

UNIVERSITY *of*  
NORTHERN COLORADO



**RECOMMENDED OPERATING BUDGET  
FISCAL YEAR 2004 - 2005**

**JUNE 16, 2004**



**2004-2005  
Operating Budget Proposal  
June 16, 2004**

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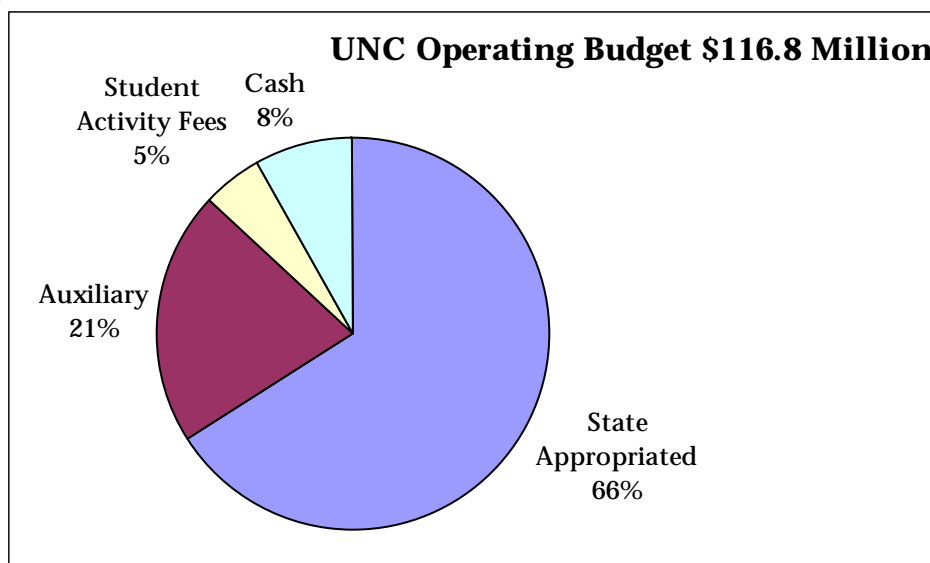
# **University of Northern Colorado Operating Budget Overview 2004-05 Budget Recommendation**

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## EXECUTIVE SUMMARY

### BUDGET STRUCTURE

The operations of an institution of higher education are complex – ranging from classroom instruction, to student registration, to dining services; therefore, the accounting and budgeting structure involves a variety of different fund types. The University of Northern Colorado's (UNC) operating budget is primarily concerned with **Current Unrestricted Funds**, which include the four categories shown on the following chart:



The focus of the budget process is on \$77.4 million in **State Appropriated** funds, which comprise 65% of the total \$118.3 million operating budget. Sources of funds include the State General Fund - \$33.6 million, Tuition - \$41.5 million, Other Than Tuition - \$1.8 million and \$581K indirect cost recoveries.

The second largest component of UNC's operating budget is the **Auxiliary Enterprise** funds, self-supporting sales of goods and services to students, faculty and staff. The 2004-05 proposed Auxiliary budget, including parking, is \$25.2 million or 21% of total operations. Details by activity (residence halls, dining services, etc.) are presented in Section 4.

At \$6.0 million, the **Student Activity Fee** budget comprises 5% of UNC's operating budget. The development of this budget is governed by the Institutional Plan for Student Fees and carried out by the Student Representative Council (SRC). Details are in Section 3.

**Cash** funded operations include sales of goods and services that relate incidentally to instruction, research, and public service; or activities that exist to provide an instructional or laboratory experience for students and incidentally create goods or services. Also included are certain Extended Studies, off-campus course offerings, as

well as “sales” of services internal to UNC departments that net to zero. The Cash fund budget is approximately \$9.7 million. *The \$9.7 million includes a technical correction of \$.2 million that was not reflected in the summary budget presented to the Board June 16, 2004.*

## **BUDGET DEVELOPMENT PROCESS**

The fiscal year 2004-05 budget process was condensed due to the uncertainty of funding from the State and because the *Charting the Future* planning process will result in significant budgetary change over the next 12-18 months. Individual units realigned budgets internally to reflect operating changes, with the “bottom line” held constant. In April, the Budget Council, consisting of the president, vice presidents, associate/assistant vice presidents, deans and representatives from Faculty Senate, SPEEC, SRC and PASC met to review those realignments as well as the few budgetary changes that are being implemented.

## **SYNOPSIS of PROPOSED BUDGET**

Overall our state appropriated budget is \$77.4 million. Because our state general fund was held constant, UNC did not need to employ **Resource Strategies** to balance the budget as it has done in the last two years. UNC has restructured the “break point” for full-time and part-time students from 9 credit hours to 10 credit hours resulting in a 4.3% to 5.2% increase for resident students and an approximate 1% decrease for non-resident students. In addition, the technology fee, academic program fee and a small part of the student fee will be re-characterized as tuition.

Budget parameters include:

- **Contingency Reserve** is being held at \$800,000
- **External Mandates and University Priorities** (\$2,915,952) include insurance and risk management costs, investment of summer tuition in the delivery of summer programming, funding the UNC communications center, investment in talent-based non-resident scholarships, utilities increases and investment in *Charting the Future* priorities.
- **Compensation** for classified employees is mandated to increase at 2% plus performance pay for a total of \$485K. Faculty promotions have been funded, as has the increased cost of GA/TA tuition waivers. No other base compensation changes are being made, but one-time funds of \$733K will be used for a 2% across the board faculty and exempt salary supplement.

The **State Appropriated Decision Document**, on page 2-5 by function and page 2-6 by executive level, reflects the proposed operating budget with a 3.2% overall increase.

Additional budgetary information presented includes:

- **Student Activity Fee** summary (pages 3-2 through 3-4)
- Summary of all student charges (pages 3-5 and 3-6)
- University debt service requirements (pages 4-8 through 4-9)

A handwritten signature in dark ink, reading "Frances L. Schoneck". The signature is written in a cursive style with a large, stylized 'F' and 'S'.

Frances L. Schoneck  
Vice President for Administration  
and Treasurer to the Board of Trustees

June 2004

# UNIVERSITY PRIORITIES

## OVERVIEW

Colorado continues to grapple with constitutional and systemic funding issues. UNC is engaged in a comprehensive planning process and will be developing a long-term financial plan as part of the implementation of *Charting the Future*. The 2004-05 budget will be based on the current year budget, with some modifications for mandated costs and limited organizational change.

- The Board budgetary targets for the state appropriated budget are:

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%

## **EXTERNAL MANDATES**

### **OVERVIEW**

External mandates are expenditure requirements imposed upon UNC over which the University has little or no control.

1. Software license and maintenance fees typically increase significantly each year for campus-wide systems. PeopleSoft support was eliminated in 2003-04; this was a short-term solution and will need to be addressed in the future. Information Technology intends to fund any increases from existing resources for 2004-05.
2. Risk management premiums, insurance and CCHE central governing costs also typically increase each year. For 2004-05, the net increase is \$200,000.
3. Utilities budgets have been increased by \$500,275.
4. The Challenge program has been eliminated resulting in a loss of \$314,000 in state appropriated facility and support recoveries necessitating a budget allocation in the same amount.



## POLICY ISSUES

### OVERVIEW

The following policy issues will impact the 2004-05 budget.

1. **Extended Studies Cash Funded Tuition and Fees** - In general, Extended Studies (off-campus cash funded) tuition increases at the same percentage as on-campus tuition. (Page 3-6 reflects specific changes.)
2. **Extended Studies** – UNC last reviewed the distribution of off-campus cash revenue in excess of operating expenses for the 2002-03 budget. Beginning FY 2004-05, the revenue in excess of operating expenses will be 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 and to support faculty development by training faculty in the use of distance learning technology.
  - 65% will be budgeted in the subsequent year to fund program level initiatives that enhance the academic program of the units providing instruction through Extended Studies and to enhance distance education capacity.
  - 10% will be directed to the President's Office and budgeted in the subsequent year to support general academic mission initiatives.
3. **Re-characterization of Fees** – Beginning Fall 2004, the Academic Program Fee, Technology Fee and the PVA portion of the Student Fee will be reclassified as tuition rather than charged as a separate fee. This will increase the FY 05 tuition revenue by about \$2.0 million. The new tuition revenue will be set aside and budgeted in the State Fund with no change in the purpose and use of those funds.
4. **Summer Session** – The Summer 2004 funding model calls for additional funding of \$334,939. This increase is based on the current college structure of five academic colleges and provides for an “incentive” fund of \$50,000 to support new summer initiatives and \$100,000 to be directed to the Little Theatre of the Rockies.
5. **UNC Internal Service Charges** – Telephone charges will be reduced 13.8 % to \$24.38 for a single-line phone and \$48.76 for a multi-line phone.

