

UNIVERSITY *of*  
NORTHERN COLORADO



**PROPOSED OPERATING BUDGET  
FISCAL YEAR 2006-07**

**May 5, 2006**



*Office of the Vice President for Administration*

## MEMORANDUM

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**TO:** University of Northern Colorado Board of Trustees

**FROM:** Fran Schoneck, Vice President for Administration and Treasurer to the Board of Trustees

**DATE:** May 5, 2006

**RE:** Submittal of Proposed 2006-07 Operating Budget

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The proposed 2006-07 operating budget for the University of Northern Colorado is being forwarded to you for review. It is the culmination of a several-month process. President Norton, similar to last year, used the President's Planning Council (PPC) as an advisory body for the deliberations that led to this year's proposed budget. In order to engage the PPC members more fully in the deliberations, we utilized the Decision Support Center at the Monfort College of Business to allow participants to make anonymous and thoughtful comments and assist in the process of prioritizing requests.

As we began the budget process, Referendum C raised expectations about additional funds for higher education and, in fact, yielded additional dollars for UNC. However, it was not enough to cover our commitment to investing in employees, rising costs such as utilities and fringe benefits (identified in the mandated cost model), and shortfalls associated with tuition revenue. Tuition revenue is affected by increased volatility associated with the College Opportunity Fund stipend funding model as well as students' response to pricing structure changes. The proposed budget includes several strategies for managing these fiscal constraints, including continued investment in a contingency reserve for tuition revenue volatility, reallocation of funds from divisions to fund university priorities, modest base tuition increases, and the proposal of differential tuition for select competitive academic programs.

I look forward to responding to your questions and comments as we review the proposed budget. Any changes you recommend can be incorporated into the final recommended budget forwarded to you by President Norton in June.

UNIVERSITY of  
NORTHERN COLORADO



2006-2007  
Operating Budget Proposal  
May 5, 2006

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**University of Northern Colorado  
Operating Budget Overview  
2006-2007 Budget Proposal**

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## **University Priorities**

The University of Northern Colorado identified its priorities for investment and development during the Charting the Future process (summary on page 1-3). An academic planning process that builds on this foundation is now under way. The academic plan, to be completed in 2006, will allow definition of goals for faculty, academic programs, research, enrollment, student support, facilities, and external funding. These goals will guide financial planning and resource allocation for the next three to five years.

Thoughtful planning requires accurate, relevant information. UNC's implementation of the Banner enterprise resource planning system (ERP) is an important step toward making data-driven decisions at UNC. Since the Banner project kickoff in February 2005, finance, human resources, admissions, registration, and financial aid functions have all "gone-live". The university recently began the second project phase, which includes the implementation of automated workflow, electronic document imaging and the development of an operational data store and enterprise data warehouse. The data store will simplify end-user data retrieval to support operational decisions. When fully implemented, the data warehouse will provide the foundation for complex analysis to support strategic decisions. The new Office of Budgets and Institutional Analysis is engaging people across campus to help design the data store and data warehouse.

Priorities outlined in Charting the Future guided the fiscal year 2006-07 budget process; however, the short-term focus had to be on funding "mandated costs". The Colorado Commission on Higher Education defines mandated costs to include salaries, benefits, utilities, and risk management costs. Because UNC faces a significant increase in mandated costs, which require ongoing funding, investment in other university priorities in fiscal year 2007 is limited to one-time funding. Page 1-4 provides more information about UNC's mandated cost increases.

### **INVESTMENT IN PEOPLE**

As highlighted in Charting the Future, the university is committed to investing in faculty and staff. Classified staff salary increases are based on Joint Budget Committee Common Policies, while faculty and exempt staff increases are at the discretion of the institution (although included in the CCHE-defined mandated costs calculation). Rather than giving "across-the board" increases to faculty and exempt staff, UNC uses the issues of promotion, parity, compression, and equity to determine increases. A pool of \$1.8 million has been identified for fiscal year 2006-07 salary increases, including the associated cost of fringe benefits on the increases. In addition, \$2.5 million will be required to fund the cumulative rise in health insurance costs, retirement contributions and other fringe benefits. Page 1-7 has additional information on compensation.

### **NATIONAL UNDERGRADUATE SCHOLARSHIPS**

In fiscal year 2005-06, UNC committed \$1.3 million to new scholarships for non-resident undergraduates. These scholarships were created to replace the discounted Western Undergraduate Exchange tuition, which is being phased out, and to increase non-resident

enrollment. In fiscal year 2006-07, an additional \$950,000 will be committed to these scholarships. Funding comes from growth in non-resident tuition.

#### CONTINGENCY RESERVE

With the implementation of the College Opportunity Fund (COF), the volatility of the university's revenue stream increased. Prior to COF, fluctuations in enrollment did not affect state appropriations in the same year. With the COF funding model, more than 80% of the university's current year revenue depends on current year enrollment.

Historically, the university has maintained a base contingency reserve (currently \$800,000). At the end of the fiscal year, if the funds are not needed, they are made available for one-time expenditures in the next year. The next year's increment of base reserve is then held against contingencies in that year.

Tuition and COF stipends total over \$70 million, which means the \$800,000 is only a 1% reserve. In fiscal year 2005-06 we experienced a 2% negative variance from budgeted tuition, and the contingency funds were not sufficient to make up the shortfall.

In fiscal year 2006-07, the \$800,000 base contingency reserve will be supplemented with \$700,000 in one-time funds for a total one year reserve of \$1.5 million. More information is on page 2-2.

#### OTHER PRIORITIES

One-time funding was identified to fund critical needs in (details are on page 2-4):

- Instruction
- Facility repair and replacement
- University advancement

University of Northern Colorado  
**Charting the Future Report and Transition Summary**

Provide a quality education that enables a UNC graduate to contribute effectively in a rapidly changing, diverse, and technology advanced society

Deliver on UNC's promise to deliver a student-centered education that provides a solid liberal arts foundation, professional preparation, and real world experiences

Be recognized as an educational leader by external groups, e.g. – CCHE, legislature, community—local, state, & national

Enhance teaching, research, and creative scholarship capabilities;  
 Promote functional and management excellence;  
 Develop leadership skills

Improve quality of teaching and learning

Organize to foster interdisciplinary opportunities, cross-functional collaboration, and advancement of the University mission, objectives

- establish faculty and staff professional development center
- invest in instructional equipment
- invest in academics: instruction, research, and creative scholarship
- invest in extended studies
- invest in faculty and staff salaries

- establish commission on the university experience to develop core curriculum
- increase use of technology in course content and delivery
- increase experiential learning and service learning opportunities
- increase scholarly and activity research projects

- improve academic and administrative structure alignment
- increase interdisciplinary activities, e.g. degree programs, research
- invest in advancement and external relations
- sustain ongoing participative planning through President's Planning Council

Improve student success and access by integrating and coordinating support services and fostering an inclusive campus

Adopt new technology that encourages and aids process improvements

Effectively link staff compensation, performance, and service delivery

- conduct student services and cultural center self studies
- establish diversity advisory council
- establish commission on student success

- implement Enterprise Planning System (integrated management system)
- expand imaging and work flow system
- invest in academic technology life cycle renewal
- enhance system security

- utilize performance pay and incentives
- establish task force for faculty evaluation, promotion, and tenure policies and procedures

Enhance non-state revenue through strategic pricing, fund raising, research grants & contracts, and innovative capital funding

Improve operational efficiency through outsourcing, academic program reduction, and course elimination

Maximize use of existing assets through activity-based budgeting and efficient use of facilities

- establish strategic pricing task force
- establish capital planning committee

- establish appropriate mix of academic programs
- reduce course electives
- investigate outsourcing potential of business functions

- establish facility usage committee
- implement activity based budgeting

## External Mandates

The Colorado Commission on Higher Education facilitated the development of a standard model for fiscal year 2006-07 mandated cost increases, which amounted to \$4.1 million for the University of Northern Colorado. The definition of mandated costs was:

- Salary Increases
- Fringe Benefits (limited to current year health, life and dental increases)
- Risk Management
- Utilities
- Indirect Costs<sup>(1)</sup>

The CCHE calculation fell about \$2.1 million short of the university's \$6.2 million projection of mandated costs. The shortfall is due primarily to continued increases in utility costs and increases in fringe benefits not accounted for in the CCHE model. Part of the difference between the CCHE and university calculations of benefits is due to the impact of PERA and Medicare, which were not considered in the CCHE model. The remainder is due to the cumulative impact of health, life and dental premium increases in prior years that were funded with one-time funds during the recent rescissions.

For fiscal year 2006-07 the state increases in stipends and fee-for-service will not fund all of UNC's mandated costs. The balance will be funded from tuition increases (page 3-3) and internal reallocations of budget (page 2-3).

In addition, the university incurs expenses due to legal obligations that are, in effect, mandated costs. For example, the cost of providing services under the Americans with Disabilities Act continues to increase.

