

UNIVERSITY *of*
NORTHERN COLORADO



**PROPOSED OPERATING BUDGET
FISCAL YEAR 2008-2009**

MAY 9, 2008



Office of the Vice President for Administration

TO: University of Northern Colorado Board of Trustees

FROM: Randal Haack, Senior Vice President for Administration and Chief Financial Officer

Date: April 30, 2008

RE: For information and discussion-Fiscal Year 2008/2009 (FY09) Operating Budget

Attached is information pertaining to the FY09 budget. Overall this budget will allow the University of Northern Colorado to continue to serve students even though the overall fiscal resources are marginal. The proposed expenditures will focus on the recruitment and retention of students to regain lost enrollment and reward faculty and staff for their continued service during financially challenging times. Adjustments in tuition and fees are proposed but so has financial aid been increased to ensure access and to supplement student recruitment. The fees recommended will also provide students with tangible and much needed benefits, in such critical areas as technology.

The University Academic Plan provided the following priorities for the budget process.

- Goal 1: Create an exemplary teaching and learning community
- Goal 2: Build a superior faculty of teacher-scholars
- Goal 3: Be a model for transformational learning that integrates all aspects of students' UNC experience
- Goal 4: Build a staff that is dedicated to the teaching and learning community
- Goal 5: Engage the greater community as partners in teaching and learning

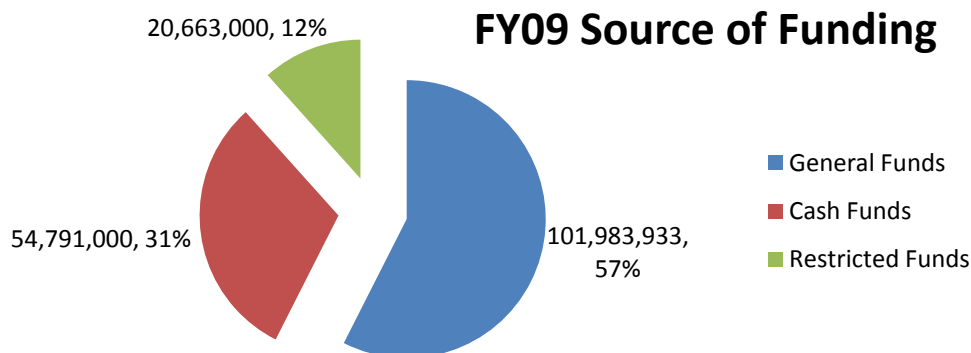
Revenue is based upon a 5% enrollment decline in addition to the 3% decline from budget in FY08. Recruitment and retention is a University priority and there are areas which will receive additional monies (Public Relations -\$250,000 and Academic Advising-\$150,000) to assist in this effort. With regard to scholarships, funds have been allocated to assist with need-based financial aid and to help recruit students to the University.

The student share of tuition is proposed to increase 9.5% for both residents and nonresidents. In FY07 we instituted a differential tuition for Nursing, Music, Theatre and Business but because of last minute changes to the state budget we used the differential tuition revenue to backfill the overall university budget rather

than direct some of it to those programs. For FY09, we recommend changing this approach, directing one-third of the differential tuition revenue back to the programs for enhancement. We will continue the examination of our approach to differential tuition to determine its most effective use.

With regard to fees (technology, instructional-classroom consumables, library learning materials and student services-health operations and counseling), that we discussed with the Board of Trustees at our April 14th working session we have revised our approach to a more gradual reinstitution of fees. We are therefore recommending moving forward with only the technology fee, which will provide enhanced technology services to UNC students, including additional smart classrooms and technology support. While instituting the fees previously under consideration would move the University of Northern Colorado in line with the fee structure of the other public universities in Colorado to do so could raise unnecessary issues with the statehouse and adversely impact recruitment and retention. Recent discussions at the state level have introduced the potential for capital fees to address construction and renovation of buildings, although none were mandated at this time. We recognize the significant need for consumables funding and the increased costs of the library. Those needs will be addressed to the extent possible with one-time funding as has been the practice in recent years.

The University of Northern Colorado proposed budget is approximately \$177 million. This budget can be thought of as three parts: approximately \$102 million is general funds, \$55 million is cash funds and \$20 million is restricted funds. The summary of all funds can be found on page 4. The graph below illustrates the exact dollars figures and percentages for funding for FY09.



To compare the budget to the audited financial statements, adjustments are required. For example the financial statement reduces revenue by scholarship allowance, eliminates the effect of internal sales, and reflects depreciation which is not budgeted.

The attached materials are organized as follows:

Budget Summary	page 4
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Cash Funds and Debt Service	page 7-10
Restricted Funds	page 11
Tuition and Fees	page 12-17
University Funding Priorities Guidelines	page 18-20

