

ITEMS FOR DISCUSSION AND ACTION FISCAL, FACILITIES AND AUDIT

January 14, 2020

ACTION: **Approve Budget Request Guidelines and Preliminary Capital Construction Requests**

Approval is requested for guidelines for the Colleges' and System Office's request for the 2021-2023 Biennium Budget.

The budget request for the 2021-2023 biennium request period, assuming it follows previous biennium schedules, must be submitted to the Coordinating Commission by August 14, 2020, and to the Governor and Legislature by September 15, 2020.

Board approved guidelines are necessary at this time to allow the NSCS to prepare a preliminary request document for review by the Board at its April 23, 2020 meeting. At that meeting, the Board will consider the preliminary requests and make any revisions thereto, with a final version provided for Board approval at its June 16, 2020 meeting.

Unless otherwise requested by the Governor and Legislature, we do not include salary request funding as part of the initial biennium request, but rather follow up later in the bargaining process with the estimated impact of any negotiated increases. The Governor and Legislature are attuned to the bargaining time frames.

CORE NEEDS

Meeting core needs remains a high priority to align with the Board's goal for maintaining affordability and conserve the current net price for students. Core needs include those items that allow for continued operations at the same level. The recommended annual increases above the 2019-2020 base amounts include the following:

Health insurance rate increase	8.0%
Utilities rate increase	4.0%
DAS rate increases	actual (Note 1)
Operating increases not covered above	4.0%
New building opening costs	actual

(1) Information not available until July as part of the budget request guidelines distributed by the Department of Administrative Services (DAS) - Budget Division

STRATEGIC INITIATIVES

The NSCS proposes the following categories of strategic initiatives for the 2021-23 biennium budget request:

1. A scholarship initiative focused on meeting the workforce needs of Nebraska and especially in the rural areas of Nebraska.

2. The Corrections Workforce Development Pathways (CDWP) as a partnership initiative between Peru State College and the Tecumseh Correctional State Institution (TCSI) to assist in meeting the future workforce needs of TCSI.

3. A student services support initiative focused on improving retention and graduation rates at each of the Colleges.

Funding to address Core Needs and the targeted initiatives would also assist the NSCS in moving toward its strategic goal (Metric #16 - Percentage of Funding General Fund vs. Net Tuition) for further reducing the student/family obligation for educational costs.

CAPITAL CONSTRUCTION

Capital requests being considered generally must be listed for the Coordinating Commission for Postsecondary Education by April 1 (2020).

Capital construction projects for the 2021-23 biennium request include (but are not limited to):

CSC Memorial Hall Renovation & Addition Program Statement (New)
PSC Campus Geothermal Utilities Conversion (Carried over from 2019-21)
PSC Indoor Sports Facility Program Statement (New)
WSC Brandenburg Renovation Program Statement (New)

The System Office recommends approval of the Budget Request Guidelines and Preliminary Capital Construction Requests.