The university will continue to work with CCHE in future years to develop an appropriate model for calculating mandated costs.

UNC'S Fiscal Year 2006-07 Mandated Costs

Salaries	\$1,800,000
Fringe Benefits	2,500,000
Utilities	1,750,000
Statewide Indirect Costs <sup>(1)</sup>	100,000
<b>TOTAL</b>	<b>\$6,150,000</b>

(1) UNC's portion of statewide overhead costs as calculated by the State Controller's Office and approved by the Joint Budget Committee. Statewide indirect cost recovery allocates the central administrative costs of state government to state agencies/institutions that use the administrative services.



## **Fiscal Management Strategies**

The following fiscal management strategies will impact the fiscal year 2006-07 budget.

- 1. Extended Studies Cash-Funded Programs Tuition and Fees** - Extended Studies recommends increasing the off-campus cash-funded degree program rates by approximately 2.5%. In addition, they are considering differential tuition rates for the Nursing Ph.D. on-line program.

As in years past, the revenue in excess of operating expenses is distributed as follows:

- 25% will be budgeted centrally by Extended Studies administration in the subsequent year to fund campus-wide initiatives to expand and enhance the quality of Extended Studies programs.
  - 55% will be directed to the Provost's Office and budgeted in the subsequent year to fund initiatives to enhance the academic programs and to enhance distance education capacity for colleges participating in Extended Studies programs.
  - 10% will be directed to the President's Office and budgeted in the subsequent year to support general academic mission initiatives.
  - 10% will be directed to the Center for the Enhancement of Teaching and Learning.
- 2. Differential Tuition for Business, Music, Nursing and Theatre Arts** – Consistent with the recommendations of the fall 2004 strategic pricing task force report, differential tuition for business, music, and nursing and theatre courses will be implemented in fall 2007. General education core courses will be excluded from these charges. Specific information is included on page 3-3.
  - 3. Private Music Lesson Fee** – In fiscal year 2005-06, the university initiated a private music lesson fee of \$25 per credit hour in addition to tuition for private music lesson “classes”. An increase of \$5 per credit hour, to a total of \$30 is recommended. In its first year, the fee generated approximately \$60,000. The increase is projected to yield an additional \$12,000.
  - 4. Graduate Student Tuition Support** – The Graduate School recommends increasing the graduate assistant tuition support to a maximum of 10 credit hours per semester from the current maximum of 9 credit hours. This increase will keep UNC competitive with peer institutions as we recruit graduate students. In addition, some programs require students to enroll in an additional one-credit teaching seminar, which brings their load to 10 credit hours. The Graduate School will use one-time roll-forward balances of approximately \$95,000 to fund the increased costs of paying up to 10 credit hours in fiscal year 2006-07.
  - 5. Enrollment Fee** – At its March meeting, the Board of Trustees approved combining existing Matriculation and Orientation Fees into a single Enrollment Fee. In addition, it approved increasing the fee to \$145. The one-time, nonrefundable fee is assessed to all freshmen and transfer students during registration to cover the costs of orientation, advising, and student support services. A fee waiver process will be established for eligible students based upon financial need.

- 6. Online Learning System** – The university currently employs the Blackboard online learning system in two ways. It is used to deliver online courses that are wholly web-based. It is also widely used as a supplement to face-to-face classroom instruction. The use and functionality of Blackboard is increasing, and associated costs are rising. In fiscal year 2006-07, the administration will research options for ongoing funding of this tool. In addition, the Banner implementation project will identify how to integrate Blackboard and Banner, including the university online portal called Ursa.

## Compensation

The University of Northern Colorado is committed to investing in human resources through fair and competitive compensation of faculty, exempt and classified employees. Salaries and fringe benefit contributions for classified employees are externally mandated. Faculty and exempt salaries are internal decisions based on issues of promotion, parity, compression and equity. The university participates in a higher education consortium for faculty and exempt health, life, and dental insurance. Most faculty and exempt staff participate in the Optional Retirement Plan, which is a defined contribution plan, while classified staff participate in the Colorado the Public Employees' Retirement Association (PERA) defined benefit plan.

The university uses a fringe benefit pool to accumulate all fringe benefit costs, which are allocated to individual departments based on salary expense. The allocation is based on the calculation required for federal grant fringe benefit rates. The cumulative effect of several years of fringe benefit cost increases has resulted in an increase in the fiscal year 2006-07 fringe benefit rate to 22.6%, from 18.1%. This increase will require an additional \$2.5 million annual fringe benefit recovery from the university's state general fund.

Based on the CCHE mandated cost model, 3% of budgeted fiscal year 2005-06 salaries—or a \$1.8 million pool—has been identified for salary increases. The \$1.8 million pool will be used to fund:

- Classified salary increases in accordance with the Joint Budget Committee Common Policies
- Faculty and exempt staff salary increases based on promotion, parity, compression, and equity
- Graduate assistant and teaching assistant stipend increases
- Fringe benefit cost increases associated with increased salaries

Preliminary estimates of the \$1.8 million allocation by university division are as follows:

<b>Administrative Area</b>	<b>Base Salary Increase</b>	<b>Fringe</b>	<b>Total Increase</b>
President	\$11,450	\$2,550	\$14,000
University Counsel	\$9,800	\$2,200	\$12,000
Academic Affairs	\$1,143,000	\$258,000	\$1,401,000
Finance & Administration	\$244,000	\$55,000	\$299,000
University Advancement	\$60,500	\$13,500	\$74,000

## Debt Service Requirements

In 2005 UNC issued an additional \$85 million in bonds, increasing total bonded indebtedness to approximately \$142 million as of the end of fiscal year 2005-06. The revenues of Auxiliary Services and Parking Services as well as a portion of student fees are pledged for the repayment of this debt. The annual debt service has risen from approximately \$4.1 million in fiscal year 2004-05 to more than \$8 million in fiscal year 2006-07, and will peak at \$9.4 million in 2011.

The areas responsible for the debt service have combined annual gross operating revenues of approximately \$35.3 million and direct expenses of approximately \$26.7 million. In fiscal year 2006-07, there is an additional \$2.6 million in interest earnings on bond proceeds. This increases the available net revenue from \$8.6 to \$11.2 million. With the included interest revenue, the estimated debt service ratio for fiscal year 2006-07 is 1.38. The \$11.2 million of available net revenue will fund the \$8 million debt service, and \$2 million for administrative overhead services provided by the university. This leaves approximately \$1 million available for capital maintenance on these facilities in 2006-07. It is important to recognize that the \$2.6 million in interest is not an ongoing revenue stream. As the bond proceeds are expended through fiscal year 2008-09, the interest revenue will decline to \$0.

The current room and board rate increase is proposed at 5.5%. At current service levels, room and board rates would need to increase approximately 7.5% annually through fiscal year 2010-11 to provide adequate debt service coverage. The Board has expressed concerns that annual increases of 7.5% are not tenable. Therefore it is critical for the university to develop a multi-year financial plan to fund operating, capital and debt service expenditures from revenue based on sustainable rate increases.

The most recent issuance of debt was for additions to and renovations of housing facilities and additional recreational and athletic facilities. The following schedule summarizes the finances of the areas responsible for the debt service. The accompanying schedule shows the annual debt service through 2040.

<b>Pledged Revenue Summary</b>			
	Actual FY05	Budgeted FY06	Estimated FY07
Operating Revenue	32,030,542	34,321,191	35,300,000
Interest on Bond Proceeds			2,600,000
<b>Total Gross Revenue</b>	<b>32,030,542</b>	<b>34,321,191</b>	<b>37,900,000</b>
Current Expenses	21,517,441	25,866,988	26,700,000
<b>Net Available Revenue</b>	<b>10,513,101</b>	<b>8,454,203</b>	<b>11,200,000</b>
Debt Service	4,190,954	5,388,133	8,129,000
Admin Overhead	2,119,282	2,141,333	2,100,000
Capital Maintenance	4,202,865	924,737	971,000
<b>Net Revenue/Debt Service</b>	<b>2.51</b>	<b>1.57</b>	<b>1.38</b>



**University of Northern Colorado  
State Appropriated Funds  
2006-2007 Budget Proposal**

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## **State General Fund Budget Summary**

Key elements of the proposed fiscal year 2006-07 state general fund operating budget are:

### **Revenue**

1. Both tuition and the College Opportunity Fund (COF) stipend revenue streams are dependent upon enrollment patterns. This accounts for more than 80% of UNC's state general fund revenue. Fiscal year 2006-07 enrollment is projected to decline slightly from fiscal year 2005-06.
2. UNC has budgeted revenue from the College Opportunity Fund (COF) stipends of \$22,776,831. This revenue is dependant upon projected enrollment and has replaced historic general fund appropriations that had subsidized the cost of Colorado resident undergraduate education. The appropriation of \$23,078,100 exceeds the budget due to variances in enrollment forecasts and the fact that the state appropriates for fall 2006, spring 2007 and summer 2007, while the university budgets in accordance with its July 1, 2006 - June 30, 2007 fiscal year. In addition to the COF stipend, the state will pay UNC \$14,870,911 under a Fee for Service contract, primarily for the delivery of graduate education to Colorado residents.
3. Projected enrollment, proposed tuition rate increases and the implementation of differential tuition rates are forecast to generate total tuition revenues of \$50,445,673 as reflected in the model detailed in section 3. Tuition is expected to be within the state's appropriation for tuition of \$51,043,730.
4. Other revenue comprised primarily of fees, treasury fund interest, and indirect cost recovery will remain relatively constant totaling \$738,017. A net increase in academic fees of \$26,017 is expected.
5. UNC anticipates receiving approximately \$600K in fiscal year 2005-06 one-time non-base supplemental funding. This funding is intended to buy-down fiscal year 2006-07 undergraduate tuition increases to 2.5%. Of the total supplemental, UNC has budgeted \$506,553 to cover operating expenses. The balance will be used as a contingency reserve. The supplemental may become base funding in FY 2007-08.
6. All of the above items combine to yield \$6,310,735 in new revenue, bringing total revenue available for FY 2006-07 to \$89,172,817 (page 2-3).

