consumer Price Index – CPI) increased approximately 2.1 percent last calendar year, given the limited resources available only a 1.0 percent inflationary increase is included in the 2018-19 budget. Campus have the discretion to further increase their operating budgets, if they so choose, by internally reallocating their existing budgets.

### **Utilities**

Again this year, no centralized funding for utility increases will be provided in the FY 2018-19 budget given the limited resources available. Campuses have the discretion to increase their campus utility budgets, if they so choose, by internally reallocating their existing budgets.

### **Building Operating and Maintenance**

Operating and maintenance support is vital as adequate maintenance extends the life of capital investments and contributes to the utilization of new/renovated space. Adequate support for operation, maintenance, utilities, and staffing will result in clean and functional work areas, and help minimize future deferred maintenance issues.

\$900,000 of “O&M” funding is included in the 2018-19 operating budget as UNO will soon begin occupying the First Data Resource building that was acquired with private funds. \$215,000 of “O&M” funding is included for the UNO Strauss project and \$417,000 for the UNMC College of Nursing-Lincoln project which will both open during academic year 2018-19.

## **Initiatives**

### **Programs of Excellence**

Through \$30 million of targeted investments in Programs of Excellence, the University has built premier academic programs in areas that are both important to Nebraska and strengths for the University. Given the limited resources available, no new funding has been identified for Programs of Excellence in the 2018-19 operating budget.

### **Collegebound Nebraska (need-based aid)**

While the benefits of a college degree have never been clearer, costs and access are key areas of concern for Nebraska students and families. The University must continue to keep costs reasonable so that all Nebraskans can attend regardless of their economic status—while also maintaining high academic standards. Collegebound Nebraska now promises full tuition coverage for nearly 7,000 Nebraska undergraduates attending the University—and the University intends to grow that figure.

The FY 2018-19 proposed budget includes increases for need-based aid to keep pace with the previously approved 3.2 percent tuition increase.

### **Budget Response Teams**

In January 2017, the University laid out its approach of how it would manage the difficult budget challenges during the 2017-2019 biennium. Ten working groups convened to look for efficiencies, consolidations, eliminations, or other options in a range of operational areas including finance, human resources, information technology, and facilities management.

In FY 2017-18, the Budget Response Teams (BRTs) implemented strategies resulting in \$6.5 million in recurring budget savings. The BRTs have done incredible work over the past 18 months and will achieve another \$15.5 million in recurring savings in FY 2018-19. This brings the recurring BRT total to \$22 million.