- 6. Faculty Voluntary Separation Incentive Agreement (VSIA)** – The plan was approved by the BOT in February of 2004. The total fiscal commitment to cover the incentive payments and the cost of COBRA insurance payments is estimated to be \$1.4 million. The estimated central administration share of the incentive payments of \$630K will be paid from one-time contingency funds. The college share of the cost of the incentive payments, estimated to be \$713K, will be paid from one-time funds within each college area.
- 7. Non-resident Talent Scholarships** – UNC recommends investing in \$7,500 talent scholarships for non-residents with academic merit (5 scholarships), athletic talent (15 scholarships) and artistic talent (10 scholarships). The total FY 05 investment is proposed at \$225,000.
- 8. Financial Aid** – In conjunction with the restructuring of UNC's full time tuition, \$220,000 will be made available for need based financial aid to students.
- 9. Opt out of certain State provided services** - House Bill 04-1009 allows higher education governing boards to opt out of certain governmental services upon the approval of the Board of Trustees and the Colorado Commission on Higher Education. These services include the motor vehicle fleet system, risk management program, and procurement. In the case of exemption from the risk management program, an analysis and written report need to be submitted to a number of legislators and legislative committees. The University will conduct the appropriate analyses and bring the findings and recommendations to the Board of Trustees in the coming year.

# COMPENSATION

## OVERVIEW

Compensation for classified employees is externally mandated by the State while faculty and exempt increases are internal decisions.

## CURRENTLY BUDGETED

- Based on JBC common policies, a 2% increase for classified employees is mandated requiring approximately \$345K in new funding. Mandated, base building performance pay will require approximately \$140K of additional funding.
- A total of \$47,240 is required to fund faculty FY 2004-05 promotions.
- The tuition increase plus the impact of selected fees being re-characterized as tuition will require an additional \$55,094 in TA/GA tuition costs.

## ONE-TIME FUNDED

- As a result of the campus-wide effort in Charting the Future, \$733,000 in FY 05 funding has been identified for a one-time salary supplement for faculty and exempt staff to match the 2% classified base increase. This will be distributed in lump-sum in September.

# University of Northern Colorado 2004-05 All Sources of Operating Funds Expenditure Budget Summary

	FY 03-04 Base Expense Budget	FY 04-05 Requested Budget						
		Revenue	Expense	Details of Expense Budget			Other Support Services	OCE, Travel and Capital Outlay
				Cost of Sales	Professional Services	Classified		
STATE APPROPRIATED	\$67,229,531	\$74,990,378	\$70,026,838	\$0	\$43,039,986	\$17,951,732	\$1,871,815	\$7,163,305
STATE APPROPR. DESIGNATED	\$2,371,734	\$0	\$4,963,540	\$0	\$125,869	\$46,752	\$10,654	\$4,780,265
DIRECTED REVENUE	\$4,368,367	\$2,443,542	\$2,443,542	\$0	\$552,849	\$353,036	\$13,259	\$1,524,398
Sub Total State Appropriated	\$73,969,632	\$77,433,920	\$77,433,920	\$0	\$43,718,704	\$18,351,520	\$1,895,728	\$13,467,968
STUDENT ACTIVITIES	\$4,843,045	\$5,999,917	\$5,066,712	\$0	\$713,345	\$877,505	\$510,384	\$2,965,478
CONTINUING EDUCATION	\$2,399,384	\$3,864,884	\$3,864,884	\$0	\$1,931,945	\$238,828	\$40,572	\$1,653,539
UNIVERSITY SERVICES	\$5,738,338	\$5,806,141	\$5,806,141	\$1,375,601	\$492,125	\$718,617	\$414,307	\$2,805,491
INTERNAL SERVICES	\$6,157,897	\$5,502,560	\$5,502,560	\$3,623,411	\$80,381	\$966,870	\$135,654	\$696,244
AUXILIARY SERVICES Pledged	\$19,366,042	\$25,244,858	\$20,188,944	\$2,658,205	\$1,283,051	\$4,107,373	\$2,030,812	\$10,109,503
Sub Total Cash Funds	\$38,504,706	\$46,418,360	\$40,429,241	\$7,657,217	\$4,500,847	\$6,909,193	\$3,131,729	\$18,230,255
Grand Total	\$112,474,338	\$123,852,280	\$117,863,161	\$7,657,217	\$48,219,551	\$25,260,713	\$5,027,457	\$31,698,223

INTERNAL SERVICES - Contains interdepartmental University sales and service accounts for the accumulation of the cost of jobs or projects in advance of their charge against the ultimate source of funding. Through the mechanics of the Accounting System, Revenues and Expenditures within the Internal Services Fund are reported both within the internal services fund source and within the ultimate consumer of the services. This causes a double counting effect within this report. This report includes the "double counted" internal services amounts to reflect the activity in that area. The grand total amounts in this report would have to be reduced by the amounts in the Internal Services line to be accurate.

STUDENT ACTIVITIES - The Expenditure budgets do not contain \$933,205 of debt service.

AUXILIARY SERVICES - The Expenditure budgets do not contain \$3,180,788 of debt service and \$1,875,126 of facility use charges.

RECONCILIATION - TOTAL UNIVERSITY BUDGET -The total operating budget of the university is \$118.3 million. The \$123.8 million of total revenue on this schedule is adjusted by removing the \$5.5 million of Internal Services. Or, The \$117.9 million of expense on this schedule is adjusted by subtracting the \$5.5 million of Internal Services and then adding \$.9 million of debt service from the Student Activities fund and adding \$3.1 million of debt service and \$1.9 million of facility use charges from Auxiliary Services.

**University of Northern Colorado  
State Appropriated Funds  
2004-05 Budget Recommendation**

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## **STATE APPROPRIATED BUDGET SUMMARY**

The proposed State Appropriated Operating Budget for the FY 2004-05 reflects only minimal change. Key elements comprising the proposed budget are:

### ***REVENUE***

1. The state general fund regular allocation to UNC is proposed to remain constant at \$33,590,909.
2. Based on enrollment projections for 2004-05 and tuition rate restructuring that included changing the flat full-time window from 9 credit hours to 10 credit hours, total tuition revenue is projected at \$41,462,782. This represents a \$3,501,251 increase over the 2003-04 budget. The 2003-04 budgets for tuition and other than tuition were restated by approximately \$2 million to reflect the shift of the technology fee, academic program fee and the PVA portion of student fees to tuition.
3. Other revenue comprised primarily of fees, treasury fund interest, and indirect cost recovery will decrease by \$179,894 and is estimated to total \$1,799,229.
4. A reduction of \$84,894 in scholarships is primarily due to a decrease in activity in a few scholarship programs combined with the shifting of \$25,000 of Athletic scholarships into the talent scholarship category.
5. There were additional non-appropriated increases of \$76,000 in federal grant indirect cost recoveries and \$100,000 in non-exempt auxiliary revenue (related to athletics).
6. All of the above items combine to yield \$5,190,023 in new revenue: increase of \$5,098,917 in the State Spending Authority fund; \$100,000 in the non-exempt Auxiliary Revenue Fund; and a \$8,894 decrease in the State Appropriated Dedicated Revenue fund.

(See Page 2-5 for reconciliation of the above)

## ***RESOURCE STRATEGIES***

- Resource Strategies totaled \$104,087 from salary savings created by vacated positions.

## ***RESERVES and EXTERNAL MANDATES***

1. The University typically maintains a Contingency Reserve equaling 2.0 percent of the General Fund appropriation. It was determined that it would not be prudent to allow this reserve to be reduced below \$800,000.
2. External Mandates for 2004-05 are detailed in Section 1. Included are:
  - Insurance Risk Management premium increases \$200,000.
  - Utility Increases \$500,275.
  - Elimination of Challenge Recovery \$314,013.

## ***COMPENSATION***

Compensation allocations are detailed in Section 1 and include:

- Mandated classified increases of \$485,200.
- \$47,240 to cover faculty promotions.
- No base exempt staff salary increases.
- TA/GA stipend will not be increased; however, tuition waivers increased by \$55,094.
- One-time funds will be used for an across-the board salary supplement for faculty and exempt staff.

## ***POLICY ISSUES / UNIVERSITY PRIORITIES***

- University Priorities are also discussed in Section 1 with 2004-05 allocations including:
- \$666,712 funding of Charting the Future priorities. \$363,148 of which will be used for one time funding of faculty and exempt salary supplement.
- \$54,000 funding of PVA position.
- \$375,000 funding of communication center.
- \$334,939 funding of Summer program share of tuition.
- \$26,013 funding of CPI increases for fee shifted programs.
- \$220,000 funding of financial aid.
- \$225,000 funding for talent scholarships.