## **Resource Reallocations**

Projected revenue will not be sufficient to fund ongoing expenses, mandated cost increases and new university priorities. Therefore each division has been assigned a share of a \$1 million budget reallocation. The availability of a fiscal year 2005-06 \$1 million unfunded enrollment supplemental appropriation will allow the implementation of the reallocations to be delayed until fiscal year 2007-08. Reallocations from each division will be identified by October 2006.

## **Reserves**

The university maintains a contingency reserve against revenue shortfalls and unexpected expenses. The current base funding for this reserve is \$800,000. With the implementation of the College Opportunity Fund, volatility of the university's revenue stream has increased. To address the greater revenue risk, \$700,000 of one-time funding (\$200,000 Extended Studies and \$500,000 Co-Generation funds) has been identified and reserved. This brings the total fiscal year 2006-07 contingency reserve to \$1.5 million.

## **Expenses**

1. The full-time fringe benefit rate for 2006-07 is 22.60 %, up from 18.10 % for full-time employees. The part-time rate is 13.75 %, up from 11.70% . These rate increases have resulted in a \$2.5 million increase in fringe benefit costs.
2. The administrative overhead rate for 2006-07 continues to be 5.74% of adjusted gross revenue. This charge to non-State accounts recovers the cost of administrative support provided by state-funded areas.
3. A compensation pool of \$1.8 million has been identified. Details are on page 1-7.
4. Utilities are projected to increase by \$1.7 million.
5. National non-resident undergraduate scholarships will be increased \$950,000 to continue to replace the discounted Western Undergraduate Exchange tuition rate and to increase non-resident enrollment. Funding comes from growth in non-resident tuition revenue.
6. Other 2006-07 budget allocations include
  - \$117,691 statewide indirect costs<sup>(1)</sup>
  - \$80,000 TA/GA tuition increases.
  - \$68,000 funding for animal care facility staffing.
  - \$50,000 Disability Support Services interpreter.

(1) UNC's portion of statewide overhead costs as calculated by the State Controller's Office and approved by the Joint Budget Committee. Statewide indirect cost recovery allocates the central administrative costs of state government to state agencies/institutions that use the administrative services.



# Spending Authority Decision Document

## Revenue

<b>FY 05-06 Base Revenue</b>	<b>\$ 82,862,082</b>
Fee for Service	3,151,202
Tuition (grossed up to reflect national scholarships)	1,208,148
COF Stipend	1,418,815
Music Fee and misc. fees	26,017
<b>Sub-total New Revenue</b>	<b>5,804,182</b>
<b>Sub-total New Base Available</b>	<b>\$ 88,666,264</b>
One time Supplemental Funding	506,553
<b>Total Revenue Available for FY 06-07</b>	<b>89,172,817</b>

## Expenses

	Total UNC	Provost	President	Finance & Admin	Univ Advance	Board of Trustees	Other
<b>Base Expense Budget FY 05-06</b>	<b>82,862,082</b>	<b>61,277,626</b>	<b>1,248,848</b>	<b>17,080,067</b>	<b>2,558,141</b>	<b>531,673</b>	<b>165,727</b>
Proposed Perm Entries for 2006	0	(185,278)	(168,347)	(45,255)	422,090	(23,210)	0
Sub-total Pro Forma Base	82,862,082	61,092,348	1,080,501	17,034,812	2,980,231	508,463	165,727
<b>Pro-Forma Base Budget</b>	<b>82,862,082</b>	<b>61,092,348</b>	<b>1,080,501</b>	<b>17,034,812</b>	<b>2,980,231</b>	<b>508,463</b>	<b>165,727</b>
<b>Internal Resource Reallocation</b>	<b>(1,000,000)</b>	<b>(500,000)</b>	<b>(28,700)</b>	<b>(378,600)</b>	<b>(79,200)</b>	<b>(13,500)</b>	
<b>Reserves</b>							
General Fund Contingency	0						
<b>External Mandates and University Priorities</b>							
Estimated Classified, Exempt, Faculty and TA/GA Salaries	1,800,000	1,401,000	14,000	299,000	74,000	12,000	
Utilities	1,745,044			1,745,044			
Statewide Indirect Costs	117,691						117,691
Fringe Benefits Increase	2,500,000	1,620,000	60,000	700,000	100,000	20,000	
GA/TA Tuition Increase	80,000	80,000					
National Scholarships (offset by non-res tuition increase)	950,000	950,000					
Interpreter (Disability Support Svc.)	50,000	50,000					
Animal Care Facility Attendant	68,000	68,000					
Total External Mandates, University Priorities and Reserves	7,310,735	4,169,000	74,000	2,744,044	174,000	32,000	117,691
<b>Proposed 2006-07 Spending Authority Base</b>	<b>89,172,817</b>	<b>64,761,348</b>	<b>1,125,801</b>	<b>19,400,256</b>	<b>3,075,031</b>	<b>526,963</b>	<b>283,418</b>

**University of Northern Colorado  
One Time Funding  
FY07 Budget**

**Funding Sources**

FY05 & FY06 Enterprise Fee	\$	448,000
FY06 Tuition Funded Capital	\$	886,500
FY06 Roll-forward*	\$	877,500
<b>Total Funding Sources</b>	<b>\$</b>	<b>2,212,000</b>

\*Roll forward of \$877,500 has been identified for 1x allocation. Of this amount \$67,500 is from the Provost, \$46,000 is from Extended Studies, \$88,000 is smart classroom refresh funding, \$250,000 is facilities roll-forward, \$152,000 is from F&A operating budgets and \$274,000 is from F&A cash fund balances.

**State Building and Other Capital Expenses**

NHS: New faculty office space (Gunter 1250)	\$	12,000
NHS: Ross Hall research and teaching renovations	\$	12,800
NHS & HSS Smart Classrooms	\$	44,000
HSS: Upgrading GIS & Computer Mapping Lab	\$	28,000
HSS: Move Philosophy & Poli Sci to McKee Hall	\$	41,600
HSS: Refurbish rooms in Candelaria Hall (part one of three yrs)	\$	30,000
PVA: Facility improvements *	\$	90,000
MCB: Replace worn-out fixed-seating in Kepner 2040	\$	15,000
MCB: Replace worn-out fixed-seating in Kepner 2045	\$	15,000
MCB: Replace worn-out fixed-seating in Kepner 1030	\$	20,000
MCB: Replace worn-out fixed-seating in Kepner 2030	\$	15,000
COEBS: Refurbish Psychological Services Clinic	\$	40,000
COEBS: Remodel Psychology Lab Space	\$	17,000
COEBS: Refurbish classrooms in McKee	\$	200,000
Blackboard Online Learning System Costs	\$	90,000
CM: Phase I of Campus Signage	\$	50,000
CM: Ross Animal Facility - air handling unit	\$	350,000
CM: Gray Hall - window replacement	\$	300,000
CM: Gray Hall - re-roof the ballroom and flat roof areas	\$	90,000
CM: Parsons Hall - window replacement (south & east)	\$	125,000
<b>Sub-Total State Building Repair &amp; Other Capital Expenses</b>	<b>\$</b>	<b>1,585,400</b>

\*PVA has a number of requests, i.e., Langworthy stage floor, Arts Annex ceiling repair/HVAC, Crabbe Hall re-flooring, Norton Theater/Acting Studio renovation, Student Theater Design Lab update. Specific priorities to be funded will be identified within the \$90K.