University of Northern Colorado
FY09 Budget Summary
Summary of All Funds

REVENUE	Current Budget FY08	Proposed Budget FY09	Change	
			Amount	Percent
Resident Tuition	\$ 38,789,698	\$ 39,115,826	\$ 326,128	0.84%
COF Stipend	22,833,440	21,735,096	(1,098,344)	-4.81%
Non-Resident Tuition	12,721,198	12,975,694	254,496	2.00%
Other Tuition	1,472,093	1,268,935	(203,158)	-13.80%
Fee For Service (COF)	18,379,337	22,351,215	3,971,878	21.61%
Long Bill Appropriated Fees	777,890	2,977,890	2,200,000	282.82%
Sub Total Appropriated Revenue	94,973,656	100,424,656	5,451,000	5.74%
Extended Studies Tuition	5,289,000	5,448,000	159,000	3.01%
Extended Studies Fees	680,000	680,000	0	0.00%
Student Fees	8,032,000	7,668,000	(364,000)	-4.53%
Grants and Contracts	19,632,000	19,837,000	205,000	1.04%
Room and Board	23,147,000	23,079,000	(68,000)	-0.29%
Other Auxiliary Services Revenue	5,351,000	5,574,000	223,000	4.17%
Investment Income	1,029,671	1,029,671	0	0.00%
Other Internal Income	5,390,000	5,705,000	315,000	5.84%
Other Revenue	7,614,606	7,992,606	378,000	4.96%
TOTAL OPERATING REVENUES	171,138,933	177,437,933	6,299,000	3.68%
EXPENDITURES				
PERSONNEL EXPENSES				
Faculty Salaries	33,852,916	35,160,116	1,307,200	3.86%
TA Salary and Scholarships	1,825,689	1,825,689	0	0.00%
Exempt Salaries	19,853,172	20,449,172	596,000	3.00%
GA Salary and Scholarships	1,175,362	1,175,362	0	0.00%
Classified Salaries	20,826,100	21,719,400	893,300	4.29%
Other Salaries	4,416,004	4,495,004	79,000	1.79%
Fringe Benefits	18,642,334	19,501,934	859,600	4.61%
Other	10,500	10,500	0	0.00%
TOTAL PERSONNEL EXPENSES	100,602,077	104,337,177	3,735,100	3.71%
NONPERSONNEL EXPENSES				
Cost of Sales	8,251,000	8,501,000	250,000	3.03%
Other Current Expense	22,087,674	23,150,974	1,063,300	4.81%
Scholarships	18,598,329	19,542,329	944,000	5.08%
Utilities	8,421,478	8,441,978	20,500	0.24%
Risk Management	147,600	147,600	0	0.00%
Travel	1,995,637	1,995,637	0	0.00%
Capital	2,822,638	2,801,238	(21,400)	-0.76%
TOTAL NONPERSONNEL EXPENSES	62,324,356	64,580,756	2,256,400	3.62%
TRANSFERS				
Transfers	8,212,500	8,520,000	307,500	3.74%
TOTAL TRANSFERS	8,212,500	8,520,000	307,500	3.74%
TOTAL EXPENDITURES/TRANSFERS	171,138,933	177,437,933	6,299,000	3.68%
REVENUES LESS EXPENDITURES	\$ -	\$ -	\$ -	

University of Northern Colorado
FY09 Budget Summary
General Funds
(Stipend, FFS, Tuition, Academic Fees, Other)

REVENUE	Current Budget FY08	Proposed Budget FY09	Change	
			Amount	Percent
Resident Tuition	\$ 38,789,698	\$ 39,115,826	\$ 326,128	0.84%
COF Stipend	22,833,440	21,735,096	(1,098,344)	-4.81%
Non-Resident Tuition	12,721,198	12,975,694	254,496	2.00%
Other Tuition	1,472,093	1,268,935	(203,158)	-13.80%
Fee For Service (COF)	18,379,337	22,351,215	3,971,878	21.61%
Long Bill Appropriated Fees	777,890	2,977,890	2,200,000	282.82%
Sub Total Appropriated Revenue	94,973,656	100,424,656	5,451,000	5.74%
Investment Income	509,671	509,671	0	0.00%
Other Revenue	1,018,606	1,049,606	31,000	3.04%
TOTAL OPERATING REVENUES	96,501,933	101,983,933	5,482,000	5.68%
EXPENDITURES				
PERSONNEL EXPENSES				
Faculty Salaries	30,116,616	31,320,616	1,204,000	4.00%
TA Salary and Scholarships	1,825,689	1,825,689	0	0.00%
Exempt Salaries	13,417,372	13,820,372	403,000	3.00%
GA Salary and Scholarships	1,175,362	1,175,362	0	0.00%
Classified Salaries	16,209,600	16,904,600	695,000	4.29%
Other Salaries	1,399,604	1,441,604	42,000	3.00%
Fringe Benefits	14,458,534	15,137,534	679,000	4.70%
TOTAL PERSONNEL EXPENSES	78,602,777	81,625,777	3,023,000	3.85%
NONPERSONNEL EXPENSES				
Other Current Expense	3,815,674	5,330,674	1,515,000	39.70%
Scholarships	6,429,329	7,373,329	944,000	14.68%
Utilities	4,786,978	4,786,978	0	0.00%
Risk Management	400	400	0	0.00%
Travel	322,137	322,137	0	0.00%
Capital	2,685,638	2,685,638	0	0.00%
TOTAL NONPERSONNEL EXPENSES	18,040,156	20,499,156	2,459,000	13.63%
TRANSFERS				
Transfers	-141,000	-141,000	0	0.00%
TOTAL TRANSFERS	-141,000	-141,000	0	0.00%
TOTAL EXPENDITURES/TRANSFERS	96,501,933	101,983,933	5,482,000	5.68%
REVENUES LESS EXPENDITURES	\$ -	\$ -	\$ -	-