## STATE APPROPRIATED BUDGET PARAMETERS

The following parameters guided development of revenue and expense budgets for FY 2004-05:

1. **Enrollment Projection:** Enrollment projections were based on actual student FTE for 2003-04 and early indicators of fall enrollment.
2. **Tuition Revenue:** Typically tuition increases are based on inflation for the prior calendar year. The Consumer Price Index (CPI) for 2003 is 1.1 percent. The tuition flat full-time window has been increased from 9 credit hours to 10 credit hours.
3. **Miscellaneous Fees:** State appropriated "Other Than Tuition" revenue is projected at approximately \$1.8 million for 2004-05. The budget for 2004-05 has been adjusted for projected enrollments and Board approved rate changes. The budget reflects that the State legislature has agreed to reclassify approximately \$2 million of fees to tuition.
4. **General Fund Appropriation Revenue:** The legislature has held UNC's appropriated General Fund revenue constant for 2004-05.
5. **Contingency Fund:** The University will continue to maintain the established 2 percent of general fund reserve balance, not to be less than \$800,000.
6. **Co-Generation Reserve Fund:** The University's contract with Sithe Energies was renegotiated. The new agreement resulted in less high temperature hot water by-product for UNC. This decreased the co-generation savings as compared to prior years. Funds generated through utility savings in 2003-04 may be needed to address an anticipated increase in the cost of natural gas.
7. **Resource Strategies:** Salary savings created by position vacancies were the only resource strategies implemented for FY 2004-05.
8. **Employee Salary Increases:** Classified salary increases are set by the State Classified Salary Survey. The statewide average salary survey increase is 3 percent. The Legislature has approved a 2 percent increase for 2004-05, plus performance bonuses. UNC has adopted the minimum bonus allowed by the legislature due to budget constraints. No base salary increase will be granted to exempt and faculty employees.
9. **Fringe Benefit Rate:** For 2004-05 the rate of 18.1 percent for full-time employees will continue, and 11.6 percent for part-time employees will be used.
10. **Administrative Overhead Rate:** For 2004-05 the rate of 5.74 percent of adjusted gross revenue will continue to be charged to non-State accounts to recover the cost of administrative support.

Source: Finance and Administration



# STATE APPROPRIATED FUNDS - FY 2004-05

## SOURCES AND USES OF FUNDS

	Long Bill 04/05 Spending Limitation	State Fund 04/05 Proposed Budget	Notes	State Fund 03/04 Approved Budget	Change In Proposed Budget
<b>Sources of Funds:</b>					
General Fund Regular Allocation	\$33,590,909	\$33,590,909	fund 310	\$33,590,909	\$0
Tuition	\$40,590,646	\$41,462,782	fund 310	\$37,961,531	\$3,501,251
Other Than Tuition Revenue	\$2,529,258	\$1,799,229	fund 310, 331	\$1,979,123	(\$179,894)
Non-Exempt Auxiliary Revenue	\$1,600,000	\$1,450,000	fund 329	\$1,350,000	\$100,000
<b>Total State Appropriation</b>	<b>\$78,310,813</b>	<b>\$78,302,920</b>		<b>\$74,881,563</b>	<b>\$3,421,357</b>
<b>State Appropriation in Excess of UNC Budget</b>	<b>7,893</b>				
<b>Non-Appropriated Sources</b>					
Indirect Cost Recoveries (ICR) & Administrative Allowance		\$581,000	fund 311	\$505,000	\$76,000
<b>Total Sources of Funds</b>		<b>\$78,883,920</b>		<b>\$75,386,563</b>	<b>\$3,497,357</b>
					(a)

	04/05 Proposed Budget	Spending Authority Budget	Dedicated Revenue Budget	Non-Exempt Auxiliary Revenue
<b>Uses of Funds:</b>				
<b>Prior Year Base Budget</b>	<b>\$75,250,921</b>	<b>\$69,601,265</b>	<b>\$4,299,656</b>	<b>\$1,350,000</b>
Adjustment to Base (Incl. Fee Shift)	\$135,642	\$1,989,714	(\$1,854,072)	
<b>Adjusted Prior Year Base Budget</b>	<b>\$75,386,563</b>	<b>\$71,590,979</b>	<b>\$2,445,584</b>	<b>\$1,350,000</b>
<b>Resource Strategies (reductions to current base budgets) <sup>(b)</sup></b>	<b>(\$104,087)</b>	<b>(\$104,087)</b>		
<b>New Allocations</b>				
Increase in General Fund Reserves	\$0	\$0		
Increase in General Fund External Mandated and Univ Priorities	\$2,114,656	\$2,107,804	\$6,852	
Increase in General Fund Compensation - Classified	\$485,200	\$485,200		
Increase in General Fund Compensation - Faculty and Exempt	\$410,388	\$410,388		
Increase in General Fund Compensation - GA/TA Tuition	\$55,094	\$55,094		
Increase in Dedicated Revenue Fund Expenditures - ICR	\$76,000		\$76,000	
Increase in Dedicated Revenue Fund Expenditures - Scholarships	\$360,106	\$445,000	(\$84,894)	
Increase in Non-Exempt Auxiliary Extrnl Mand and Univ Priorities	\$100,000			\$100,000
<b>Total New Allocations <sup>(d)</sup></b>	<b>\$3,601,444</b>	<b>\$3,503,486</b>	<b>(\$2,042)</b>	<b>\$100,000</b>
<b>Total Uses of Funds</b>	<b>\$78,883,920</b>	<b>\$74,990,378</b>	<b>\$2,443,542</b>	<b>\$1,450,000</b>

### Reconciliation of New Allocations

New Resources (a)	\$	3,497,357
Resource Strategies (b)		104,087
<b>New Allocations (d)</b>	<b>\$</b>	<b>3,601,444</b>

# FUNCTIONAL DECISION DOCUMENT

	Total UNC	Instruction	Academic Support	Student Services	Scholarships and Fellowships	Research/Public Service	Institutional Support	Operation and Maintenance of Plant
<b>Base Budget approved by BOT 6/13/2003</b>	69,601,265	38,536,352	10,010,415	6,216,709	1,438,053	509,338	6,618,987	6,271,411
Proposed Base Transfers								
One Time in FY 2004-Proposed Perm@ April 13, 2004	0	(2,166)	(6,718)	(35,194)		3,281	90,621	(49,824)
Adjustment to Base (Including Fee Shift)	1,989,714	365,320	1,624,394					
<b>Sub-total Pro Forma Base</b>	71,590,979	38,899,506	11,628,091	6,181,515	1,438,053	512,619	6,709,608	6,221,587
<b>Revenue</b>								
Constant General Fund								
03-04 Excess Tuition	1,451,474	365,320		1,624,394				
New Tuition	2,042,925							
Adjust Interest	(95,000)							
	3,399,399							
<b>Total Available Funds</b>	<b>74,990,378</b>							
<b>Corrected Base Budget</b>	71,590,979	38,899,506	11,628,091	6,181,515	1,438,053	512,619	6,709,608	6,221,587
<b>Other Resources</b>								
Salary Savings	(104,087)						(104,087)	
	(104,087)	0	0	0	0	0	(104,087)	0
<b>Reserves Set at \$800,000</b>								
<b>External Mandates/University Priorities</b>								
Eliminate Challenge Recovery	314,013		88,592					225,421
Summer Share of Tuition	334,939	334,939						
Communications Center	375,000						70,000	305,000
Insurance/Risk Management	200,000							200,000
Utilities	500,275							500,275
Web Management Position Transfer (Psn 512)	0		(45,549)				45,549	
Fund PVA Position	54,000	54,000						
Talent Scholarships	225,000				225,000			
CPI Increase to Fees	26,013	8,145	17,868					
Need Based Financial Aid	220,000				220,000			
CTF Investment	303,564	303,564						
CTF Investment (Faculty and Exempt Salary Supplement)	363,148	363,148						
	2,915,952	1,063,796	60,911	0	445,000	0	115,549	1,230,696
<b>Compensation</b>								
Classified Mandated	485,200	85,581	130,666	46,726	0	4,724	62,703	154,800
Faculty Promotions	47,240	47,240						
GA/TA Tuition Increase	55,094	55,094						
	587,534	187,915	130,666	46,726	0	4,724	62,703	154,800
<b>Proposed 2004-05 Spending Authority Base</b>	<b>74,990,378</b>	<b>40,151,217</b>	<b>11,819,668</b>	<b>6,228,241</b>	<b>1,883,053</b>	<b>517,343</b>	<b>6,783,773</b>	<b>7,607,083</b>
<b>DEDICATED REVENUE (ADJUSTED)</b>	<b>4,299,656</b>	<b>1,388,216</b>	<b>1,572,660</b>	<b>337,180</b>	<b>118,600</b>	<b>374,000</b>	<b>509,000</b>	
	(1,856,114)	(451,711)	(1,388,220)	0	(84,894)	76,000	(7,289)	
<b>Requested Dedicated Revenue Base</b>	<b>2,443,542</b>	<b>936,505</b>	<b>184,440</b>	<b>337,180</b>	<b>33,706</b>	<b>450,000</b>	<b>501,711</b>	<b>0</b>
<b>Ttl State Appropriated Fund Bdgt Proposal</b>	<b>77,433,920</b>	<b>41,087,722</b>	<b>12,004,108</b>	<b>6,565,421</b>	<b>1,916,759</b>	<b>967,343</b>	<b>7,285,484</b>	<b>7,607,083</b>
<b>PERCENT of Total</b>	<b>100.00%</b>	<b>53.06%</b>	<b>15.50%</b>	<b>8.48%</b>	<b>2.48%</b>	<b>1.25%</b>	<b>9.41%</b>	<b>9.82%</b>