**Other One time Requests**

<sup>(1)</sup> Mandated Big Sky Conference Sports	\$	50,000
University Advancement: Refocused Marketing Efforts	\$	95,000
<sup>(2)</sup> Director of MAST	\$	54,000
University Advancement: Recruiting Partnership	\$	20,000
University Advancement: Cohesive Research Agenda	\$	97,000
<sup>(3)</sup> Assistant Professor of Finance	\$	116,500
Athletics: Computer Replacement Year One	\$	23,400
Athletics: New Sport Program Uniforms & Equipment	\$	8,900
Materials for theatre/dance scene and costume	\$	20,000
<sup>(4)</sup> Faculty for APCE (.6 FTE State/.4 cash)	\$	36,800
Learning Materials - Library	\$	50,000
<sup>(5)</sup> Spanish Faculty Generalist Position	\$	55,000
<b>Sub-Total Other One Time Requests</b>	<b>\$</b>	<b>626,600</b>

<b>Total One Time Requests</b>	<b>\$</b>	<b>2,212,000</b>
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**Funding Strategies for on-going needs:**

- <sup>(1)</sup> Big Sky Conference Sports: fund raising/reallocation of funds
- <sup>(2)</sup> Director of MAST: fund internally within college through salary savings
- <sup>(3)</sup> Assistant Professor of Finance: 50% Provost salary savings/50% college funds
- <sup>(4)</sup> Faculty for APCE: fund 100% from Extended Studies program
- <sup>(5)</sup> Spanish Faculty Generalist Position: fund from college's current part-time hiring pool

**University of Northern Colorado  
Tuition and Fees  
2006-2007 Budget Proposal**

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## **Tuition and Fee Summary Fiscal Year 2006-07**

### **Background**

In fall 2004, Vice President Schoneck charged a task force with researching and analyzing tuition pricing and developing recommendations for a more strategic approach to setting annual tuition rates. The task force recommendations were discussed by the Board of Trustees in November and December 2004. General pricing principles were established:

- tuition prices should be related to the cost of education as a matter of fairness and good business practice
- tuition should be related to demand for courses and programs
- cost of attendance should be predictable and clear
- pricing should be considered in concert with financial aid policies, so that student choice of program is preserved as much as possible
- pricing should reflect UNC's primary obligation to serve Colorado citizens

Fiscal year 2005-06 tuition rates were established based on the task force recommendations. The most significant change was reducing the flat-rate 10-18 semester credit window to a 12-16 semester credit hour window. Graduate tuition rates were increased more than undergraduate rates because graduate education was being subsidized by undergraduate tuition. Non-resident undergraduate rates were held constant.

### **Summary of Fiscal Year 2006-07 Tuition Recommendations and Options**

The chart on page 3-3 summarizes the deliberations of the President's Planning Council (PPC) with respect to tuition pricing in the upcoming year. The considerations in developing models included:

- generating \$1.2 million additional tuition dollars (Board Audit Committee target of \$1.8 million reduced by state funds to "buy-down" resident undergraduate rates)
- identifying programmatic areas at UNC that, because of market considerations and student demand, could be charged a differential
- minimizing the impact to non-resident tuition
- recognizing that resident graduate tuition rates in Colorado are generally under-priced
- limiting the increase in resident undergraduate tuition to 2.5%

### **Original Model**

The "original model" was developed to meet the Board Audit Committee revenue target of \$1.8 million. Proposed rate increases were intended to continue to align cost of instruction by student category (resident/non-resident, undergraduate/graduate) with tuition price. The largest percent increase was for resident undergraduates (4.25%). However, of the models under consideration at that time, it would still have yielded the

smallest full-time tuition dollar increase. The model also included differential tuition in four program areas.

### **Recommended Model**

After the original model was developed, additional one-time funding was identified by the legislature to buy-down resident undergraduate tuition increases to 2.5%. The original model was revised to reflect this limit. Recommended rate increases are:

- resident undergraduate (2.5%, \$80 annual full-time increase)
- resident graduate (3.0%, \$149 annual full-time increase)
- non-resident undergraduate (2.5%, \$293 annual full-time increase)
- non-resident graduate (1.0%, \$147 annual full-time increase)
- per credit differential tuition charges for Business, Theatre, Music, and Nursing to be implemented based upon course prefixes. General education courses are excluded so as not to discourage students from outside the major from exploring these disciplines.

### **Options**

Option 1 – The first option illustrates that increases in the other tuition categories results in small gains in overall tuition dollars relative to the potential negative enrollment impact that could be experienced with increases in “sticker price”.

Option 2 – The second option shows the impact if differential tuition rates were also applied to general education courses in Business, Theatre, Music and Nursing. The President’s Planning Council discussed the option of charging a differential against general education and concluded that the potential educational disadvantages were not offset by the marginal increase in revenue. Furthermore, the projected revenue might not be realized due to changes in student behavior

Option 3 – The third option shows the impact of not including differentials in the pricing strategy.

### **College Opportunity Funds (COF) Stipends**

Resident undergraduate students may apply a state-funded stipend of \$86 per credit (full-time annual equivalent of \$2580) toward their tuition bill.

### **Student Fees**

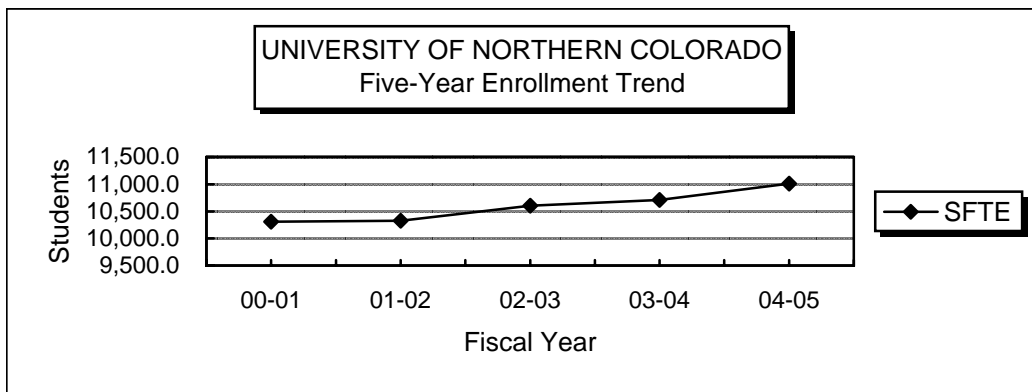
Student fees are charged per credit, up to 10 semester credits. The proposed fee for fiscal year 2006-07 is \$33.70 per credit. This increase of \$1.45 per credit from fiscal year 2005-06 rates is due to inflation, the second year of student approved increases for athletics, and yield adjustments. Beginning in fiscal year 2006-07, student fees will be charged for online courses when a student is enrolled in both face-to-face on-campus classes and online classes.

**Fiscal Year 2006-07 Tuition Recommendation and Options**

Basic Tuition and Differential Tuition Rate Models						
	Original Model	Recommended Model	Option 1 -- Higher Rates	Option 2 -- Differential on General Education	Option 3 -- No Differential Tuition	
<b>Tuition Rate Increase</b>						
FY06 Tuition						
Resident Undergrad	\$ 3,192	2.50%	2.50%	2.50%	2.50%	
Resident Graduate	\$ 4,968	3.00%	4.00%	3.00%	3.00%	
Non-Resident Undergrad	\$ 11,736	2.50%	3.50%	2.50%	2.50%	
Non-Resident Graduate	\$ 14,688	1.00%	1.00%	1.00%	1.00%	
<b>Increase in Tuition</b>	<b>\$ 983,649</b>	<b>\$ 449,873</b>	<b>\$ 544,256</b>	<b>\$ 449,873</b>	<b>\$ 449,873</b>	
<b>Differential Tuition Rates</b>						
<u>Differential per credit hour:</u>						
Business	\$20	\$20	\$20	\$20	\$0	
Theatre	\$15	\$15	\$20	\$15	\$0	
Music	\$15	\$15	\$20	\$15	\$0	
Nursing	\$15	\$15	\$20	\$15	\$0	
<u>Revenue generated:</u>						
Business	\$ 433,660	\$ 433,660	\$ 433,660	\$ 477,400	\$ -	
Theatre	\$ 86,640	\$ 86,640	\$ 115,520	\$ 113,745	\$ -	
Music	\$ 118,515	\$ 118,515	\$ 158,020	\$ 176,070	\$ -	
Nursing	\$ 119,460	\$ 119,460	\$ 159,280	\$ 147,675	\$ -	
<b>Total Differential Tuition</b>	<b>\$ 758,275</b>	<b>\$ 758,275</b>	<b>\$ 866,480</b>	<b>\$ 914,890</b>	<b>\$ -</b>	
<b>New Tuition Revenue</b>						
	Original	Recommended	Option 1	Option 2	Option 3	
Revenue from tuition rate change	\$ 983,649	\$ 449,873	\$ 544,256	\$ 449,873	\$ 449,873	
Revenue from differential tuition	\$ 758,275	\$ 758,275	\$ 866,480	\$ 914,890	\$ -	
<b>Increase in FY 2006-07 Tuition</b>	<b>\$ 1,741,924</b>	<b>\$ 1,208,148</b>	<b>\$ 1,410,736</b>	<b>\$ 1,364,763</b>	<b>\$ 449,873</b>	
<b>Full-Time Annual Base Tuition Increase (Without Differential)</b>						
	Original	Recommended	Option 1	Option 2	Option 3	
Resident Undergrad	\$ 136	\$ 80	\$ 80	\$ 80	\$ 80	
Resident Graduate	\$ 149	\$ 149	\$ 199	\$ 149	\$ 149	
Non-Resident Undergrad	\$ 293	\$ 293	\$ 411	\$ 293	\$ 293	
Non-Resident Graduate	\$ 147	\$ 147	\$ 147	\$ 147	\$ 147	