University of Northern Colorado

FY09 Budget Summary

Summary of Changes to Expenditures and Revenue

Expenditures			Base Budget FY08	<u>\$96,501,933</u>
PERSONNEL EXPENSES				
Faculty Salaries (Increase pool)	3%		815,000	
Faculty Salary Parity (Increase pool)	1%		300,000	
Summer Faculty(Increase pool)	3%		89,000	
Exempt Salaries(Increase pool)	3%		403,000	
Classified Salaries (Increase pool)	4.3%		695,000	
Student Hourly & Other Salaries (pool)	3%		42,000	
Fringe Benefits on Salary Increases			679,000	
Total Change in Personnel Expenses				<u>3,023,000</u>
OTHER CURRENT EXPENSES (OCE)				
Audit Costs			20,000	
Public Health Consortium			100,000	
Public Relations			250,000	
Technology Enhancement			1,100,000	
Academic Advising			150,000	
Differential Tuition			225,000	
Increase in recovery for administrative services from cash funds			-330,000	
Total Change in OCE				<u>1,515,000</u>
SCHOLARSHIPS				
Need Based			418,000	
Recruitment /Incentives			526,000	
Total Change in Scholarships				<u>944,000</u>
Total Change in Expenditures				<u>5,482,000</u>
Proposed Expenditures FY09				<u>\$101,983,933</u>

Revenues			Base Budget FY08	<u>\$96,501,933</u>
Estimated FY08 Enrollment Adjustment			-2,800,000	
Projected FY09 Enrollment Adjustment			-3,667,000	
FY09 Tuition Increase (Student Share)	9.50%		6,787,859	
COF Stipend and FFS Increase FY09			2,930,141	
Proposed Technology Fee			2,200,000	
Other Revenue			31,000	
Total Change in Revenue				<u>5,482,000</u>
Projected Revenue FY09				<u>\$101,983,933</u>

University of Northern Colorado
FY09 Budget Summary
Cash Funds

(Extended Studies, Student Fees, Auxiliary Services, Other Cash)

REVENUE	Current Budget FY08	Proposed Budget FY09	Change	
			Amount	Percent
Extended Studies Tuition	\$ 5,289,000	\$ 5,448,000	\$ 159,000	3.01%
Extended Studies Fees	680,000	680,000	0	0.00%
Student Fees	8,032,000	7,668,000	(364,000)	-4.53%
Grants and Contracts	61,000	61,000	0	0.00%
Room and Board	23,147,000	23,079,000	(68,000)	-0.29%
Other Auxiliary Services Revenue	5,351,000	5,574,000	223,000	4.17%
Investment Income	301,000	301,000	0	0.00%
Other Internal Income	5,390,000	5,705,000	315,000	5.84%
Other Revenue	5,928,000	6,275,000	347,000	5.85%
TOTAL OPERATING REVENUES	54,179,000	54,791,000	612,000	1.13%
EXPENDITURES				
PERSONNEL EXPENSES				
Faculty Salaries	2,308,300	2,354,500	46,200	2.00%
Exempt Salaries	4,698,800	4,839,800	141,000	3.00%
Classified Salaries	4,424,500	4,614,800	190,300	4.30%
Other Salaries	1,793,400	1,793,400	0	0.00%
Fringe Benefits	3,107,800	3,237,400	129,600	4.17%
Other	10,500	10,500	0	0.00%
TOTAL PERSONNEL EXPENSES	16,343,300	16,850,400	507,100	3.10%
NONPERSONNEL EXPENSES				
Cost of Sales	8,251,000	8,501,000	250,000	3.03%
Other Current Expense	15,412,000	14,960,300	(451,700)	-2.93%
Scholarships	280,000	280,000	0	0.00%
Utilities	3,634,500	3,655,000	20,500	0.56%
Risk Management	145,200	145,200	0	0.00%
Travel	1,313,500	1,313,500	0	0.00%
Capital	97,000	75,600	(21,400)	-22.06%
TOTAL NONPERSONNEL EXPENSES	29,133,200	28,930,600	(202,600)	-0.70%
TRANSFERS				
Transfers	8,702,500	9,010,000	307,500	3.53%
TOTAL TRANSFERS	8,702,500	9,010,000	307,500	3.53%
TOTAL EXPENDITURES/TRANSFERS	54,179,000	54,791,000	612,000	1.13%
REVENUES LESS EXPENDITURES	\$ -	\$ -	\$ -	

**University of Northern Colorado
FY09 Budget Summary
Cash Funds
Pledged for Debt Service and Non-Pledged**

The University of Northern Colorado anticipates "Cash Revenues" to total \$54,791,000 in FY09. A portion of these revenues (\$34,603,000) are pledged for the bonds that have been issued. The remaining revenues are for a variety of functions that support the activities of the University. The following describes the types of activities included in the Cash funds.

Pledged "Cash" Revenues; Housing and Dining Services, Parking Services, Rec Center, Health and Counseling Centers, Women's Resource Center and Recreation and Athletic facilities.	\$ 34,603,000
Non-Pledged "Cash" Revenues;	
Extended Studies	\$ 5,645,000
Athletics (student fees and other cash)	\$ 3,286,000
Student Fees (other non-pledged)	\$ 1,165,000
Bear Logic (internal computer store)	\$ 3,172,000
Mail Services	\$ 580,000
Warehouse Services	\$ 617,000
Student Orientation	\$ 512,000
Speech and Audiology Clinic	\$ 433,000
Summer Enrichment Program	\$ 515,000
Other (individual programs less than \$100,000)	\$ 4,263,000
Total "Cash Funds"	<u><u>\$ 54,791,000</u></u>