## EXECUTIVE LEVEL SPENDING AUTHORITY DECISION DOCUMENT

	Total UNC	Provost	President	Finance & Admin	Univ Advance	Board of Trustees	Other
Base Budget as Approved by BOT 6/13/2003	69,601,265	53,953,028	2,383,870	8,452,229	808,862	353,803	3,649,473
Account Reassignments and Adjustments (Athletics)			(1,542,944)		1,542,944		
Base Budget @July 1, 2003	69,601,265	53,953,028	840,926	8,452,229	2,351,806	353,803	3,649,473
Proposed Base Transfers							
One Time in FY 2004-Proposed Perm at April 13, 2004		(106,441)		(23,816)	26,170		104,087
Fee Shift	1,989,714	365,320		1,624,394			
Sub-total Pro Forma Base	71,590,979	54,211,907	840,926	10,052,807	2,377,976	353,803	3,753,560
<b>Revenue</b>							
Constant General Fund							
03-04 Excess Tuition	1,451,474						
New Tuition	2,042,925						
Adjust Interest (Decline in State Treasury Rates)	(95,000)						
<b>Sub-total Revenue</b>	3,399,399	-	-	-	-	-	-
<b>Sub-total New Base Available</b>	<b>74,990,378</b>						
<b>Corrected Base Budget</b>	71,590,979	54,211,907	840,926	10,052,807	2,377,976	353,803	3,753,560
<b>Other Resources</b>							
Salary Savings	(104,087)						(104,087)
	(104,087)	0	0	0	0	0	(104,087)
<b>Reserves-Set at \$800,000</b>							
<b>External Mandates/University Priorities</b>							
Eliminate Challenge Recovery	314,013						314,013
Summer Share of Tuition	334,939	334,939					
Communications Center	375,000			375,000			
Insurance/Risk Management	200,000						200,000
Utilities	500,275						500,275
Web Management Position Transfer ( Psn 512)	0	(45,549)			45,549		
Fund PVA Position	54,000	54,000					
Talent Scholarships	225,000	225,000					
CPI Increase to Fees	26,013	8,145		17,868			
Need Based Financial Aid	220,000	220,000					
CTF Investment	303,564		303,564				
CTF Investment (Faculty and Exempt Salary Supplement)	363,148		363,148				
	2,915,952	796,535	666,712	392,868	45,549	0	1,014,288
<b>Compensation</b>							
Classified Mandated	485,200	214,029	5,128	256,131	7,912	2,000	
Faculty Promotions	47,240	47,240					
GA/TA Tuition Increase	55,094	55,094					
	587,534	316,363	5,128	256,131	7,912	2,000	0
<b>Proposed 2004-05 Spending Authority Base</b>	<b>74,990,378</b>	<b>55,324,805</b>	<b>1,512,766</b>	<b>10,701,806</b>	<b>2,431,437</b>	<b>355,803</b>	<b>4,663,761</b>

## EXECUTIVE LEVEL DEDICATED REVENUE DECISIONS

	Total UNC	Provost	President	Finance & Admin.	Univ Advance	Board of Trustees	Other
<b>Dedicated Revenue Base 2003-2004</b>	<b>4,299,656</b>	<b>2,402,436</b>		<b>509,000</b>			<b>1,388,220</b>
Adjustment to Base	(1,854,072)	(458,563)		(7,289)			(1,388,220)
<b>Adjusted Dedicated Revenue Base April 13, 2004</b>	<b>2,445,584</b>	<b>1,943,873</b>	-	<b>501,711</b>	-	-	-
<b>Requested Changes to Dedicated Rev.</b>							
Adjust IDC Base	76,000	76,000					
Decrease in Expenditures - Scholarships	(84,894)	(84,894)					
New Tuition	6,852	6,852					
	-						
	-						
	-						
	-						
<b>Total Req. Dedicated Rev. Changes</b>	<b>(2,042)</b>	<b>(2,042)</b>	-	-	-	-	-
<b>Requested Dedicated Revenue Base 2004-05</b>	<b>2,443,542</b>	<b>1,941,831</b>	-	<b>501,711</b>	-	-	-

## ONE-TIME FUNDING FOR 2004-05

The University's contingency reserve fund (historically 2% of state appropriation) is typically unspent at year-end. These dollars have been made available for one-time needs (primarily Instruction) in the subsequent year. The current balance available in the contingency reserve is \$816,933. In addition, UNC earned tuition in excess of budget in FY 2003-04. The total central one-time funds available for allocation is \$2,156,933.

An estimated \$630,000 will be used to fund the central administration's share of the Voluntary Incentive Separation Agreement.

The chart below summarizes the uses of central one-time funds available.

<b>Estimate of One-time Funds Available</b>	
Contingency reserve	\$ 816,933
Revenue in excess of budget	<u>1,340,000</u>
<b>Total One-time Funds Available</b>	<b>\$2,156,933</b>
<b>Commitments for One-time Funds</b>	
<u>FY 2003-04</u>	
Central Share of Voluntary Separation Agreements	\$ 630,000
Utility Shortfall	421,000
Faculty & Exempt Salary Supplement	370,000
<u>FY 2004-05</u>	
CTF Initiatives	170,000
Academic Initiatives	
Additional Sections	100,000
Faculty Workload Issues	425,000
Other	<u>40,933</u>
<b>Total Commitments</b>	<b><u>\$2,156,933</u></b>

**University of Northern Colorado  
Tuition and Fees  
2004-05 Budget Recommendation**

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# TUITION REVENUE MODEL

(Restated to reflect change for changes in Student Fees to Tuition)