## Five-Year Enrollment Trend FY01 through FY05 and Fall 2005

<u>Fiscal Yr</u>	<u>Fall Term</u>			<u>Fiscal Year</u>			
	<u>Headcount</u>	<u>% Res</u>	<u>% Grad</u>	<u>SFTE</u>	<u>% Res</u>	<u>% Grad</u>	<u>% Sumr</u>
2000-01	11,251	87.8%	13.6%	10,309.2	87.7%	12.4%	7.8%
2001-02	11,338	88.1%	12.9%	10,328.5	88.0%	11.5%	7.5%
2002-03	11,364	88.9%	13.6%	10,605.8	88.8%	12.3%	8.0%
2003-04	11,611	89.5%	15.5%	10,708.7	89.6%	10.8%	7.7%
2004-05	11,851	89.3%	14.3%	11,012.7	89.7%	10.5%	7.6%
2005-06	12,121	89.6%	14.6%				



Sources: Final Fiscal Year Student Enrollment Reports submitted to CCHE by UNC

Fall 2005 Fact Book Enrollment Profile; Budget Data Book October, 2005

Note: Student FTE is calculated by dividing student credit hours by 30.

## Student Activity Fees

The following schedule represents the student fee budget proposal recommended by the Student Representative Council (SRC) as proposed to the President's Planning Council in April, 2006.

In accordance with the University's Institutional Plan for student fees, President Norton provided the Student Representative Council with budgetary guidelines based on the consumer price index for 2004 (.1%).

The student fee budget is established through a process governed by the Institutional Plan for Student Fees and the SRC bylaws. According to the Institutional Plan, before programs are allocated any new funds, administrative requirements to fund bonded facilities payments, operating costs, and facility repair and replacement are funded.

Due to the savings through the management contract with North Colorado Medical Center, \$400,000 was reallocated from the Health Center to address increased utilities in student fee funded facilities, changes in debt service, operational costs for new recreation and athletic space, and a reduction of reliance on student health insurance administration funds by the Counseling Center.

During FY 05-06, the Cheerleading Club program was transferred from Club Sports to Athletics. The associated budget is \$3,800.

In April 2005, the UNC student body voted on and approved two referenda approving an increase in student fees over a three year period. During fiscal years 2006-07 and 2007-08, the fees will increase based on \$1.25 per credit hour for students enrolled in 1-10 credit hours in addition to CPI. In fiscal year 2006-07, full time student fees will increase from \$645 to \$674.

<b>Total SFAP Budget</b>	<b>\$7,614,596</b>
<b>Less: Administrative Requirements</b>	
Bond Payments	(\$1,978,413)
Bonded Facility Operations	( 1,844,880)
Bonded Facility R & R	( 299,728)
Administrative Overhead	( 437,078)
Intercollegiate Athletics	( 1,441,780)
Student Newspaper	( 39,581)
Counseling Center	( 352,500)
Student Health Center	( 117,743)
<b>Student Fee funds distributed by SRC</b>	<b>\$1,102,894</b>

- Six programs made initial requests for increases totaling \$23,236.
- Seven programs submitted budgets at level funding.
- A previously student fee funded program, Co-PIRG, made application to be considered a new program and put forth an original budget request of \$30,000. Funding this program was not approved by SRC.
- Student Activities received the CPI increase of \$340.
- Club Sports, GLBT, and University Program Council received the CPI increase in addition to a funding increase.
- UNC Student Radio received the CPI increase of \$2.00.



**Budget reductions:**

- The Student Representative Council voluntarily reduced their budget by \$7,098 in their legal services line due to decreased expenditures for this budgeted item. This represents a 3% reduction in their budget.

**Funding increases (plus CPI) were awarded to:**

Club Sports, \$2,349 (4.3%)

GLBT Resource Center, \$3,522 (16%)

University Program Council, \$1,987 (1%)

**FY07  
Student Fee Allocation Worksheet**

Fund/Org	REQUESTING ORGANIZATION	05-06 UNC TRUSTEES APPROVED	06-07 Final SRC Recommendation to BOT	06-07 President's Recommendation to BOT
<b>Student Activity Programs</b>				
20711-31610	Asian Pacific/American Student Services	21,304	21,304	21,304
20708-32300	Center for International Education	3,539	3,539	3,539
20714-31620	Cesar Chavez Cultural Center	21,713	21,713	21,713
20759-64200	Club Sports	55,174	57,523	57,523
20370-61010	GLBT Resource Office	21,712	25,234	25,234
20379-6101	Graduate Affairs	66,389	66,389	66,389
20705-31110	International Film Series	12,324	12,324	12,324
20717-31630	Marcus Garvey Cultural Center	20,160	20,160	20,160
20720-31640	Native American Student Services	20,624	20,624	20,624
20010-61000	Student Activities	340,228	340,568	340,568
20105-61012	Student Representative Council (SRC)	236,188	229,090	229,090
20427-61010	UNC Student Radio Station	2,000	2,002	2,002
20155-61014	University Program Council	189,728	191,715	191,715
20783-61500	Women's Resource Center	90,709	90,709	90,709
	Co-PIRG	0	0	0
	<b>SFAP PROGRAMS SUBTOTAL</b>	<b>1,101,792</b>	<b>1,102,894</b>	<b>1,102,894</b>
<b>STUDENT FACILITIES &amp; SERVICES FEE</b>				
<b>Student Services</b>				
21000-80100	Intercollegiate Athletics	1,176,603		1,441,780
20721-50000	Contract for Mirror Student Newspapers	37,913		39,581
20723-62000	Counseling Center	277,223		352,500
20735-63010	Student Health Center	645,653		117,743
	<b>TOTAL STUDENT SERVICES</b>	<b>2,137,392</b>		<b>1,951,603</b>
<b>Administrative Services</b>		418,207		437,078
<b>Bonded Facility Operating Costs</b>				
20750-64000	Campus Recreation/Intramurals	819,286		968,177
20726-62000	Cassidy Hall (Counseling)	56,755		60,492
20738-63010	Cassidy Hall (Health)	85,131		90,736
20777-61500	Scott-Willcoxon Hall	33,524		35,398
20762-65000	University Center	538,484		598,078
	Butler Field Building	0		8,000
	Jackson Field House	0		84,000
	<b>TOTAL BONDED FACILITY OPERATING</b>	<b>1,533,180</b>		<b>1,844,880</b>
<b>Bonded Facility R&amp;R Costs</b>				
20753-64000	Campus Recreation Center	98,658		112,530
20729-62000	Cassidy Hall (Counseling)	7,851		7,859
20741-63010	Cassidy Hall (Health)	11,789		11,801
20780-61500	Scott-Willcoxon Hall	3,999		4,003
20765-65000	University Center	163,372		163,535
	<b>TOTAL BONDED FACILITY R&amp;R</b>	<b>285,669</b>		<b>299,728</b>
<b>Bond Obligations</b>				
20756-64000	Campus Recreation Center Bonds	641,075		621,058
20744-63010	Health/Counseling Center Bonds	51,940		129,300
20786-61500	Women's Resource Center Bonds	44,350		42,300
20768-65000	UC Bonds	198,000		198,000
20900-90000	Recreation and Athletic Facilities	986,088		987,755
	<b>TOTAL BOND OBLIGATIONS</b>	<b>1,921,453</b>		<b>1,978,413</b>
	<b>SFAP GRAND TOTAL</b>	<b>7,397,692</b>		<b>7,614,596</b>

<sup>1</sup> Cheerleading program (\$3,800) was transferred from Club Sports to Athletics in 05-06.

<sup>2</sup> Student Health Center reallocation

<sup>3</sup> Butler/Jackson operating expenses for 06-07

<sup>4</sup> R&R for Butler/Jackson will be added when WRC debt is paid in 07-08

<sup>5</sup> The FY 2006 recreation and athletic fee bond payment was \$55K more than originally budgeted.

**University of Northern Colorado  
Auxiliary Services Fund  
2006-2007 Budget Proposal**

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## Auxiliary Services Budget Summary

The proposal for the Auxiliary Services operating budget for fiscal year 2006-07 was developed to meet the obligation for debt service and deferred maintenance while maintaining acceptable levels of service and price competitiveness. The following key elements comprise the proposed budget:

### REVENUE

1. Room and board rates are typically targeted to generate sufficient revenues to support proposed expenditures. For fiscal year 2006-07, \$2.6 million of interest earnings on bond proceeds will be used to buy-down the rate to 5.5%. The overall rate for the traditional freshman room with a full meal plan is proposed at \$6,764 for the academic year (page 4-10).