UNIVERSITY OF NORTHERN COLORADO

Actual and Projected Revenues and Expenditures

Pledged Net Revenues

	<i>Actual FY06-07</i>	<i>Estimated FY07-08</i>	<i>Estimated FY08-09</i>	<i>Estimated FY09-10</i>	<i>Estimated FY10-11</i>
Operating Revenues:					
Housing and Food Contracts	22,033,539	22,168,000	23,079,000	26,704,000	28,448,000 (1)
Short Term Room and Board	1,608,906	1,997,000	2,067,000	2,139,000	2,214,000 (2)
Student Fees	4,614,132	4,592,000	4,252,000	4,358,000	4,467,000 (3) (4)
Parking Fees	1,788,140	1,865,000	2,186,000	2,391,000	2,487,000 (5)
Other Aux Sales and Services	3,652,516	3,604,000	3,019,000	3,094,000	3,171,000 (3)
Pledged Student Tuition		7,273,000	7,637,000	8,019,000	8,420,000 (9)
Gross Revenues	33,697,233	41,499,000	42,240,000	46,705,000	49,207,000
Expenditures					
Cost of Sales	3,449,605	3,270,000	3,503,000	3,591,000	3,681,000 (3)
Personal Services	8,306,538	9,500,000	9,137,000	9,569,000	9,856,000 (6) (7)
Other Current Expenses	8,095,223	8,719,000	7,874,000	8,971,000	9,195,000 (3) (7)
Utilities	2,345,082	3,237,000	3,399,000	3,842,000	4,034,000 (8) (7)
Travel and Subsistence	91,024	72,000	72,000	72,000	72,000
Capital Outlay, Operations	180,717	20,000	67,000	67,000	67,000
Current Expenses	22,468,189	24,818,000	24,052,000	26,112,000	26,905,000
Net Revenues	11,229,044	16,681,000	18,188,000	20,593,000	22,302,000
Transfers:					
(or available for transfer)					
Debt Service	8,129,060	8,265,228	8,635,758	8,639,363	9,296,440
Less: Capitalized Interest	-2,600,000	-1,560,000	-959,000	-155,000	0 (10)
Net Debt Service	5,529,060	6,705,228	7,676,758	8,484,363	9,296,440
Capital Maintenance	4,228,835	1,189,772	1,333,242	2,325,637	2,712,560
Administrative Overhead	1,471,149	1,513,000	1,541,000	1,764,000	1,873,000
Total Transfers	11,229,044	9,408,000	10,551,000	12,574,000	13,882,000
Net Pledged Revenue After Transfers	0	7,273,000	7,637,000	8,019,000	8,420,000
Net Revenue w/o Tuition / Net Debt Service	2.03	1.40	1.37	1.48	1.49
Net Revenue with Tuition / Net Debt Service	2.03	2.49	2.37	2.43	2.40

Assumptions for 2007-08 through 2010-2011

- (1) Assumes 96% to 96.5% occupancy. Assumes 6% room and board increase for FY08 and FY09. Assumes 7.3% room and board increase for FY2010. Goal is to fund debt service obligations and provide for capital maintenance. If utility cost increase above projected room rate increases, room rates will have to be increased.
- (2) Estimated using a 3.5% growth rate
- (3) Estimated using a 2.5% growth rate.
- (4) Student Fee Referenda were approved by students in Spring of 2006 to increase student fees by \$44 per student (FY06 only) for sports and recreation facility improvements.
- (5) Parking Decal assumed to be increased \$20 each for FY08, FY09 and FY10
- (6) Estimated using a 3% growth rate
- (7) Costs will increase due to changed facilities in FY09-10.
- (8) Estimated using a 12% increase in FY07-08, 5% growth rate in other years.
- (9) Pledged revenues at the University of Northern Colorado include 10% of tuition per the bonding resolution dated 2/8/2008.
- (10) Capitalized interest originally funded by the Board's Series 2005 Bonds, plus interest on the proceeds of the Series 2005 Bonds.

Source: The University's Administrative Staff

University Of Northern Colorado Aggregate Debt Service Schedule

	Aggregate Debt Service	Auxiliary Services Debt Service (*)	Parking Services Debt Service (**)	Student Fee Debt Service (***)
Debt Svc Trfr	222,206	38,886	0	183,320
6/1/2008	8,043,022	5,826,496	652,825	1,563,701
6/1/2009	8,635,758	6,052,710	655,350	1,927,699
6/1/2010	8,639,363	6,118,555	652,377	1,868,431
6/1/2011	9,296,440	6,737,351	654,060	1,905,030
6/1/2012	9,293,356	6,973,329	650,225	1,669,803
6/1/2013	9,300,731	6,971,979	654,925	1,673,828
6/1/2014	9,292,831	6,982,079	648,950	1,661,803
6/1/2015	9,378,781	6,983,429	651,450	1,743,903
6/1/2016	9,383,094	6,979,754	649,100	1,754,240
6/1/2017	9,380,819	6,981,854	651,300	1,747,665
6/1/2018	9,383,106	6,981,279	650,850	1,750,978
6/1/2019	9,386,506	6,980,660	655,650	1,750,196
6/1/2020	9,383,856	6,977,125	653,325	1,753,406
6/1/2021	9,381,006	6,976,470	650,200	1,754,336
6/1/2022	9,381,906	6,976,600	652,450	1,752,856
6/1/2023	9,376,600	6,974,510	648,700	1,753,390
6/1/2024	9,384,775	6,979,950	654,200	1,750,625
6/1/2025	9,380,850	7,742,170	653,450	985,230
6/1/2026	9,380,100	7,747,170	646,700	986,230
6/1/2027	9,383,250	7,748,000	650,250	985,000
6/1/2028	9,381,000	7,746,250	651,500	983,250
6/1/2029	9,379,250	7,742,750	651,500	985,000
6/1/2030	9,387,250	7,752,000	650,250	985,000
6/1/2031	9,383,750	7,747,750	652,750	983,250
6/1/2032	5,188,500	3,960,000	243,750	984,750
6/1/2033	6,160,250	4,927,250	248,750	984,250
6/1/2034	6,160,250	4,925,500	248,000	986,750
6/1/2035	6,159,250	4,925,500	246,750	987,000
6/1/2036	4,926,750	4,926,750	0	0
6/1/2037	4,928,750	4,928,750	0	0
6/1/2038	4,926,000	4,926,000	0	0
6/1/2039	4,928,250	4,928,250	0	0
6/1/2040	4,929,750	4,929,750	0	0
	300,812,173	232,647,723	19,386,300	48,778,151