	2003-04 Revenue	2003-04 Actual SFTE	Projected SFTE	2004-05 Projected Revenue
<b>ON CAMPUS</b>				
<b>Summer:</b>				
101 Res Tuition, Summer Grad	\$ 967,294	254.37	255.00	\$ 1,112,048
102 Res Tuition, Summer UnderGrad	1,652,124	495.57	500.00	1,911,106
<b>Subtotal-Res Summer</b>	<b>2,619,418</b>	<b>749.94</b>	<b>755.00</b>	<b>3,023,154</b>
108 Non-Res Tuition, Spec Summer Wkshp	31,710			36,369
109 Non-Res Tuition, Contra Summer Wkshp				0
111 Non-Res Tuition, Summer Grad	463,459	35.07	35.00	530,534
112 Non-Res Tuition, Summer Undergrad	320,137	21.17	20.00	347,710
<b>Subtotal-Non Res, Summer</b>	<b>815,306</b>	<b>56.24</b>	<b>55.00</b>	<b>914,613</b>
Summer 2004 Rees Reclassified as Tuition	166,251			
201 WICHE - Summer	108,276	17.00	16.00	117,179
<b>Sub-Total On-Campus Tuition</b>	<b>3,709,251</b>	<b>823.18</b>	<b>826.00</b>	<b>4,054,946</b>
Reductions for Dedicated tuition	(5,850)			(6,435)
<b>Total Summer Revenue for Spending Authority</b>	<b>3,703,401</b>	<b>823.18</b>	<b>826.00</b>	<b>4,048,511</b>
<b>Fall:</b>				
131 Res Tuition, Fall Grad	1,642,578	367.27	372.00	1,677,060
132 Res Tuition, Fall UnderGrad	11,570,948	4,045.17	4,100.00	12,421,739
<b>Subtotal-Resident Fall</b>	<b>13,213,526</b>	<b>4,412.44</b>	<b>4,472.00</b>	<b>14,098,799</b>
141 Non-Res Tuition Fall Grad	1,145,281	75.23	73.00	1,122,481
142 Non-Res Tuition Fall Undergrad	2,859,174	235.13	230.00	2,790,252
<b>Subtotal-Non Res, Fall</b>	<b>4,004,455</b>	<b>310.36</b>	<b>303.00</b>	<b>3,912,732</b>
211 WICHE - Fall	1,003,077	234.93	232.00	1,027,200
<b>Sub-Total On-Campus Tuition</b>	<b>18,221,058</b>	<b>4,957.73</b>	<b>4,775.00</b>	<b>19,038,732</b>
Reductions for Dedicated tuition	(39,746)			(39,427)
<b>Total Fall Revenue for Spending Authority</b>	<b>18,181,312</b>	<b>4,957.73</b>	<b>5,007.00</b>	<b>18,999,305</b>
<b>Spring:</b>				
161 Res Tuition, Spring Grad	1,617,689	363.97	369.00	1,678,320.00
162 Res Tuition, Spring Undergrad	10,869,184	3,819.80	3,860.00	11,598,075
<b>Subtotal-Resident Spring</b>	<b>12,486,873</b>	<b>4,183.77</b>	<b>4,229.00</b>	<b>13,276,395</b>
171 Non-Res Tuition, Spring Grad	1,039,071	66.60	66.00	1,032,900
172 Non-Res Tuition, Spring Undergrad	2,627,257	217.37	215.00	2,571,060
<b>Subtotal-Non Res, Spring</b>	<b>3,666,328</b>	<b>283.97</b>	<b>281.00</b>	<b>3,603,960</b>
221 WICHE - Spring	918,164	215.60	214.00	937,320
<b>Sub-Total On-Campus Tuition</b>	<b>17,071,365</b>	<b>4,683.34</b>	<b>4,724.00</b>	<b>17,817,675</b>
Reductions for Dedicated Tuition	(44,733)			(43,959)
<b>Total Spring Revenue for Spending Authority</b>	<b>17,026,632</b>	<b>4,683.34</b>	<b>4,724.00</b>	<b>17,773,716</b>
<b>TOTAL ON CAMPUS TUITION</b>	<b>39,001,674</b>	<b>10,464.25</b>	<b>10,557.00</b>	<b>40,911,353</b>
Less: Dedicated Revenue	(90,329)			(89,821)
<b>NET ON CAMPUS SPENDING AUTHORITY</b>	<b>38,911,345</b>	<b>10,464.25</b>	<b>10,557.00</b>	<b>40,821,532</b>
<b>OFF CAMPUS STATE FUNDED</b>				
231 Res Tuition, OCSF Grad Summer	13,517	3.20		
241 Res Tuition, OCSF Grad Fall	355,074	115.23	106.00	320,625
251 Res Tuition, OCSF Grad Spring	330,472	117.53	107.00	320,625
<b>Total OCSF</b>	<b>699,063</b>	<b>235.96</b>	<b>213.00</b>	<b>641,250</b>
<b>TOTAL TUITION - FISCAL YEAR</b>	<b>\$ 39,610,408</b>	<b>10,700.21</b>	<b>10,770.00</b>	<b>\$ 41,462,782</b>

## STUDENT ACTIVITY FEES

The accompanying schedule presents the student fee budget proposal recommended by the Student Representative Council (SRC) as proposed to the President in April, 2004.

The student fee budget is established through a process governed by the Institutional Plan for Student Fees and the SRC bylaws. A significant change was made in the SRC bylaws governing the Student Fee Allocation Process in 2003-04 that affected the 2004-05 process. The result was the elimination of the small committees that previously reviewed the individual program budgets. Under the new guidelines, although open forums are held, the Student Representative Council is ultimately responsible for making the final allocation recommendations to the Board of Trustees.

The key factors relating to the 2004-05 student fee budget are:

- In accordance with the University's Institutional Plan for student fees, President Norton provided the Student Representative Council (SRC) with budgetary guidelines based on the consumer price index for 2002 (1.9%). Due to a revision in the Institutional Plan for Student Fees dated December 13, 2002, before programs were allocated any new funds, administrative requirements to fund bonded facilities payments, operating costs and facility repair and replacement were funded. In addition, Performing and Visual Arts program funding was moved from student fees to tuition and intercollegiate athletics will be allocated in the same manner as bonded facilities. Of the 1.9% increase available, \$20,803 was allocated by SRC. The student fee budget parameters are as follows:

Total Budget	\$6,004,416
Less: Administrative Requirements	
Bond Payments	(\$ 933,205)
Bond Facility Operations	( 1,861,853)
Bond Facility R&R	( 282,560)
Intercollegiate Athletics	( 898,249)
Counseling Center	( 274,207)
Student Health Center	( 638,628)
Student Fee funds to be distributed by SRC	\$ 1,115,714



- SRC requested a 1.9% increase cap on student fee budgets.
- Thirteen programs made requests for increases totaling \$41,900.
- SRC continued to not fund KSRX radio in 2004-05 pending the license they are trying to obtain. An amendment passed that will remove KSRX as a Student Fee Allocated Program if the license is not obtained by March 1, 2005.

Decreases in budgets were made:

- **CoPIRG** funding was reduced to \$0 and removed from the SFAP process.
- **Center for International Education** was cut \$22,893.
- **Student Media Corp (Mirror)** was reduced \$15,349.

Funding increases were awarded to:

- Asian Pacific American Student Services, \$383 or 1.9%.
- Cesar Chavez Cultural Center, \$391 or 1.9%.
- Marcus Garvey Cultural Center, \$360 or 1.9%.
- Native American Student Services, \$373 or 1.9%.
- GLBT \$919 or 5.5%
- Club Sports, \$26,331 or 82.3%.
- Graduate Affairs, \$1,224 or 1.9%
- Student Activities, \$13,814 or 42.5%.
- University Program Council, \$18,276 or 10.7%.
- Women's Resource Center, \$3,653 or 4.2%
- SRC, \$11,376 or 5.0%

Funding for athletics, the bonded facilities operating cost, repair and replacement costs, and bond payments were determined by the administration. The student fee allocation for Performing and Visual Arts was removed and funded from other sources.

# FY 2004-05 STUDENT FEE ALLOCATION WORKSHEET

DEPT ATTRIBUTE	REQUESTING ORGANIZATION	03-04 UNC TRUSTEES APPROVED (2)	04-05 Final SRC Recommend to BOT	04-05 President's Recommendation to BOT
<b>Student Activity Programs</b>				
01200	Asian Pacific/American Student Services	20,177	20,560	20,560
05450	GLBT Resource Office	16,793	17,712	17,712
05900	Cesar Chavez Health Center	20,570	20,961	20,961
06600	Center for International Education	26,393	3,500	3,500
06710	KSRX	0	0	0
06100	International Film Series	10,000	12,190	12,190
07300	Marcus Garvey Cultural Center	18,963	19,323	19,323
07750	Native American Student Services	19,610	19,983	19,983
09850	Club Sports	32,002	58,333	58,333
11500	Student Activities	324,691	338,505	338,505
11800	Student Media Corporation	37,500	22,151	22,151
12400	Graduate Affairs	64,443	65,667	65,667
12800	University Program Council	171,452	189,728	189,728
13320	Women's Resource Center	86,069	89,722	89,722
11400	Student Representative Council (SRC)	226,003	237,379	237,379
02950	CoPirg	20,245	0	0
	<b>SFAP PROGRAMS SUBTOTAL</b>	<b>1,094,911</b>	<b>1,115,714</b>	<b>1,115,714</b>
<b>Student Services</b>				
08400	Performing Arts	308,476	0	0
01300	Intercollegiate Athletics	855,475	898,248	898,248
03100	Counseling Center	269,094	274,207	274,207
05700	Student Health Center	626,720	638,628	638,628
	<b>TOTAL STUDENT SERVICES</b>	<b>2,059,765</b>	<b>1,811,083</b>	<b>1,811,083</b>
<b>Administrative Services</b>				
		202,590	345,356	345,356
<b>Bonded Facility Operating Costs</b>				
2-11400	Campus Recreation/Intramurals	693,781	810,372	810,372
2-12110	Cassiday Hall (Counseling)	36,069	40,089	40,089
2-11120	Cassiday Hall (Health)	90,200	100,253	100,253
2-04960	Scott-Wilcox Hall	29,610	33,159	33,159
2-13000	University Center	413,001	445,614	445,614
2-13100	UC Business Office	82,475	87,011	87,011
	<b>TOTAL BONDED FACILITY OPERATING</b>	<b>1,547,726</b>	<b>1,516,498</b>	<b>1,516,498</b>
<b>Bonded Facility R&amp;R Costs</b>				
2-11430	Campus Recreation Center	93,683	97,585	97,585
2-12150	Cassiday Hall (Counseling)	7,460	7,766	7,766
2-11130	Cassiday Hall (Health)	11,190	11,660	11,660
2-04970	Scott-Wilcox Hall	3,797	3,955	3,955
2-13200	University Center	15,513	161,594	161,594
	<b>TOTAL BONDED FACILITY R&amp;R</b>	<b>131,643</b>	<b>282,560</b>	<b>282,560</b>
<b>Bond Obligations</b>				
2-11450	Campus Recreation Center Bonds	636,305	636,875	636,875
2-11150	Health/Counseling Center Bonds	51,940	51,940	51,940
2-04990	Women's Resource Center Bonds	44,890	46,390	46,390
2-13300	UC Bonds	198,000	198,000	198,000
	<b>TOTAL BOND OBLIGATIONS</b>	<b>931,135</b>	<b>933,205</b>	<b>933,205</b>
	<b>SFAP GRAND TOTAL</b>	<b>5,765,180</b>	<b>6,004,416</b>	<b>6,004,416</b>

The Institutional Plan for Student Fees was amended December 13, 2002 revising section II. Student Activity Fees now require the total SFAP budget to cover any obligations and operations of bonded facilities funded by student fees before allocations to other programs. This year Performing and Visual Arts were added to section II due to a request to CCHE to convert this fee to tuition. Athletics was also added to section II.