The university will need to engage in multi-year planning to determine appropriate room and board rates and expenditure requirements. At current service levels, rate increases would have to be increased at approximately 7.5% annually through fiscal year 2010-11 to provide adequate debt service coverage.

2. Factors contributing to a rate increase above the consumer price index of 2.1% include:
  - Funding of debt service
  - Funding salary and fringe increases (page 4-5)
  - Funding increased utility expenses (page 4-5)
3. The proposed rate schedule for 2006-07 is:

Traditional Double Room	\$3,324 (5.5 % increase)
Renovated Double/Suite Style	\$3,674 (5.5 % increase)
Large Suite/Apartment	\$4,024 (5.5 % increase)
Full Meal Plan	\$3,440 (5.5 % increase)
4. Comparative estimated proposed FY07 “Base” annual room and board rates for Colorado institutions are as follows:

CU	\$8,428	(24.6% Higher than UNC)
CSU	\$6,602	(2.1% Lower than UNC)
UNC	\$6,764	
5. A summary of significant adjustments to the revenue lines in the budget from 2005-06 to 2006-07 include:
  - The 5.5% room and board rate increase necessary to fund operations and debt service.

- The \$20 increase on parking permits necessary to fund operations and debt service.

## **EXPENSES**

1. This budget reflects the fully staffed operation of Auxiliary Services. The level of expenditures requested are necessary to deliver Dining, Housing and Other services to the University community at a level adequate to maintain a positive atmosphere for recruitment and retention of students.
2. Net revenues (revenue over expenses) are dedicated in the bond covenants for debt service. The debt service requirement is approximately \$6.2 million (page 1-9).
3. Net revenues after debt service payments are dedicated to Auxiliary Services deferred maintenance and facility improvement. The amount budgeted for the 2006-07 year is approximately \$1.0 million.
4. A summary of significant adjustments to the expense lines in the budget from 2005-06 to 2006-07 include (page 4-5):
  - Projected increases in employee salaries and fringe benefits.
  - Projected increases in OCE, including utilities.
  - Increases in maintenance, and grounds services provided by Facility Operations.

## **FUND BALANCES**

1. Auxiliary Services maintains a fund balance in the operating fund to cover inventory and working capital. This fund balance fluctuates with activity but is anticipated to be about \$2.7 million.
2. Unexpended plant fund balance is currently estimated to be \$5.4 million. Bond covenants require that \$750,000 be reserved. Past UNC practice has been to have in reserve an amount equivalent to one year's debt service payments. With the increased debt service, this is not possible for fiscal year 2006-07 and unlikely for several years.

**Auxiliary Services**  
**Budget Request Summary - FY07**  
**Summary of Auxiliary Facilities Fund**

	2004-05 Actual	2005-06 Approved Budget	2006-07 Operating Changes		2006-07 Requested Budget
<b>Revenue, Expense, Transfers:</b>					
<b>Revenue</b>					
Revenue	26,482,775	27,288,059	1,606,154		28,894,213
Less: Cost of Sales	3,262,989	2,943,448	96,997		3,040,445
<b>Adjusted Gross Revenue</b>	<b>23,219,786</b>	<b>24,344,611</b>	<b>1,509,157</b>		<b>25,853,768</b>
<b>Expense</b>					
Total Prof. Services	1,037,297	1,182,862	305,490		1,488,352
Total Support Services	5,468,587	6,634,524	212,404		6,846,928
<b>Total Personnel</b>	<b>6,505,884</b>	<b>7,817,386</b>	<b>517,894</b>		<b>8,335,280</b>
Total OCE and Travel (pg. 4-5)	9,621,436	11,243,266	885,605		12,128,871
Total Capital Outlay	39,745	106,024	(86,024)		20,000
<b>Total Expense</b>	<b>16,167,065</b>	<b>19,166,676</b>	<b>1,317,475</b>		<b>20,484,151</b>
<b>Adjusted Gross Revenue Over/(Under) Expense</b>	<b>7,052,721</b>	<b>5,177,935</b>	<b>191,682</b>		<b>5,369,617</b>
<b>Mandatory Transfers</b>					
* Debt Service	3,186,843	3,182,913	2,967,734		6,150,647
Interest from bond proceeds			(2,600,000)		(2,600,000)
<b>Non-Mandatory Transfers</b>					
Deferred Maintenance Transfers	3,225,878	1,312,821	(216,206)		1,096,615
Enterprise Fee	640,000	682,201	40,154		722,355
<b>Total Transfers</b>	<b>7,052,721</b>	<b>5,177,935</b>	<b>191,682</b>		<b>5,369,617</b>
<b>Balance</b>	<b>0</b>	<b>(0)</b>	<b>(0)</b>		<b>(0)</b>

\* Based on Pledged Net Revenue.

Shift of 1 FTE from classified, .10 FTE to another funding source and 8 FTE for residence hall directors

<b>FTE Section</b>					
<b>Professional Staff</b>					
Prof Exempt	19.00	21.00	8.90		29.90
<b>Support Staff</b>					
Classified	116.15	116.57	(1.00)		115.57
<b>Total FTE</b>	<b>135.15</b>	<b>135.15</b>	<b>7.90</b>		<b>145.47</b>

**Auxiliary Services**  
**Budget Request Summary - FY07**  
**Summary of Auxiliary Facilities Fund**  
**Source and Application of Funds**

<b>Title</b>	<b>2004-05 Actual</b>	<b>2005-06 Approved Budget</b>	<b>2006-07 Operating Changes</b>	<b>2006-07 Requested Budget</b>
<b>Revenue Sources</b>				
Housing and Food Contracts	19,848,474	20,836,506	1,499,072	22,335,578
Parking Revenues	1,719,366	1,778,105	205,555	1,983,660
Other Aux. Sales and Services	4,914,935	4,673,448	(98,473)	4,574,975
Interest from Bond Proceeds			2,600,000	2,600,000
<b>Total Revenue</b>	<b>26,482,775</b>	<b>27,288,059</b>	<b>4,206,154</b>	<b>31,494,213</b>
<b>Expenditure Classifications</b>				
Cost of Sales	3,262,989	2,943,448	96,997	3,040,445
Personal Services	6,505,884	7,817,386	517,894	8,335,280
Other Current Expense (1)	7,586,942	8,704,288	272,736	8,977,024
Utilities (2)	2,034,494	2,538,978	612,869	3,151,847
Capital Outlay, Operations	39,745	106,024	(86,024)	20,000
Transfer to Debt Service	3,186,843	3,182,913	2,967,734	6,150,647
Transfer for Enterprise Fee	640,000	682,201	40,154	722,355
Available for Deferred Maintenance	3,225,878	1,312,821	(216,206)	1,096,615
<b>Total Expense and Transfers</b>	<b>26,482,775</b>	<b>27,288,059</b>	<b>4,206,154</b>	<b>31,494,213</b>

(1) Auxiliary Services obtains services from UNC and pays for the cost of those services. These are included in the OCE category. These services comprise 19.5% of Auxiliary Services' total budget, or 26.1% of operating expense budget for FY 06-07. The substantial increase in this category includes passed through salary and fringe increases on these services.

(2) In past presentations of budgets, telephone service has been included in utilities. This presentation includes telephone service in OCE.

**Purchase of Services From UNC**

Administrative Overhead	1,484,006
Grounds	289,753
Utility Production	182,358
Police Department Services	690,255
Custodial Services	1,723,946
Building Repair and Maintenance	1,781,510
<b>Total Purchased Services from UNC</b>	<b>6,151,828</b>

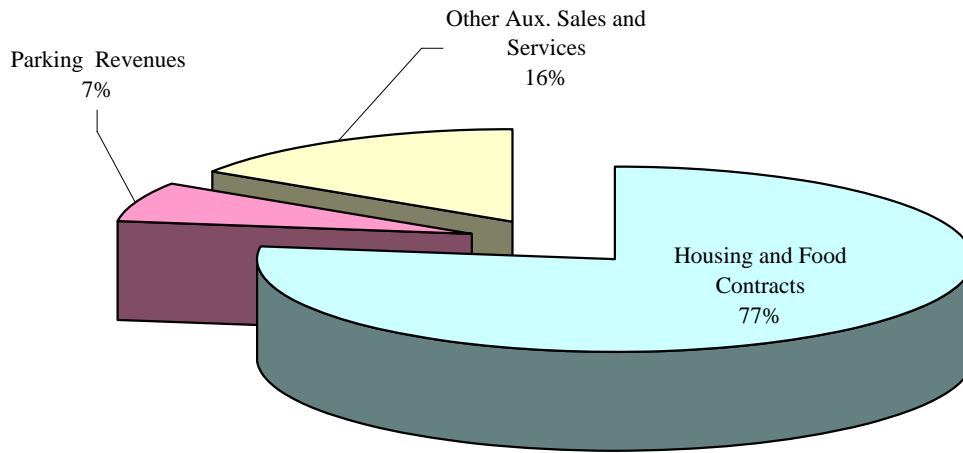
**Auxiliary Services**  
**Budget Request Summary - FY 2006-07**  
**Schedule of Operating Changes**