University of Northern Colorado

FY09 Budget Summary

Restricted Funds

(Foundation Funds to UNC, Fed and State Financial Aid, Restricted Grants, Loans and Endowments)

REVENUE	Current Budget FY08	Proposed Budget FY09	Change	
			Amount	Percent
Grants and Contracts	\$ 19,571,000	\$ 19,776,000	\$ 205,000	1.05%
Investment Income	219,000	219,000		0.00%
Other Revenue	668,000	668,000		0.00%
TOTAL OPERATING REVENUES	20,458,000	20,663,000	205,000	1.00%
EXPENDITURES				
PERSONNEL EXPENSES				
Faculty Salaries	1,428,000	1,485,000	57,000	3.99%
Exempt Salaries	1,737,000	1,789,000	52,000	2.99%
Classified Salaries	192,000	200,000	8,000	4.17%
Other Salaries	1,223,000	1,260,000	37,000	3.03%
Fringe Benefits	1,076,000	1,127,000	51,000	4.74%
Other		0		
TOTAL PERSONNEL EXPENSES	5,656,000	5,861,000	205,000	3.62%
NONPERSONNEL EXPENSES				
Other Current Expense	2,860,000	2,860,000		0.00%
Scholarships	11,889,000	11,889,000		0.00%
Risk Management	2,000	2,000		0.00%
Travel	360,000	360,000		0.00%
Capital	40,000	40,000		0.00%
TOTAL NONPERSONNEL EXPENSES	15,151,000	15,151,000	0	0.00%
TRANSFERS				
Transfers	(349,000)	(349,000)		0.00%
TOTAL TRANSFERS	(349,000)	(349,000)	0	0.00%
TOTAL EXPENDITURES/TRANSFERS	20,458,000	20,663,000	205,000	1.00%
REVENUES LESS EXPENDITURES	\$ -	\$ -	\$ -	

**University of Northern Colorado
FY09 Budget Summary
TUITION AND FEE RATES**

Section A.1	Recommended FY09		Actual FY08	Increase (Dollars)	Increase %
On-Campus Tuition (Full Time Academic Year Rates)	Per Credit	Academic Year			
<u>Resident Tuition:</u>					
Undergraduate (15 Credit Hours per Semester)	\$256.25	\$6,702.00	\$6,270	\$432.00	6.9%
College Opportunity Fund (COF) Stipend at 15 credit hours	<u>-\$92.00</u>	<u>-\$2,760.00</u>	<u>-\$2,670</u>	<u>(\$90.00)</u>	3.4%
Student Share of Tuition net of Stipend at 15 credit hours	\$164.25	\$3,942.00	\$3,600	\$342.00	9.5%
Graduate (9 Credit Hours per Semester)	\$272.75	\$4,369.50	\$3,992	\$378.00	9.5%
Graduate (12 - 16 Credit Hours per Semester)		\$5,826.00	\$5,322	\$504.00	9.5%
<u>Non-Resident Tuition:</u>					
Undergraduate (12 - 16 Credit Hours per Semester)	\$556.00	\$13,344.00	\$12,180	\$1,164.00	9.60%
Graduate (9 Credit Hours per Semester)	\$687.00	\$12,366.00	\$11,277	\$1,089.00	9.70%
Graduate (12 - 16 Credit Hours per Semester)		\$16,488.00	\$15,036	\$1,452.00	9.70%
<u>Differential Tuition: (Per Credit Hour Charge)</u>					
Music, Theatre & Nursing Courses **		\$15.00	\$15	\$0	0.0%
Business Courses **		\$20.00	\$20	\$0	0.0%

** Does not apply to General Education Courses or Individual Music Lessons

Section A.2	Recommended FY09		Actual FY08	Increase (Dollars)	Increase %
Mandatory Fees (Full Time Academic Year Rates)	Per Credit	Academic Year			
Student Activity Fees (10 or more credits per semester)	\$37.00	\$740.00	\$712.60	\$27.40	3.8%

Section A.3	Recommended FY09		Actual FY08	Increase (Dollars)	Increase %
Other Fees	Per Credit	Academic Year			
<u>Technology Fee Average Charge</u>	\$ 7.90	\$237.00		\$237.00	New
<u>Specific Charge by Major</u>					
EBS	\$ 7.35	\$220.50			
HSS	\$ 6.30	\$189.00			
NHS	\$ 8.10	\$243.00			
PVA	\$ 8.85	\$265.50			
MCB	\$ 9.15	\$274.50			
Undeclared	\$ 7.90	\$236.50			