(1) Funding was again suspended pending license.

(2) Restated to reflect that Administrative Overhead charges were removed from individual allocations and centralized to facilitate the Student Managed portion of Fees

# TUITION AND FEE RATES

## FY 2004-05

### On-Campus

	Proposed 2004-05	Actual 2003-04	Increase (Dollars)	Increase (Percent)
**				
<b><u>TUITION</u></b>				
<b><u>Resident Tuition:</u></b>				
Undergraduate	\$2,850	\$2,732	\$118	4.3%
Graduate	\$3,360	\$3,193	\$167	5.2%
<b><u>Non-Resident Tuition:</u></b>				
Undergraduate	\$11,740	\$11,859	-\$119	-1.0%
Graduate	\$12,520	\$12,609	-\$89	-0.7%
<p><b>**For the academic year beginning with fall semester 2004, UNC has restructured its tuition and fee charges to make it easier to plan for the costs of attending college. The technology fee, academic program fee and a portion of the student fee have been incorporated into the base tuition payment, thus simplifying the student bill. 2003-04 rates have been restated to reflect this restructuring.</b></p> <p><b>The flat semester full-time rate has been changed to the equivalent cost of ten (10) semester credit hours as compared to nine (9) for 2003-04.</b></p>				
<b><u>MANDATORY FEES</u></b>				
<b><u>Student Activity Fees (Academic Year 18 Credit Hours)</u></b>	\$520.00	\$508.82	\$11.18	2.2%
<b><u>OTHER FEES</u></b>				
<b><u>Student Health Insurance Premium Plan</u></b>	\$1,248	\$1,096	\$152.00	13.9%
<b><u>Auxiliary Services Room &amp; Board Fee (base)</u></b>	\$5,954	\$5,782	\$172.00	3.0%
<b><u>Parking Fees</u></b>				
Student	\$135	\$125	\$10.00	8.0%
Student K-Lot (Premium lot limited spaces)	\$165	\$155	\$10.00	6.5%
<b><u>International Exchange Program Fee</u></b>	\$200	\$200	\$0.00	0.0%
<b><u>Admission Fee</u></b>				
Standard Undergraduate	\$40	\$40	\$0.00	0.0%
First Step (Jr. in High School submitting application)	\$30	\$20	\$10.00	50.0%
UNC Bound (Junior College Transfer)	\$20	\$20	\$0.00	0.0%
Graduate (U.S.)	\$50	\$50	\$0.00	0.0%
International (Graduate and Undergraduate)	\$60	\$60	\$0	0.0%
Undergraduate New Enrollment Fee	\$70	\$70	\$0	0.0%
<b><u>Career Service Fees</u></b>				
Credential File Enrollment	\$30	\$30	\$0	0.0%
Teacher Employment Days	\$25	\$25	\$0	0.0%
<b><u>Graduation Check Fee</u></b>	\$20	\$20	\$0	0.0%
<b><u>Participation Fees</u></b>				

Participation Fees are assessed to students in classes that require specialized facilities or field trips sufficient to cover the costs of the activities, e.g. ski lifts, bowling lanes, etc.

(Continued on next page)

# TUITION AND FEE RATES

## FY 2004-05

### Off-Campus

	<b>Proposed 2004-05</b>	<b>Actual 2003-04</b>	<b>Increase (Dollars)</b>	<b>Increase (Percent)</b>
**				
<b><u>Off-Campus State Funded Programs:</u></b>				
External Degree Program Tuition:				
Undergraduate - Resident	\$2,850	\$2,732	\$118	4.3%
Graduate - Resident	\$3,360	\$3,193	\$167	5.2%
Undergraduate - Non Resident	\$11,740	\$11,859	(\$119)	-1.0%
Graduate - Non Resident	\$12,520	\$12,609	(\$89)	-0.7%

**\*\*For the academic year beginning with fall semester 2004, UNC has restructured its tuition and fee charges to make it easier to plan for the costs of attending college. The technology fee, academic program fee and a portion of the student fee have been incorporated into the base tuition payment, thus simplifying the student bill. 2003-04 rates have been restated to reflect this restructuring.**

**The flat semester full-time rate has been changed to the equivalent cost of ten (10) semester credit hours as compared to nine (9) for 2003-04.**

### **Off-Campus Cash Funded Programs:**

External Degree Programs Tuition:				
Undergraduate	\$220	\$200/hr	\$20	10.0%
Graduate	\$297	\$270/hr	\$27	10%
Independent Study Tuition:				
Undergraduate	\$140/hr	\$140/hr	\$0	0.0%
Graduate	\$160/hr	\$160/hr	\$0	0.0%
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	\$400/hr	\$400/hr		

### **Extended Study Fees**

Extended Studies State Funded Degree Program Fee	\$45	\$45	\$0.00	0.0%
Urban Education State Funded Degree Program Fee	\$30	\$30	\$0.00	0.0%
Independent Studies Extension Fee (6 months)	\$15	\$15	\$0.00	0.0%
Independent Studies Withdrawal Fee	\$25	\$25	\$0.00	0.0%

*(1) Tuition for Professional Development credit courses, non-credit courses and Continuing Education unit courses shall be set at levels which will ensure that at least the full instructional and administrative costs associated with the courses are covered.*

**University of Northern Colorado  
Auxiliary Services Fund  
2004-05 Budget Recommendation**

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## AUXILIARY SERVICES BUDGET SUMMARY

The proposal for the Auxiliary Services operating budget for the 2004-05 fiscal year was developed on the basis of meeting 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 were set based upon the amount of revenues needed to support the proposed expenditures. The overall rate for the traditional freshman room with a full meal plan is proposed at \$5,954 for the academic year representing a 3 percent increase.
2. Factors contributing to a rate increase above the consumer price index of 1.1% include:
  - Funding of deferred maintenance
  - Maintaining price comparability with other institutions
  - Funding mandated classified salary increases
  - Funding increased utility expenses
  - Funding of a position previously funded by the State budget
3. The proposed rate schedule for 2004-05 is:

Traditional Double Room	\$2,786	3.0 percent increase
Renovated Double/Suite Style	\$3,108	3.0 percent increase
Large Suite/Apartment	\$3,430	3.0 percent increase
Full Meal Plan	\$3,168	3.0 percent increase
4. Comparative estimated proposed “Base” annual room and board rates for Colorado institutions are as follows:

CU	\$7,424	(24.7% Higher than UNC)
CSU	\$6,024	(1.2% Higher than UNC)
UNC	\$5,954	
5. A summary of significant adjustments to the revenue lines in the budget from 2003-04 to 2004-05 include:
  - There were no significant adjustments to Auxiliary Services Revenue other than the 3% increase necessary to fund operations after adjusting revenue model projections to include increased optional meal plan activity.

## **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 \$3.19 million.
3. Net revenues after debt service payments are dedicated to Auxiliary Services deferred maintenance and facility improvement. The amount budgeted for the 2004-05 year is approximately \$1.88 million. The deferred maintenance backlog for Auxiliary Services is approximately \$43.19 million for the auxiliary physical plant including \$28.36 million for housing facilities on the West Campus. A housing master plan is being developed for the West Campus residence halls to determine priorities for replacement and renovation of existing student housing facilities. The long range housing plan will include a financing plan and phasing strategy for the recommended housing facility improvements.
4. A summary of significant adjustments to the expense lines in the budget from 2003-04 to 2004-05 include:
  - Projected increases in classified employee salaries.
  - Projected increases in OCE.
  - Increases in maintenance, custodial 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 typically about \$3.5 million.
2. Unexpended plant fund balance is currently estimated to be \$4.48 million and is reserved as follows:
  - \$750,000 to meet bond requirements.
  - \$1.2 million for committed projects not yet complete.
  - \$1.52 million for Capital Improvements Scheduled in FY 05.
  - \$1.15 million for contingencies.