Title	2005-06 Budget	Change	2006-07 Budget	% change from prior year
Administrative Contract FT	\$1,154,396	\$98,056	\$1,252,452	8.49%
Administrative Fringe Benefits	\$208,946	\$74,108	\$283,054	35.47%
Classified Regular FT Wages	\$3,460,971	\$103,829	\$3,564,800	3.00%
Classified Fringe	\$626,436	\$179,209	\$805,645	28.61%
Other Support Services	\$2,366,637	\$62,692	\$2,429,329	2.65%
<b>Personal Services</b>	<b>\$7,817,386</b>	<b>\$517,894</b>	<b>\$8,335,280</b>	6.62%
All other OCE	\$2,336,002	\$2,284	\$2,338,286	0.10%
Cable Services	\$149,754	\$8,586	\$158,340	5.73%
ResNet Connection	\$307,768	\$20,802	\$328,570	6.76%
Admin Overhead	\$1,397,380	\$86,626	\$1,484,006	6.20%
Grounds Cost Allocation	\$276,368	\$13,385	\$289,753	4.84%
Utility Cost Allocation	\$170,192	\$12,166	\$182,358	7.15%
Custodial Cost Allocation	\$1,723,946	\$0	\$1,723,946	0.00%
Building/Equipment Cost Allocation	\$1,701,588	\$79,922	\$1,781,510	4.70%
Police Services Cost Allocation	\$641,290	\$48,965	\$690,255	7.64%
<b>Subtotal other OCE and Travel</b>	<b>\$8,704,288</b>	<b>\$272,736</b>	<b>\$8,977,024</b>	3.13%
Trash Service	\$87,361	\$2,862	\$90,223	3.28%
Electricity	\$791,995	\$132,916	\$924,911	16.78%
Heating	\$1,152,369	\$539,625	\$1,691,994	46.83%
Energy Conservation	\$224,208	\$0	\$224,208	0.00%
Water and Sewer	\$283,045	(\$62,534)	\$220,511	-22.09%
<b>Subtotal Utilities</b>	<b>\$2,538,978</b>	<b>\$612,869</b>	<b>\$3,151,847</b>	24.14%
<b>Total OCE and Travel</b>	<b>\$11,243,266</b>	<b>\$885,605</b>	<b>\$12,128,871</b>	7.88%

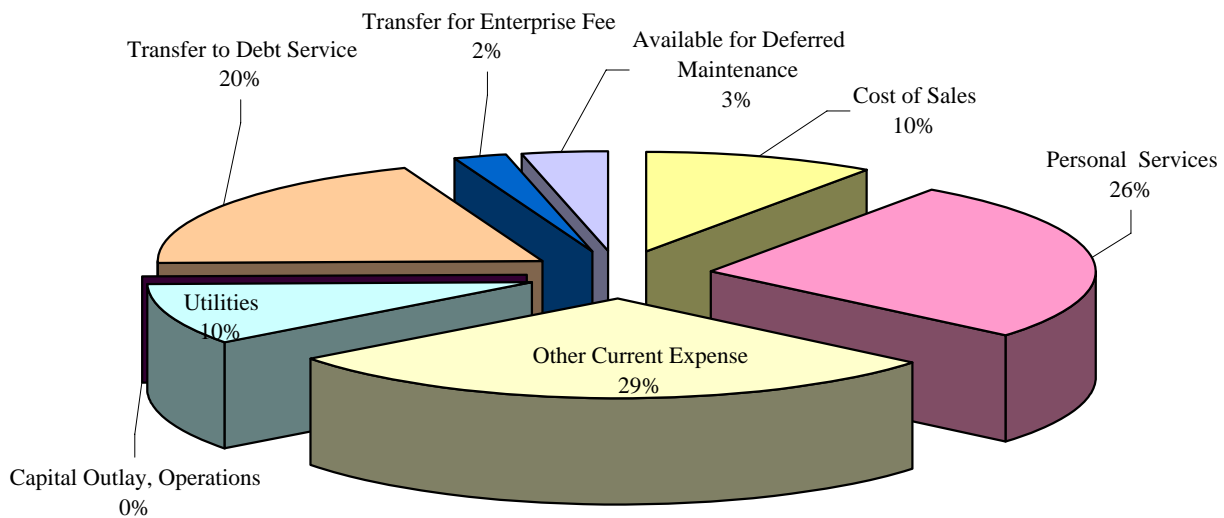


**Auxiliary Services  
Budget Request Summary - FY07  
Summary of Auxiliary Facilities Fund  
Source and Application of Funds**

**Revenues**



**Expenses**



**Auxiliary Services**  
**Budget Request Summary - FY07**  
**Summary of Auxiliary Facilities Fund**  
**Margin Analysis**

Title	2004-05		2005-06		2005-06		2006-07	
	Actual		Approved Budget		Projected		Requested Budget	
<b>Revenue Sources</b>								
Housing and Food Contracts	\$19,848,474		\$20,836,506		\$20,836,506		\$22,335,578	
Parking Revenues	1,719,366		1,778,105		1,778,105		1,983,660	
Other Aux. Sales and Services	4,914,935		4,673,448		4,673,448		4,574,975	
Interest from Bond Proceeds							2,600,000	
<b>Total Revenue</b>	<b>26,482,775</b>		<b>27,288,059</b>		<b>27,288,059</b>		<b>31,494,213</b>	
<b>Expenditure Classifications</b>								
Cost of Sales	3,262,989	12.32%	2,943,448	10.79%	3,000,000	10.99%	3,040,445	9.65%
Personal Services	6,505,884	24.57%	7,817,386	28.65%	7,507,386	27.51%	8,335,280	26.47%
Other Current Expense	2,166,223	8.18%	2,828,549	10.37%	2,828,549	10.37%	2,825,196	8.97%
Utilities	2,034,494	7.68%	2,538,978	9.30%	2,788,978	10.22%	3,151,847	10.01%
Facility Services (grounds, custodial, building maintenance)	3,588,513	13.55%	3,872,094	14.19%	3,872,094	14.19%	3,977,567	12.63%
Police Department Services	505,103	1.91%	641,290	2.35%	641,290	2.35%	690,255	2.19%
Capital Outlay, Operations	39,745	0.15%	106,024	0.39%	106,024	0.39%	20,000	0.06%
<b>Net Revenues in excess of Operating Expenses</b>	<b>8,379,824</b>	<b>31.64%</b>	<b>6,540,290</b>	<b>23.97%</b>	<b>6,543,738</b>	<b>23.98%</b>	<b>9,453,623</b>	<b>30.02%</b>