**University of Northern Colorado
FY09 Budget Summary
TUITION AND FEE RATES**

Section B.1	Recommended FY09	Actual FY08	Increase (Dollars)	Increase %
Other Fees	Per Credit Academic Year			
<u>Auxiliary Services Room & Board Fees</u> (Academic Year base) Room rates vary depending on size of rooms and amenities. Base Board plan is known as a 19 meal plan.	\$7,784 \$3,664 to \$4,436 \$4,120	\$7,342	\$442	6.0%
<u>Parking Fees</u> Student (Annual) \$210 \$190 \$20 10.5% Student (Semester) \$145 \$145 \$0 0.0% Student K-Lot (Premium lot limited spaces- Annual) \$230 \$210 \$20 9.5% Student K-Lot (Premium lot limited spaces- Semester) \$165 \$165 \$0 0.0% Faculty/Staff (Annual) \$230 \$210 \$20 9.5% Faculty/Staff (Semester) \$155 \$155 \$0 0.0% Faculty/Staff K-Lot (Premium lot limited spaces- Annual) \$250 \$230 \$20 8.7% Graduate Assistant (Annual) \$230 \$210 \$20 9.5%				
<u>Student Health Insurance Premium Plan (Annual)</u>	\$1,750	\$1,700	\$50	2.9%
Section B.2	Recommended FY09	Actual FY08	Increase (Dollars)	Increase %
Other Fees				
<u>Study Abroad Application Fee</u>	\$300	\$300	\$0	0.0%
<u>Admission Fee</u> Freshman Application \$45 \$45 \$0 0.0% Four Year Transfer \$45 \$45 \$0 0.0% UNC Bound (Junior College Transfer) \$20 \$20 \$0 0.0% Graduate (U.S.) \$50 \$50 \$0 0.0% International (Graduate and Undergraduate) \$60 \$60 \$0 0.0% Student Success Fee \$160 \$145 \$15 10.3%				
<u>Career Service Fees</u> Teacher Employment Days \$25 \$25 \$0 0.0%	\$25	\$25	\$0	0.0%
<u>Graduation Check Fee</u>	\$25	\$25	\$0	0.0%
Section B.3	Recommended FY09	Actual FY08	Increase (Dollars)	Increase %
Off-Campus (Cash Funded Programs)				
<u>External Degree Programs Tuition</u> (Per Credit Hour Rate) (2) Undergraduate \$250 \$245 \$5 2.0% Graduate \$340 \$330 \$10 3.0% Independent Study Tuition Undergraduate \$160 \$150 \$10 6.7% Graduate \$250 \$225 \$25 11.1% Professional Development Credit Varies Varies Non-Credit or Continuing Education Unit(1) Varies Varies Contract Classes (1st hr/each additional hr) (1) Varies Varies ESL Non-Resident Remedial \$329/hr \$300/hr \$29 9.7%				
<u>Extended Study Fees</u> *Extended Studies State Funded Degree Program Fee \$35 \$35 \$0 0.0% Independent Studies Extension Fee (6 months) \$15 \$15 \$0 0.0% Independent Studies Withdrawal Fee \$25 \$25 \$0 0.0% *Per Credit Hour Rate				

(1) Tuition for Grant Funded programs and individual courses, Professional Development Credit courses, Non-Credit courses and Continuing Education Units courses shall be set at levels which ensure that at least full instructional and administrative costs associated with the courses are recovered.

(2) Differential Tuition (per credit hour charge) for Music, Theatre & Nursing courses will be \$15 and Business courses \$20

Compliance with statutory mandate to fund need-based aid with 20% of tuition revenue increase above CPI

Institutions of Higher Ed are required by statute to provide funding for need-based aid equal to 20% of any student share of tuition revenue increases above CPI. To comply with this statute, UNC has made provisions for additional need-based financial aid in FY09 totaling \$418,000. UNC's calculation of compliance for FY09 is as follows:

20% Compliance Calculation		
\$ 3,600	2008 UG Res student share	
\$ 3,942	2009 UG Res student share	
\$ 342	Total Increase	2009 student share less 2008 student share (\$3,600 - \$3,276)
\$ 79.2	CPI Increase 2.2%	2008 rate times 3.6% (\$3,600x 2.26%)
\$ 262.8	Increase greater than CPI	Total increase less CPI increase (\$342 - \$79.2)
7,960.9	SFTE (Students)	
\$2,092,125	Student Share of tuition above CPI	Increase greater than CPI times SFTE (\$262.8 X7,960.9)
\$ 418,000	20% Need-Based Aid Mandate	20% of Student Share of tuition above CPI (\$2,092,125 x 20%)

Compliance with statutory mandate (Long Bill) on tuition increase

UNC's tuition rates have been set consistent with "Footnote 22" within the state appropriations Long Bill. The "Footnote" states:

...It is the intent of the General Assembly that any effective increase in the resident undergraduate tuition rate not exceed 9.5 percent Provided that students with demonstrated financial need (Pell Levels I, II, and III) receive sufficient financial aid to limit increases in their effective tuition rates above 5.0 percent...

UNC Level 1 students will not have any unmet need resulting from an increase in tuition credit hour rates above 5% due to the increase in financial aid available to these students (Pell amounts will increase at least 9.76% or approximately \$421.00. Level 2 and Level 3 students with an "Estimated Family Contribution" (EFC) of less than \$17,546 will receive financial aid to reflect the increase in unmet need resulting from an increase in tuition credit hour rates above 5%. UNC had approximately 1,300 Level 2 and 3 students that qualified for this award in FY08.

The award per level 2 and 3 student to cover the unmet need will be \$162 for the academic year for full time resident undergraduate students. Part time students will be awarded a prorated amount. The award is calculated as follows.

Option 2 Award Calculation

FY07 Tuition	\$ 150.00	Per Credit hr
FY08 Tuition	\$ 164.25	Per Credit hr
Increase	\$ 14.25	Per Credit hr
5% footnote limit	\$ 7.50	Per Credit hr
Amt above 5%	\$ 6.75	Per Credit hr

Full Time Student,
Academic year Award \$ 162.00 12 credits and above

As part of the FY09 budget process, UNC has funded \$418,000 for need-based financial aid. One use of those funds will be to meet the requirements of the footnote. In FY08 UNC awarded a total of \$170,086 to 1,299 students to comply with the FY08 version of the footnote. A similar expense is anticipated in FY09.