## AUXILIARY SERVICES BUDGET PLANNING PARAMETERS FY 2004-05

For the purpose of initiating the Auxiliary Services budget process for Fiscal Year 2004-05, the following budget parameters are recommended as guidelines for establishing the revenue and expense budget for Auxiliary Services. The budget planning parameters include the following:

- 1. *Occupancy Levels:*** Occupancy levels are projected to be 94.00 percent.
- 2. *Employee Salaries:*** Classified salary increases are set by the State Classified Salary Survey. The statewide average salary survey increase is 2.00 percent. No base increase will be made for administrative staff and faculty salaries.
- 3. *Fringe Benefit Rate*** For FY 2004-05 the rate of 18.1 percent for full-time employees and 11.6 percent for part-time employees will be used.
- 4. *Administrative Overhead:*** For FY 2004-05 the rate of 5.74 percent of adjusted gross revenue will be charged to non-State accounts to recover the cost of administrative support.
- 5. *Cost of Sales:*** Cost of sales budgets will be adjusted upwards as needed for increased volume and the Consumer Price Index for the Denver/Boulder/Greeley area, which was 1.10 percent for 2003.
- 6. *Current Operating Expense:*** Current operating expense budgets will be adjusted as needed for increases to utilities, insurance, contract for facility operations, banking services, and bad debt expense.
- 7. *Capital Projects Funding:*** The annual funding for deferred maintenance will be maintained at a level consistent with the calculated capital use charge for the auxiliary physical plant.
- 8. *Room and Board Rate:*** Increases to the combined room and board rate for rooms requiring a meal plan will be recommended at a level necessary to fully fund debt service, operations, and deferred maintenance while remaining competitive.



**AUXILIARY SERVICES**  
**BUDGET REQUEST SUMMARY - FY 2004-05**  
**SUMMARY OF AUXILIARY FACILITIES FUND**

	(1)				
Revenue, Expense, Transfers:	2002-03 Actual	2003-04 Approved Budget	2004-05 Operating Changes		2004-05 Requested Budget
<b>Revenue</b>					
Revenue	23,671,992	24,069,134	1,175,724	4.88%	25,244,858
Less: Cost of Sales	2,472,614	2,629,611	28,594	1.09%	2,658,205
<b>Adjusted Gross Revenue</b>	<b>21,199,378</b>	<b>21,439,523</b>	<b>1,147,130</b>	5.35%	<b>22,586,653</b>
<b>Expense</b>					
Total Prof. Services	865,710	1,278,890	7,025	0.55%	1,285,915
Total Support Services	5,866,917	5,989,251	146,070	2.44%	6,135,321
<b>Total Personnel</b>	<b>6,732,627</b>	<b>7,268,141</b>	<b>153,095</b>	2.11%	<b>7,421,236</b>
<b>Total OCE and Travel</b>	<b>7,444,417</b>	<b>9,355,566</b>	<b>641,213</b>	6.85%	<b>9,996,779</b>
<b>Total Capital Outlay</b>	<b>65,443</b>	<b>112,724</b>	<b>0</b>	0.00%	<b>112,724</b>
<b>Total Expense</b>	<b>14,242,487</b>	<b>16,736,431</b>	<b>794,308</b>	4.75%	<b>17,530,739</b>
<b>Adjusted Gross Revenue Over/(Under) Expense</b>	<b>6,956,891</b>	<b>4,703,092</b>	<b>352,822</b>	7.50%	<b>5,055,914</b>
<b>Mandatory Transfers</b>					
* Debt Service	3,135,071	3,186,843	(6,055)	-0.19%	3,180,788
<b>Non-Mandatory Transfers</b>					
Deferred Maintenance Transfers	1,442,000	1,516,249	358,877	23.67%	1,875,126
<b>Total Transfers</b>	<b>4,577,071</b>	<b>4,703,092</b>	<b>352,822</b>	7.50%	<b>5,055,914</b>
<b>Balance</b>	<b>2,379,820</b>	<b>0</b>	<b>0</b>		<b>0</b>

\* Based on Pledged Net Revenue.

(1) Restated to show Student Fees Separated from the Auxiliary Services Operations

<b>FTE Section</b>					
<b>Professional Staff</b>					
Prof Exempt	17.00	19.00	0.00		19.00
<b>Support Staff</b>					
Classified	115.15	112.15	1.00		113.15
<b>Total FTE</b>	<b>132.15</b>	<b>131.15</b>	<b>1.00</b>		<b>132.15</b>

**AUXILIARY SERVICES**  
**BUDGET REQUEST SUMMARY - FY 2004-05**  
**SUMMARY OF AUXILIARY FACILITIES FUND**  
**SOURCE AND APPLICATION OF FUNDS**

(1)

Title	2002-03 Actual	2003-04 Approved Budget	2004-05 Operating Changes		2004-05 Requested Budget
<b>Revenue Sources</b>					
Housing and Food Contracts	17,232,675	17,784,852	1,115,148	6.27%	18,900,000
Parking Revenues	1,427,216	1,538,935	110,785	7.20%	1,649,720
Other Aux. Sales and Services	5,690,065	4,745,347	(50,209)	-1.06%	4,695,138
<b>Total Revenue</b>	<b>24,349,956</b>	<b>24,069,134</b>	<b>1,175,724</b>	<b>4.88%</b>	<b>25,244,858</b>
<b>Expenditure Classifications</b>					
Cost of Sales	2,472,614	2,629,611	28,594	1.09%	2,658,205
Personal Services	6,732,627	7,268,141	153,095	2.11%	7,421,236
Other Current Expense (2)	5,538,516	7,199,887	218,040	3.03%	7,417,927
Utilities	1,905,901	2,155,679	423,173	19.63%	2,578,852
Capital Outlay, Operations	65,443	112,724	0	0.00%	112,724
Transfer to Debt Service	3,135,071	3,186,843	(6,055)	-0.19%	3,180,788
Available for Deferred Maintenance	4,499,784	1,516,249	358,877	23.67%	1,875,126
<b>Total Expense and Transfers</b>	<b>24,349,956</b>	<b>24,069,134</b>	<b>1,175,724</b>	<b>4.88%</b>	<b>25,244,858</b>

(1) Restated to show Student Fees Separated from the Auxiliary Services Operations

**Purchase of Services From UNC (2)**

Administrative Overhead	621,917	1,230,626	48,980		1,279,606
Grounds	185,976	253,354	5,025		258,379
Utility Production	159,873	169,925	(5,255)		164,670
Police Department Services (3)	564,551	517,816	(6,897)		510,919
Custodial Services	1,518,043	1,628,560	32,531		1,661,091
Building Repair and Maintenance	1,350,645	1,507,769	29,602		1,537,371
<b>Total Purchased Services from UNC</b>	<b>4,401,005</b>	<b>5,308,050</b>	<b>103,986</b>		<b>5,412,036</b>

(2) Auxiliary Services obtains services from UNC and pays for the cost of those services. These are included in the OCE category. These services comprise 21% of Auxiliary Services' budget for FY 04-05.

(3) The cost of total Police services was reduced at UNC when budget cuts occurred for 03-04. This also reduced the cost of this service for Auxiliary Services. The 04-05 budget reflects the cost of Auxiliary Services portion of these services after the effect of retirements in the PD.

# AUXILIARY SERVICES

## CAPITAL IMPROVEMENT PLANNING SCHEDULE

### FY 2005-09

#### FY 2004-05

<u>Description</u>	<u>Budget</u>
Central Campus Historic Restoration 1	195,000
Hazardous Material Abatement	25,000
Lawrenson Kitchen Replacement Phase 1	100,000
OMM Site Improvements Phase 1	150,000
Perry House Roof Replacement	10,000
Residence Hall Building Security	125,000
Technology: Firewall & Operating System	50,000
T-K Grease Trap Replacement	25,000
T-K Dining Room Entrance & Servery	35,000
T-K Dining Room HVAC	40,000
UC Lower Level Improvements	275,000
West Campus Residence Hall FFE	<u>495,000</u>
Total	<u><u>1,525,000</u></u>

#### FY 2005-06

<u>Description</u>	<u>Budget</u>
Central Campus Historic Restoration 2	195,000
Central Campus Landscape	200,000
Farr House Roof Replacement	15,000
Harry House Roof Replacement	15,000
Harrison Hall Dining Room Remodel	150,000
Lawrenson Hall Drapery Replacement	95,000
Lawrenson Kitchen Replacement Phase 2	100,000
Lawrenson Hall Voice & CATV Cabling	100,000
OMM Site Improvements Phase 2	150,000
Technology: Application Server Replacement	50,000
U.A. West Hall Roof Replacement	65,000
West Campus Residence Hall FFE	<u>495,000</u>
Total	<u><u>1,630,000</u></u>

