

ITEMS FOR DISCUSSION AND ACTION/FISCAL, FACILITIES AND AUDIT

November 12, 2020

ACTION: Approve Cash Fund Adjustments

Cash Fund Adjustments are proposed as follows:

Adjustments to FY20 Cash Fund Carryforwards:

CSC \$1,440,467 decrease

PSC \$ 630,527 decrease

Adjustments to FY21 Cash Fund Base Amounts

PSC \$478,000 decrease

WSC \$ 24,000 increase (based on increased NOG Allocations for FY21)

FY20 Cash Fund Carryforwards

In the middle of a biennium budget period, as at the end of FY20, any unexpended cash fund appropriation is generally carried forward automatically by the Department of Administrative Services (DAS) Budget Office. The Board, then, must approve any carryforwards at the end of a biennium, as will be the case at the end of FY21.

Chadron State and Peru State for FY20, however, are requesting that the Board approve an adjustment to their cash fund carryforwards to bring the appropriation level more in line with that planned by the Colleges. Chadron State requests the adjustment partly to bring the carryforward more in line with the actual cash fund revenue from FY20, but also to assure that reserve balances are in line with the College's plan for the required reserve. Peru State's request is partly to bring the carryforward amount more in line with the actual cash fund revenue from FY20, but also in line with their plans, to add funds to their cash balance beyond the required reserve for future capital projects.

After these adjustments, both Colleges still have adequate carryforward funds to cover outstanding expenditure commitments at the end of FY20.

FY21 Cash Fund Base Amounts

Each College reviews its cash fund base appropriation in relation to its projected cash fund revenues each fall based on enrollments and revenues to date. As a result of this review, Peru State is proposing a base appropriation decrease of \$478,000 to bring its appropriation level more in line with anticipated revenues.

In addition, legislative action increased the pool of funds available for the Nebraska Opportunity Grant (NOG) program for FY21. As a result, each College received additional NOG funding this fall beyond the amount preliminarily projected by the Coordinating Commission for Postsecondary Education (CCPE). As a result of this increase, Wayne State is requesting a \$24,000 increase in its base pool for these funds. With this addition, Wayne State has a total of \$1,064,000 in its cash fund base appropriation for

Scholarship/Grant Awards, which includes NOG, Access College Early (ACE), and Attracting Excellence in Teaching (AET) funds. Chadron and Peru State both had adequate funds included in their base cash fund appropriations to accommodate the increase in NOG funds.

The System Office recommends approval of the Cash Fund Adjustments.