Credit Hours Enrolled	Award Amount
1-5	\$ 68
6-8	\$ 108
9-11	\$ 149
12 and up (Full time)	\$ 162

**UNIVERSITY OF NORTHERN COLORADO
STUDENT FEE ALLOCATION UPDATE
FY09**

	FY08 Allocation	FY09 Allocation	Change	
STUDENT ACTIVITY FEE				
Programs				
Asian/Pacific American Student Services	21,889	22,427	538	2.5%
Cesar Chavez Cultural Center	22,147	22,694	547	2.5%
Club Sports	58,673	65,785	7,112	12.1%
GLBT Resource Office	25,739	25,739	0	0.0%
Graduate Affairs	67,717	72,989	5,272	7.8%
International Film Series	12,730	13,188	458	3.6%
Center for International Education	3,539	3,539	0	0.0%
Marcus Garvey Cultural Center	20,160	20,636	476	2.4%
Native American Student Services	21,036	21,543	507	2.4%
Student Activities	347,379	356,885	9,506	2.7%
Student Representative Council	233,672	242,084	8,412	3.6%
University Program Council	195,547	199,587	4,040	2.1%
UNC Radio Station	2,201	2,780	579	26.3%
Women's Resource Center	92,523	95,574	3,051	3.3%
SFAP PROGRAMS SUBTOTAL	\$1,124,952	\$1,165,450	\$40,498	3.6%
STUDENT FACILITIES & SERVICES FEE				
Student Services				
Administrative Services				
Bonded Facility Operating Costs				
Bonded Facility Repair & Replacement				
		Specific Allocations To Be Determined		
SUB-TOTAL FACILITIES & SERVICES FEE	\$4,966,691	\$4,554,632	(\$412,059)	-8.3%
BOND REQUIREMENTS				
UC Bond Requirements	198,000	198,000	0	0.0%
Campus Rec Center Bond Requirements	632,168	636,975	4,807	0.8%
Cassidy Hall Bond Requirements	126,425	128,550	2,125	1.7%
Recreation and Athletic Facilities	983,655	984,393	738	0.1%
SUB-TOTAL BOND REQUIREMENTS	\$1,940,248	\$1,947,918	\$7,670	0.4%
GRAND TOTAL	\$8,031,890	\$7,668,000		

University of Northern Colorado

FY09 Technology Fee

The technology fee will be charged to students on a differentiated basis by college. The fee will be charged per credit hour and average \$237 per academic year for a full-time (15 credits per semester) student. The fee will be used to support of variety of student technology including:

- Maintenance of existing smart classrooms
- Construction, maintenance and support of 30 new smart classrooms
- Blackboard learning management system software annual licenses and support
- Maintenance and support of open computing labs
- Software virtualization (software on-demand)
- Internet-based electronic personal file storage and collaboration system

A complete list is reflected below. It includes both technology that is currently funded by base dollars that will be reallocated to other priorities as well as increased student technology initiatives.

	Currently Base funded	Recommended New Items	TOTAL
<i>SmartClassrooms</i>			
o Current (original Smartclassrooms)	\$ 475,000		\$ 475,000
o Classrooms added with 1x funds	\$ -	\$ 160,845	\$ 160,845
o FY09 (Build 30 tech rooms w/ maint)		\$ 430,000	\$ 430,000
<i>Academic Personal Computer Refresh</i>			
o Colleges /Units			
o Academic Support Units (i.e. ASA, CETL, Fin Aid)			
o Faculty Refresh	\$ 208,000		\$ 208,000
o Academic Support Units	\$ 3,850		\$ 3,850
o Open Computer Labs (general use)	\$ 204,400		\$ 204,400
<i>Printer Refresh</i>			
o Colleges			
o Labs	\$ 80,000		\$ 80,000
o Academic Support Units			
<i>Academic/Instructional Software</i>			
o College*		\$ 90,000	\$ 90,000
o Academic Support Units			
<i>Blackboard Learning Management System Maintenance</i>			
o Current	\$ 48,000		\$ 48,000
o Current (Funded FY07-08 with One time funds)		\$ 111,000	\$ 111,000
o Technical Support Staff		\$ 120,000	\$ 120,000
<i>Instructional/Academic Server Refresh</i>			
o Student Fileserver Maintenance		\$ 30,000	\$ 30,000
o Software Virtualization Maintenance		\$ 30,000	\$ 30,000
<i>DSS-Tech Support</i>		\$ 48,000	\$ 48,000
<i>Academic Support Units TechSupport</i>		\$ 96,142	\$ 96,142
<i>Helpdesk</i>	\$ 60,000		\$ 60,000
GRAND TOTAL	\$ 1,079,250	\$ 1,115,987	\$ 2,195,237

University of Northern Colorado University Funding Priorities Guidelines

Board Adopted Policies 1-1-201(4) states:

University Funding Priorities Guidelines. The fiscal year budget shall conform to the following guidelines. Variations may be approved by the BOT pursuant to 1-1-201(3).

Instruction	55.00%
Research	1.25%
Public Service	0.10%
Academic Support	14.75%
Student Services	7.00%
Institutional Support	10.25%
Operation & Maintenance of Plant	8.25%
Scholarships & Fellowships	3.30%
Transfers	0.10%

This guideline was adopted for the FY02 Budget. Since the adoption of this guideline, many changes have occurred that impacted UNC's budget structure. Two of the largest impacts have been reduced state funding and an increase in UNC's commitment to scholarships. A third impact is the ability of the new Banner financial reporting system to categorize expenditures at a finer level of detail. Finally, rising utility costs have also impacted the allocation of resources.