#### FY 2006-07

<u>Description</u>	<u>Budget</u>
Faculty Apartments Roof Replacement	175,000
Harrison/McCowen Courtyard Improvemen	250,000
Hazardous Material Abatement	25,000
Residence Hall ADA Improvements	50,000
Technology: Exchange Server Replacement	50,000
Turner Roof Repair	80,000
Turner Student Room Improvements	400,000
UC Exterior Structural Phase 1	150,000
UC Kitchen Equipment	50,000
West Campus Residence Hall FFE	<u>495,000</u>
Total	<u><u>1,725,000</u></u>

#### FY 2007-08

<u>Description</u>	<u>Budget</u>
Harrison/McCowen Landscape & Irrigation	395,000
Hazardous Material Abatement	25,000
Lawrenson Student Room Improvements	375,000
Technology: File & Print Server Replacement	50,000
UC Roof Replacement	35,000
UC Ballroom Renovation	250,000
UC Exterior Structural Phase 2	150,000
West Campus FFE Replacement	<u>495,000</u>
Total	<u><u>1,775,000</u></u>

#### FY 2008-09

<u>Description</u>	<u>Budget</u>
Harrison Hall Fire Safety Improvements	600,000
McCowen Hall Roof Repair	150,000
Technology: Client Work Station OS	50,000
UC Food Court Remodel Phase 1	500,000
West Campus FFE Replacement	<u>495,000</u>
Total	<u><u>1,795,000</u></u>

#### DEFERRED MAINTENANCE BACKLOG

Central Campus	4,113,554
West Campus	28,360,320
University Center	4,910,507
University Apartments & Other Facilities	<u>5,809,743</u>
Total	<u><u>43,194,124</u></u>

**PARKING SERVICES**  
**PARKING PERMIT FEE SCHEDULE**  
**FISCAL YEAR 2004-05**

<b>Description</b>	<b>Fiscal Year 2003-2004</b>	<b>Fiscal Year 2004-2005</b>
Faculty/Staff Annual	145.00	155.00
Faculty/Staff Semester	100.00	110.00
Faculty/Staff-K Annual	165.00	175.00
Graduate Assistant Annual	145.00	155.00
Student Annual	125.00	135.00
Student Semester	90.00	100.00
Student-K Annual	155.00	165.00
Student-K Semester	110.00	120.00
Disabled Faculty	145.00	155.00
Disabled Student	125.00	135.00
Cycle -- Full Year	80.00	90.00
Cycle -- With Another Vehicle Permit	40.00	50.00
Bicycle -- 4 years	4.00	4.00
Service Permit Annual	165.00	175.00
Service Permit Monthly	45.00	50.00
Service Permit Daily	5.00	5.00
Daily Visitor Permit	2.50/Day	2.50/Day
Daily Dispenser Permit	2.00/Day	2.00/Day
Parking Lot Buyout - A, L & M Lots	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

## **DEBT SERVICE REQUIREMENTS**

The University has bonded indebtedness totaling \$62,240,000 as of 3/31/2004. The revenues of Auxiliary Services, Parking Services as well as a portion of Student Fees are pledged for the repayment of this debt. The annual debt service is approximately \$4.1 million through 6/1/2031. The areas responsible for the debt service have combined annual gross revenues of approximately \$28.8 million and current expenses of approximately \$20.7 million. This leaves approximately \$4 million available for capital maintenance on these facilities in 2004-05.

The areas responsible for the debt services are Auxiliary Services, Parking Services, Student Recreation Center, Women's Resource Center and the Health/Counseling Center. The most recent issuance of debt has been for parking facilities and a new West Campus dining hall. The accompanying schedule shows the annual debt service.

## AGGREGATE DEBT SERVICE SCHEDULE AUXILIARY SYSTEM REVENUE BONDS SERIES 2001

									Service 2001					
	UC Student Fee 1986 (**)	Rec Center Series 94 &98 (**)	Auxiliary Services Series 94 & 98 (*)	WRC series 1997 (**)	Health Series 1997 (**)	Counseling Series 1997 (**)	Auxiliary Services Series 1997 (*)	Auxiliary Improve. (*)	West Campus Dining Improve. (*)	Parking Facility Project (1)	Aggregate Debt Service	Auxiliary Services Debt Service (*)	Student Fee Debt Service (**)	
6/1/02	198,000	640,230	577,821	41,353	77,911	51,940	1,104,346	758,005	495,091	249,284 (1)	4,193,981	2,935,263	1,009,434	
6/1/03	198,000	636,305	582,616	44,890	75,961	51,940	1,352,784	348,668	492,548	408,148 (1)	4,191,859	2,776,615	1,007,096	
6/1/04	198,000	636,945	580,396	43,140	73,961	51,940	1,356,534	351,418	493,648	404,848	4,190,829	2,781,995	1,003,986	
6/1/05	198,000	636,875	581,316	46,390	76,961	51,940	1,350,284	348,778	494,193	406,218	4,190,954	2,774,570	1,010,166	
6/1/06	198,000	641,075	580,831	44,350	74,666	51,940	1,354,619	345,978	494,293	407,193	4,192,944	2,775,720	1,010,031	
6/1/07	198,000	638,713	582,038	42,300	77,360	51,940	1,353,975	348,058	494,000	407,813	4,194,195	2,778,070	1,008,313	
6/1/08	198,000	640,775	581,300		74,485	51,940	1,399,150	344,785	493,225	408,000	4,191,660	2,818,460	965,200	
6/1/09	198,000	636,975	579,438		76,610	51,940	1,397,025	351,385	492,025	407,800	4,191,198	2,819,873	963,525	
6/1/10	198,000	644,600	576,950		73,723	51,940	1,399,913	347,490	495,465	407,265	4,195,345	2,819,818	968,263	
6/1/11	198,000	636,610	587,000		75,766	51,940	1,397,869	348,500	493,325	406,385	4,195,395	2,826,694	962,316	
6/1/12		640,250			77,526	51,940	2,136,109	384,200	495,800	405,150	4,190,975	3,016,109	769,716	
6/1/13		643,250			73,951	51,940	2,137,684	387,200	491,550	407,650	4,193,225	3,016,434	769,141	
6/1/14		635,250			75,376	51,940	2,147,509	384,700	492,050	404,650	4,191,475	3,024,259	762,566	
6/1/15		636,750			76,526	51,940	2,140,109	391,950	492,050	406,400	4,195,725	3,024,109	765,216	
6/1/16		642,250			77,401	51,940	2,136,234	393,450	491,550	402,650	4,195,475	3,021,234	771,591	
6/1/17		636,500			72,901	51,940	2,145,734	389,450	490,550	403,650	4,190,725	3,025,734	761,341	
6/1/18		640,000			73,401	51,940	2,142,984	389,275	492,900	403,200	4,193,700	3,025,159	765,341	
6/1/19		637,250			73,620	51,940	2,142,765	383,550	494,425	407,200	4,190,750	3,020,740	762,810	
6/1/20		643,500			73,580	51,940	2,139,780	382,550	495,125	405,375	4,191,850	3,017,455	769,020	
6/1/21		638,250			78,260	51,940	2,139,050	386,000	495,000	403,000	4,191,500	3,020,050	768,450	
6/1/22		637,000			77,380	51,940	2,141,180	384,750	495,500	406,250	4,194,000	3,021,430	766,320	
6/1/23		639,500			76,220	51,940	2,140,590	383,000	495,250	403,750	4,190,250	3,018,840	767,660	
6/1/24		640,500			74,780	51,940	2,142,280	385,750	494,250	405,750	4,195,250	3,022,280	767,220	
6/1/25							2,906,000	387,750	492,500	407,000	4,193,250	3,786,250		
6/1/26							2,907,750	389,000	495,000	402,500	4,194,250	3,791,750		
6/1/27							2,909,250	389,500	491,500	402,500	4,192,750	3,790,250		
6/1/28							2,905,250	389,250	492,250	406,750	4,193,500	3,786,750		
6/1/29							2,905,750	388,250	492,000	405,000	4,191,000	3,786,000		
6/1/30							2,905,250	396,500	490,750	402,500	4,195,000	3,792,500		
6/1/31							2,908,500	388,500	493,500	404,250	4,194,750	3,790,500		
	1,980,000	14,699,353	5,809,706	262,423	1,738,329	1,194,620	61,646,254	11,647,638	14,801,311	12,008,127	125,787,758	93,904,908	19,874,724	
(1) includes Capitalized Interest fund amounts of \$249,284.44 for 6/1/2002 and \$49,691.25 for 6/1/2003														