**Auxiliary Units**  
**Preliminary Capital Improvement Planning Schedule**  
**Fiscal Years 2006-07 through 2010-11**

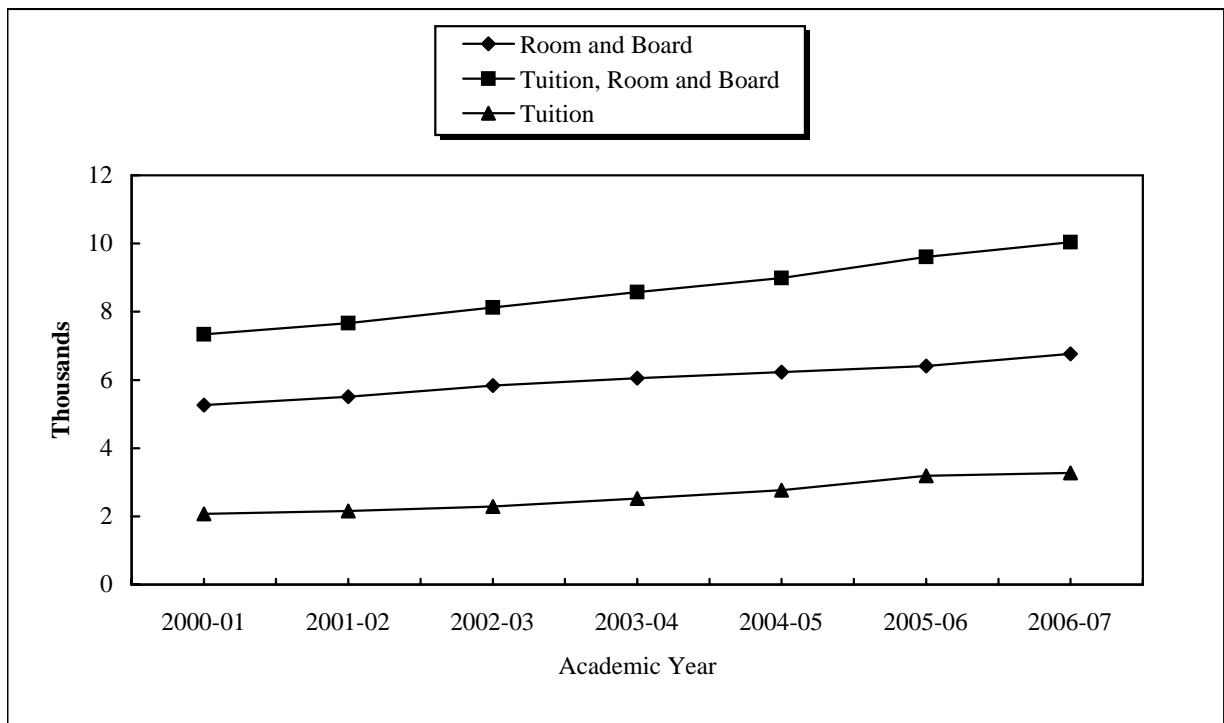
Item	Description	Amount
<b>FISCAL YEAR 2007</b>	Harrison Fire Protection	500,000
	Hazardous Material Abatement	25,000
	Lawrenson Kitchen Replacement Phase I	100,000
	Turner Roof Replacement & Lawrenson Parapet / Flashing	100,000
	University Apartments West Hall Roof Replacement	65,000
	UC Ballroom Refresh	400,000
	Harrison Hall Academic Center	150,000
	UC Section E Roof Repair	50,000
	Lawrenson Hall CATV Cabling	250,000
	Harrison Hall Lobby Refresh	100,000
	TK HVAC Improvements	60,000
	TK Servery Remodel	60,000
<b>Total</b>		<b>1,860,000</b>
<b>FISCAL YEAR 2008</b>	Harrison Hall Fire Protection	500,000
	Lawrenson Kitchen Replacement Phase II	100,000
	TK Servery Remodel	180,000
	Lawrenson Plumbing Re-Piping Phase I	100,000
	Harrison Hall Perimeter Landscaping Phase I	100,000
	Harrison Hall Student Room Remodel	150,000
	West Campus Residence Hall FFE	350,000
	UC Exterior Structural Repairs Phase I	100,000
	UC Panorama Servery Remodel	60,000
	Residence Hall & Dining Room Surveillance CCTV	150,000
<b>Total</b>		<b>1,790,000</b>
<b>FISCAL YEAR 2009</b>	Harrison Hall Landscaping Phase II	100,000
	Hazardous Material Abatement	25,000
	Holmes Dining Room Elevator Door Automation	75,000
	Lawrenson Plumbing Re-Piping Phase II	100,000
	Harrison Hall Student Room Window Pkg. Phase I	500,000
	Harrison Hall Section B Roof Replacement	150,000
	Martin & Warren Roof Replacement	30,000
	Holmes Dining Hall Trash Compactor Replacement	33,000
	UC Computer Commons Refresh	100,000
	UC Food Court Remodel Phase I	500,000
	TK Dining Room Painting	150,000
<b>Total</b>		<b>1,763,000</b>
<b>FISCAL YEAR 2010</b>	Harrison Hall Student Room Window Pkg. Phase II	500,000
	Starbucks / Taco Bell Reface	100,000
	UC Food Court Remodel Phase II	500,000
	West Campus Residence Hall FFE	500,000
	UC Panorama Re-paint	50,000
	UC Exterior Structural Repairs Phase II	150,000
<b>Total</b>		<b>1,800,000</b>
<b>FISCAL YEAR 2011</b>	Harrison Hall Court Yard Re-fresh	200,000
	Turner Hall Chiller Replacement	450,000
	Holmes Dining Room East Patio Site Amenities	25,000
	Presidents Row Roof Replacement	200,000
	West Campus Storage Tank Replacement	75,000
	UC Exterior Door Replacement	75,000
	UC Section C Roof Replacement	100,000
	UC Terrazzo Floor Refinish	25,000
	UC Room Partition Replacement	25,000
<b>Total</b>		<b>1,175,000</b>

**Auxiliary Services**  
**Fiscal Year 2006-07**

**Room and Board Program Rate History**  
**(Base Rate, Room and Board)**

	<u>Fiscal Year</u>	<u>Base Rate</u>	<u>Dollar Increase</u>	<u>Percentage Increase</u>
Proposed	2006-07	\$6,764	\$352	5.50%
	2005-06	\$6,412	\$186	3.00%
	2004-05	\$6,226	\$172	3.00%
	2003-04	\$6,054	\$222	4.00%
	2002-03	\$5,832	\$320	5.81%
	2001-02	\$5,512	\$244	4.60%
	2000-01	\$5,268		

Rates were restated to reflect Res-Net Charges



Tuition shown for comparison only.

**Auxiliary Services  
Room and Board Revenue Schedule  
FY 2006-07**

<b>Room Contracts</b>		Per Semester			
	Base Room Rate	\$	1,662	5.50%	
	Facility Increment	\$	175	5.50%	
	19 Meal Board Plan	\$	1,720	5.50%	

<b>Location</b>	Resident Capacity		Approved FY 2005 - 06 Rate	<b>5.50%</b>	FY 06-07 Revenue Projection 96.00%
				<b>FY 2006-07 Proposed Rate</b>	
Belford	53	\$	3,482	\$ 3,674	186,933
Gordon	28		3,482	3,674	98,757
Decker	28		3,482	3,674	98,757
Sabin	33		3,482	3,674	116,392
Snyder	103		3,482	3,674	363,285
Faculty	202		3,814	4,024	780,334
Wilson	282		3,482	3,674	994,625
Wiebking	246		3,482	3,674	867,652
McCowen	504		3,150	3,324	1,608,284
Harrison	542		3,150	3,324	1,729,544
Turner	614		3,482	3,674	2,165,603
Hansen - Willis	108		3,814	4,024	417,208
Lawrenson	438	\$	3,814	\$ 4,024	1,692,012
Total	3181				\$ 11,119,386

<b>Meal Contracts</b>					
Meal Mandatory Beds	2751	\$	3,262	\$ 3,440	9,084,902
Base Rate Change			6,412	6,764	
Annual Average Rate		\$	6,412	\$ 6,764	\$20,204,288
Optional Meal contracts					\$1,123,000
University Apartments					\$697,442
Off Campus Housing					\$189,287
Faculty Apartments					\$0
Design Single Premium					\$ 60,901
Sorority					\$ 60,660
<b>Total room and board contract Revenue Projection</b>					<b>\$22,335,578</b>

**Parking Services  
Parking Permit Fee Schedule  
Fiscal Year 2006-07**

<b>Description</b>	<b>Fiscal Year 2005-2006</b>	<b>Fiscal Year 2006-2007</b>
Student Annual	150.00	170.00
Student Semester	115.00	135.00
Student-K Annual	180.00	200.00
Student-K Semester	135.00	155.00
Faculty/Staff Annual	170.00	190.00
Faculty/Staff Semester	125.00	145.00
Faculty/Staff-K Annual	190.00	210.00
Graduate Assistant Annual	170.00	190.00
Disabled Student	150.00	170.00
Disabled Faculty	170.00	190.00
Cycle -- Full Year	105.00	105.00
Cycle -- With Another Vehicle Permit	65.00	65.00
Bicycle -- 4 years	5.00	5.00
Service Permit Annual	190.00	210.00
Service Permit Monthly	65.00	65.00
Service Permit Daily	7.00	7.00
Daily Visitor Permit (Internal Customer)	2.50/Day	2.50/Day
Daily Visitor Permit (External Customer)	3.50/Day	3.50/Day
Daily Dispenser Permit	3.00/Day	3.00/Day
Parking Lot Buyout - A, L & M	200 Half Day/400 Full	200 Half Day/400 Full
Parking Lot Buyout - Y-Lot	300 Half Day/600 Full	300 Half Day/600 Full

**Comparison Data**

CSU Student (commuter and res hall)	\$85 to \$110	\$85 to \$110
CSU Staff	\$95	\$95

CSU is planning a minimum \$20 per year multi-year increase beginning 07-08

CU Student (mid distance to res hall)	\$255 to \$323	tbd
CU Staff (mid distance to close)	\$312 to \$474	\$321 to \$489

**Parking Services  
Five Year Maintenance Plan**

<b>Parking Lot</b>	<b>Description</b>	<b>Amount</b>
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<b>FY2006-07</b>		
<b>R-Lot (Upper)</b>	Fabric - Overlay	14,418
<b>P-Lot</b>	Fabric - Overlay	43,338
<b>Total</b>		<b>57,756</b>

<b>FY2007-08</b>		
<b>L-Lot</b>	Fabric - Overlay	<b>69,162</b>

<b>FY2008-09</b>		
<b>M-Lot</b>	Fabric - Overlay	<b>95,220</b>

<b>FY2009-10</b>		
<b>1/2 J-Lot</b>	Fabric - Overlay	<b>125,304</b>

<b>FY2010-11</b>		
<b>1/2 J-Lot</b>	Fabric - Overlay	<b>125,304</b>