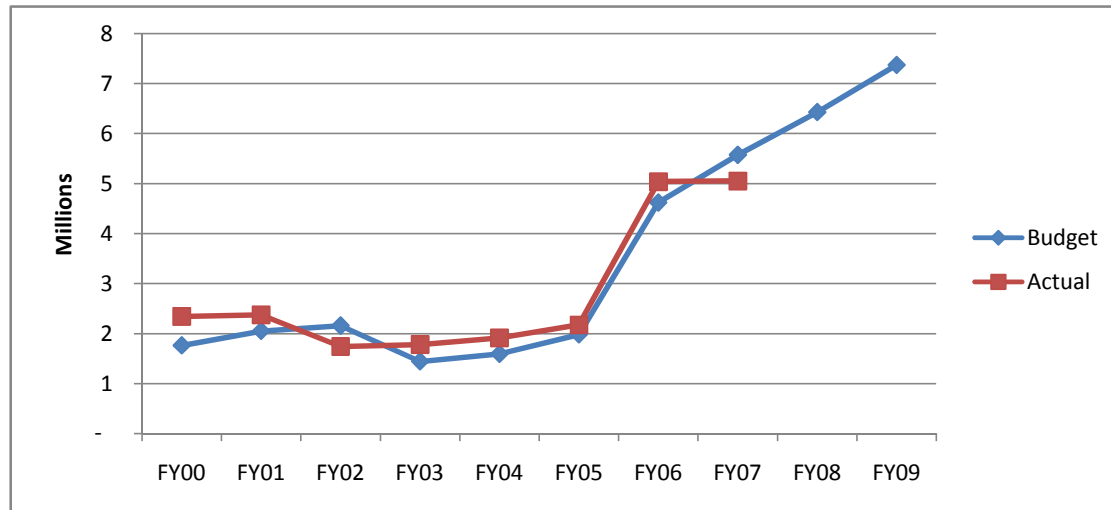
The following charts show the percentages anticipated for the FY09 budget. The first chart shows the percentage for UNC's General Funds. The second chart shows the percentages with scholarship funding removed. This presentation demonstrates the significance of the impact that scholarship funding has had on UNC's ability to reach a 55% instruction guideline. To meet the 55% guideline would require putting an additional \$15 million into instruction funding.

**University of Northern Colorado
FY09 Budget Summary
General Funds
University Funding Priorities Guidelines**

General Fund Functional Categories		(in \$1,000)				
		FY08		FY09		Change
	Instruction	\$47,562	49.29%	49,557	48.59%	\$1,995
	Research	582	0.60%	586	0.57%	4
	Public Service	124	0.13%	129	0.13%	5
	Academic Support	13,676	14.17%	15,346	15.05%	1,670
	Student Services	7,360	7.63%	7,606	7.46%	246
	Institutional Support	10,358	10.73%	10,641	10.43%	283
	Operation & Maintenance of Plant	10,541	10.92%	10,876	10.66%	335
	Scholarships & Fellowships	6,440	6.67%	7,384	7.24%	944
	Depreciation and Interfund Transfer	(141)	-0.15%	(141)	-0.14%	
TOTAL EXPENDITURES/TRANSFERS		\$96,502	100%	\$101,984	100%	\$5,482

General Fund Functional Categories With Scholarships Removed		(in \$1,000)			
		FY08		FY09	
Instruction	\$47,562	52.81%	49,557	52.39%	\$1,995
Research	582	0.65%	586	0.62%	4
Public Service	124	0.14%	129	0.14%	5
Academic Support	13,676	15.19%	15,346	16.22%	1,670
Student Services	7,360	8.17%	7,606	8.04%	246
Institutional Support	10,358	11.50%	10,641	11.25%	283
Operation & Maintenance of Plant	10,541	11.70%	10,876	11.50%	335
Scholarships & Fellowships		0.00%		0.00%	
Depreciation and Interfund Transfer	(141)	-0.16%	(141)	-0.15%	
TOTAL EXPENDITURES/TRANSFERS	\$90,062	100%	\$94,600	100%	\$4,538

University of Northern Colorado FY09 Budget Summary Scholarship Analysis



FY		Budget	Actual	Budget Increase	Actual Increase	Student Share of Tuition	% Discount Actual Scholarship/ Student Share
FY00		1,761,848	2,340,843			29,723,115	7.88%
FY01		2,052,848	2,372,974	16.52%	1.37%	30,297,422	7.83%
FY02		2,158,236	1,738,832	5.13%	-26.72%	31,682,854	5.49%
FY03		1,442,817	1,778,499	-33.15%	2.28%	34,366,207	5.18%
FY04		1,593,472	1,913,070	10.44%	7.57%	27,419,140	6.98%
FY05		1,981,078	2,172,573	24.32%	13.56%	41,927,508	5.18%
FY06	(1)	4,619,329	5,040,931	133.17%	132.03%	47,646,081	10.58%
FY07	(2)	5,575,500	5,053,704	20.70%	0.25%	48,589,809	10.40%
FY08		6,429,329		15.31%		53,039,596	12.12% Budget
FY09	(3)	7,373,329		14.68%		53,360,455	13.82% Budget

(1) In FY06 scholarships were increased in excess of \$2.6 million. This was a combination of new merit, need based, non-resident, and Athletic scholarships.

(2) In FY07 an additional \$950,000 was added to the non-resident scholarships. The non-resident scholarships in FY06 and FY07 were in responses to phasing out the Western Undergraduate Exchange (WUE) tuition program.

(3) Since FY0 the scholarship budget has increased 318%, while the overall general fund budget increased 46%.